

**12QUADRENNIAL DELEGATES CONGRESS, ADDRESS (2012)
BY BROTHER KOFI ASAMOAH
SECRETARY GENERAL
OF
GHANA TRADES UNION CONGRESS (TUC)**

**THEME: ORGANISING FOR EMPOWERMENT, EMPLOYMENT SECURITY AND
INCREASED PRODUCTIVITY**

**Brother Chairman,
Your Excellency, Paa Kwesi Bekoe Amissah-Arthur, Vice President of the Republic of Ghana;
Honourable Ministers of State;
Secretary General of OATUU;
General Secretary of ITUC-Africa;
Members of the Executive Board of TUC;
The President and Chief Executive Officer of the Employers' Association;
Employer representatives here present;
Veteran Trade Unionists present;
Representatives of our Solidarity Support Organisations;
Distinguished Guests – Foreign and Domestic;
Leadership of Organized Labour;
Fellow Workers;
Our friends from the media;
Ladies and Gentlemen,**

Let me begin by extending our deepest condolences to the Government and People of Ghana as well as to Dr. Mrs. Naadu Mills, the son and the family of the late Professor J.E.A Mills for the untimely demise of His Excellency, Professor Mills former President of the Republic of Ghana. Let me also thank the Government and indeed the people of Ghana for the befitting funeral and burial that we have all organized for our President. We could not have done it any better.

Your Excellency, Vice President Amissah-Arthur, we are equally grateful to you for honouring our invitation to be part of our gathering today . We know that the times in which we all find ourselves place huge demands on you for which reason we are happy that you made time for us.

Brother Chairman, let me also extend my profound gratitude to our foreign and domestic guests and the leaders of organised labour and other stakeholders for taking time off their demanding schedules to be with us. To all delegates and observers including our women and youth delegates, I say thank you for coming and for the enthusiasm you've shown in all the pre-congress activities.

Brother Chair, ladies and gentlemen, all too soon another quadrennial is coming to an end and we are about to usher in a new one. And we have gathered here once again not only to take stock of our activities in the past quadrennial, but equally importantly to plan for the coming quadrennial (2012-2016).

Your Excellency, brothers and sisters, you will all agree with me that a lot has happened both on the labour front and in the entire Ghanaian society since we last gathered here. Four months after our last congress in 2008, Ghana went through one of its toughest elections culminating in a peaceful change of political power from one elected government and party to another. Two years later in 2010, Ghana joined the league of oil producing countries in the world. And as a result of the reclassification of our national accounts, we became officially a middle income country. Three years down the lane in 2011 Ghana's economy registered its highest growth rates of 13.7 percent in its pre-independence history. In this quadrennial we have implemented the most fundamental reforms ever in salary administration.

Above all and at the very tail end of this quadrennial, Ghana for the first time in its history witnessed the untimely demise of a sitting president. The whole nation as one was mortified with grief, a profound demonstration of the humanity of Ghanaians notwithstanding their political differences. Yet, in the midst of this sad end, Ghana and indeed Ghanaians showed the rest of the world our orderliness and commitment to the democratic order that we have chosen for ourselves; we allowed the constitutional processes to run their natural course resulting in the swearing-in of the then vice President as the President of the Republic and the subsequent nomination of Your Excellency as Vice President and approval by Parliament in a seamless constitutional and institutional process. We can only be proud of our growing political maturity as a nation.

Mr. Vice President, all these have happened in the context of a global economic and financial crisis. While the global economy tethers on the brink of collapse we have managed to stay above the waters; at least we have managed to grow and even doubled the size of our economy. The available data also indicate that the country achieved the longest period of macroeconomic stability in our recent economic history. In addition and until recently, our international reserve position has been at its highest level. These are significant achievements by any measure.

Brothers and sisters, in the midst of these ‘positive’ developments that have characterised the Ghanaian economy in the last 4 years, we feel compelled to ask ourselves what these have meant for workers and their families and indeed the generality of Ghanaians. We ask this question based on our conviction that economic growth and development should be about people; it should not end with churning out beautiful economic statistics. We expect improvements in the economic and social circumstances of the people of Ghana when the economy is acclaimed to be doing well.

Your Excellency, the reality, is that the unprecedented growth rate under your administration, like the previous periods of economic growth since structural adjustment policies began has failed to create decent employment for Ghanaians. Joblessness is on the rise. Nearly all new jobs are being created in the informal economy where incomes are low and workers have very little protection from the country’s labour laws. The vast majority of young women and men coming out of our universities and other tertiary institutions cannot find decent jobs.

Your Excellency, high economic growth has failed to create jobs for two main reasons. First, politicians have failed to prioritise employment creation post-elections. In this election season, like four years ago, our politicians will be coming to us with lofty ideas of how they are going to create employment. Employment creation will be their number one priority before the elections. After elections the group that gets to form government will predictably begin to trumpet their achievements in holding down inflation; employment creation disappears from the radar. Second and related to the above, growth policies that have been pursued over the last few decades have been based on the exploitation of natural resources in their raw material form which does not create enough decent employment. Little wonder then, Your Excellency, that as oil and gas production come on stream, and we achieve the highest economic growth rate in our history, the manufacturing sector declined by about 15 percent in 2011.

Your Excellency, the Vice President, this has been the irony of our economic growth story. It has been our contention that we cannot create the employment we require if we do not manufacture and if we continue to import everything including toothpick. And we can only build a strong manufacturing base by addressing in the most aggressive way the challenges that confront the domestic private sector, which has been labelled the ‘engine’ of economic growth. It is sad that many of our manufacturing firms have converted their factories into warehouses as they join the lucrative import trade.

Mr. President, given the necessity and urgency to create employment and to place Ghanaians at the centre of our development efforts, we need to address these and many challenges that face the domestic private sector. Joblessness, especially among the youth, constitutes the biggest challenge to national peace and stability.

Therefore, the TUC urges government to adopt a focused and concerted approach to employment creation. We call on government to put in place a package of support measures for the private sector, and assist it to become the real engine of growth that provides decent jobs. Furthermore, such a package should be directed at empowering indigenous Ghanaian productive and manufacturing sectors to take the commanding heights of the Ghanaian economy. For it is a historical truth that no nation achieves transformational development on the back of external forces.

Again, part of that package should involve a review of our trade policy and the unbridled trade liberalization regime that places domestic firms in unfair competition against matured and highly subsidized firms in the developed countries. Government must also undertake strategic interventions in the money market to bring down the cost of borrowing – interest rates. As it is, the banks in Ghana are holding the rest of the business community to ransom by charging exorbitant interest rates even as inflation tends to fall and the Bank of Ghana prime rate is systematically reduced. Indeed, some have suggested that the behaviour of our banks casts doubt on the credibility of the macroeconomic stability. Simply appealing to the banks to lower their lending rates have not worked and will probably never work. We expect government to intervene directly and strategically to bring down lending rates.

Above all, Your Excellency, government has to play a more direct role in job creation by offering jobs in priority sectors of the economy: education, health, infrastructure, water and sanitation, and national security among others. Ghana needs more teachers, nurses and doctors as well as more police officers. We need to recruit more workers as part of the effort to deal with the sanitation debacle. A recent World Bank report estimates that Ghana loses GHC420 million or 1.6 percent of GDP every year due to poor sanitation. Employing young people to fix the sanitation crisis will, therefore, pay for itself.

Your Excellency, we have, on various occasions, lauded government for the implementation of the Single Spine Pay Policy (SSPP) and the Single Spine Salary Structure (SSSS). The new pay policy was developed among other objectives to address the inequities and distortions in the public sector compensation system and to deal decisively with the low pay syndrome in the public sector. However, the agitations and industrial action which have characterized the migration of some public sector workers onto the Single Spine Salary Structure (SSSS) is an indication of the inability of the SSPP to address the low pay syndrome that has characterized public sector compensation. We call on government and employers to support us in our quest for a living wage. We believe that a living wage for all workers and improved working conditions can also contribute to the political development of the country.

Your Excellency, ladies and gentlemen, in the last one year, the TUC and its member unions have expressed deep concern over the depreciation of the cedi against the major international currencies. In the view of the TUC, the weakness of the national currency is structural and symptomatic of the failed economic policies that have been pursued over the last three decades under the auspices of the International Monetary Fund (IMF) and the World Bank. The Bank of Ghana and indeed government officials have attributed the rapid rate of depreciation of the cedi to speculation and the so-called '*January Effect*', claiming that the cedi tends to experience such steep declines every January. On the basis of this, the Bank of Ghana proceeded to implement series of palliative measures that only sought to address the symptoms rather than the real cause of the problem.

Your Excellency, the woes of the cedi boils down to the over-liberalization of imports including the unbridled liberalization of our external payment system. Unfortunately, we are not earning enough from export to pay for the unprecedented growth of imports. The cedi then becomes the casualty. The problem has been compounded by the over-liberalization of our external payment system allowing for transfer of foreign currency of any amounts out of the country. The legal limits on transfers out of the country are rarely enforced.

Brother Chairman, with the value of the Cedi declining on a daily basis, the domestic prices of imports keep rising and this has adverse implications for the living conditions of workers whose salaries are fixed

throughout the year. This is a major concern for the TUC and indeed the rest of Organized Labour. And it partly explains the constant agitation for salary increases.

Your Excellency, in a few months from now Ghana will hold its sixth consecutive elections. And until recently, when the nation as a whole came as one to mourn the passing away of our former President, the political temperature was rising to levels that frightened many Ghanaians. In the last few weeks since the sudden and sad passing away of our former President, the late John Evans Atta Mills, we have appeared to rediscover the value of national unity even in the midst of political difference and contestation. We must all endeavour to nurture this new found spirit. We have a collective and historic responsibility to protect the democratic order and the gains that have flowed from it in the last two decades. We, the workers of Ghana, pledge to play our roles in this pursuit. The Ghana TUC reaffirms its commitment to resolutely defend and uphold the democratic foundations of our nation. We shall not fail to organise and resist any attempts by any group of persons that intend to subvert the current democratic dispensation or threaten the peace and stability we currently enjoy.

Brothers and sisters, we expect our political parties, the Government, the Electoral Commission and other stakeholders including civil society organizations, the mass media and indeed all Ghanaians to exhibit maturity, fairness and transparency in the electoral process. We demand of the competing parties and their presidential candidates serious debate over the main issues of our times, a clear vision of the future of Ghana and concrete policy alternatives that have the capacity to transform our economy and lift our people out of mass poverty to a level where the average Ghanaian can identify with the middle-income status of our country. We entreat Ghanaians to vote for candidates who have the most convincing ideas about the creation of jobs, improvement in incomes, and access to housing, education, health, electricity, water and sanitation.

Brothers and sisters let me, at this point, turn attention to the Ghana TUC and its member unions and, in particular, to the theme we have chosen for this congress ***“Organizing for Empowerment, Employment Security and Increased Productivity”***. In the last three decades, trade unions and indeed workers have been the major casualties of neo-liberal economic policy agenda that sees macroeconomic stability as an end in itself. There has been a systematic decline in union density across board from about 50 percent in 1999 to 37 percent in 2009 and this is still declining. Indeed, membership of the unions that make up the TUC has been cut in half since Structural Adjustment begun. The membership of other labour organizations outside the TUC is estimated at about 300,000 and the TUC 500,000 membership. This means that out of an estimated formal sector workforce of 1.2 million only about a third is unionized. The continued normalization of employment has added to the difficulty of expanding membership. At the same time, the large army of workers trapped in the informal economy needs to be organized into unions if they are ever to realize the joy of decent employment. Indeed, informal workers represent the only reliable source membership for our unions given the ever dwindling size of the formal economy.

Of particular relevance to the theme of this quadrennial congress is the grave socio-economic and legal travesty of the rise of violations of workers’ rights, notwithstanding the constitutional guarantee of the right to form and join unions of one’s choice as a fundamental human right. The private sector in this regard have proven the most pernicious offender, as many private companies refuse to allow union formation in gross violation of workers’ right and the Constitution.

Again, Ghana TUC takes advantage of this platform of its Congress to condemn the appetite of employers to victimize union leaders who do no more than discharge their legitimate duties as workers’ leaders. A recent typical example that needs mention is the attempt by Merchant Bank Ghana Limited to victimize the National Chairman of the Professional and Managerial Staff Union (PMSU) of the Bank by purporting to dismiss him for carrying out his legitimate duty of reporting to the union he chairs relevant information about the Bank of which the union is a shareholder. What is even more provocative is the fact that when this dismissal was declared unlawful by the Labour Commission and the Bank ordered to reinstate the chair of the PMSU, this Bank is now threatening to go to court to challenge the lawful and legitimate decision of the Labour Commission as a manoeuvre to frustrate the chairman of the union.

Ghana TUC wishes to serve notice to Merchant Bank of its readiness and determination to protect trade union leaders whose only crime is to act as legitimate leaders of the workers' movement. We shall resist any attempt to justify and give a veneer of legality to what is palpably illegal and known under the law as unfair labour practice.

Brother Chairman, the theme for this Congress has been carefully chosen to focus our efforts in the coming quadrennial (2012-2016). We have chosen organizing as the basis for our work in the years ahead. This choice is informed by the realization that organizing is key to our survival and growth as unions. And as our theme document puts it 'unions must either organize or die'. The tasks in the coming quadrennial are cut out for us; we must organize not only to avoid extinction but more importantly to ensure that while we exist we remain relevant to our members and to the working people of Ghana.

Brothers and sisters, by organizing we empower ourselves as unions and as workers to demand our fair share of the value we create. Addressing the challenges I have enumerated with respect to our economy and society requires strong and empowered unions. The labour movement can influence national policies and decisions at the workplace only if it is strong. And since unions derive their strength from their membership, it goes without saying that unions can be empowered only through organizing. It is only strong unions that can protect the security of tenure of workers; ensuring that workers can keep their jobs as long as they desire without fear of being fired. In this era of globalization underlined by cut-throat competition and profiteering only strong unions can guarantee the employment security of their members.

Your Excellency, it is true that many employers including government are afraid of strong unions. But as our theme document shows strong unions are an important prerequisite for increased productivity. Studies by the World Bank based on manufacturing data from Ghana and Zimbabwe, have shown higher productivity in unionized firms compared to non-unionized firms. The higher than average productivity in unionized firms can be attributed to positive union effects on salaries, benefits, employment and income security as well as the enforcement of international labour standards in unionized enterprises or organizations. Workers in unionized firms are, therefore, more likely to feel motivated compared to their counterparts in non-unionized firms. Organizing is, therefore, not only good for workers and their unions; it is equally good for employers and businesses.

Brother Chair, the challenge that we will be faced with in the coming quadrennial will be how we undertake this important exercise of organizing. The world of work has changed in ways that call for new thinking and strategies. More than half of today's workforce is self-employed. It is almost impossible to organize these workers based on the check-off system of dues collection. The majority of workers in this group earn very low incomes. At the same time, they constitute a ready workforce to shore up the membership of the unions. We certainly require new thinking to address these challenges. In the formal sector, employers are replacing permanent workers with casual and fixed-term workers, in some cases with very little regard for the labour laws. These employer-strategies are jeopardizing the employment and income security of workers and at the same time dismembering the unions. Some employers are actively aiding their workers to form enterprise-based unions purportedly to secure the interests of workers. But effectively these yellow unions are under the thump of employers. Surprisingly, they are mushrooming all around us. In the coming quadrennial our tasks will be to define common strategies to counter these anti-union strategies.

Your Excellency, it would interest you to note that some of these practices have been made possible by the weaknesses of our labour market institutions. Government has been unable or unwilling to enforce the simplest of our labour legislations. And given the large cohort of jobseekers, the labour market has become employers market; they do as they please. The systematic under-investment in the institutions for social dialogue has produced a labour market system in which actors play by solely by their interests. This is also another testimony of how various governments have turned a blind eye to employment issues.

Brother Chairman, ladies and gentlemen, our organizing efforts in the quadrennial just ahead, also require of us to work to sustain the interests of our existing members even as we work to recruit new members. The new class of young, well-educated and highly skilled members is persistently demanding value for

money. They are demanding accountability and transparency in the running of the affairs of their unions. They are calling for participation and inclusiveness. In my view these are legitimate demands for which our unions must not ignore.

Fortunately, brothers and sisters, we in the TUC continue to pride ourselves as democratic organizations of trade unions founded on the principles of unity, solidarity, democracy and independence. At the same time, we cannot deny the fact that there are internal democratic deficits in some of our unions. Concerns are increasingly being raised by union members not only about our democratic credentials but also about transparency and accountability. These may be perceptions but, as is often the case, perceptions can be more powerful and even damaging than the reality. In an era of trade union pluralism, undemocratic tendencies whether perceptive or real can have negative consequences for trade union unity. The rising tide of enterprise unions is partly explained by the way our unions are perceived by some workers. Retaining existing members and attracting new members will depend on the ability of our unions to give voice and space to their members. Our unions will have to pay special attention to these issues in the coming quadrennial.

Your Excellency, the Vice President, Ghana TUC, as a leading force of the country's democratic movement, cannot fail to make its voice heard on a matter that goes to the very foundations of our democracy: I am referring to the constitutionally guaranteed right to information and the veritable contortions that the Right to Information Bill has gone through since the first draft in 2003. Ghana TUC has taken anxious note of the fact that despite pious promises of a commitment to the passage of a genuine right to information legislation, Parliament is far from performing this fundamental duty it owes the people of this country. In particular, we want to serve notice to Parliament that Ghana TUC will resist any attempt to pass into law the current Right to Information Bill, without the necessary amendments proposed by the people of Ghana during the nation-wide consultations by the Parliamentary Joint Committee on Communications and Legal, Subsidiary Legislation and Parliamentary Affairs. This requires that provision is made for an independent information commission, that the timelines for disclosure of information are radically reduced; that all exemption clauses are subject to the harm or public interest test and that certain category of private bodies that engage in hitherto social or public functions, exploit the country's natural resources or are contracted and paid by the state to undertake certain functions are brought under the purview of the Bill.

Brother Chairman, I urge all delegates and observers not only to reflect soberly on these issues but equally importantly participate fully in all congress activities as we map out strategies for the coming quadrennial.

On behalf of the Executive Committee and on my own behalf I wish you all fruitful deliberations and congress.

May God Almighty Bless us All!

Long Live Workers Unity and Solidarity!

Long Live Ghana TUC;

Long Live Ghana;

I thank you.