Ghana TUC Proposal for 2011 Govt. Budget Statement
Memo to Constitution Review Commission
Comments on Petroleum Exploration Bill
Speech: Consolidating Workers Solidarity & Nkrumah’s Legacy
We, once again, take the opportunity of Government’s call for proposals to present the following proposals for consideration in the 2011 Budget Statement and Economic Policies.

We do appreciate Government’s effort towards the involvement of the people in the budgetary process. We urge Government to deepen the process by giving interested individuals and organisations enough time to make submissions. We also urge government to make available to all stakeholders accurate and up-to-date information on the economic and social situation of the country so that they can make informed contributions to the budgetary process.

We continue to emphasize the point made in our proposals for the 2010 Budget that the participatory approach to budgeting should be the means for soliciting ideas to generate home-grown solutions to national problems.

We regret to note that previous budgets and economic policies have not reflected the brilliant ideas submitted by civil society organisations (CSOs) including the Ghana Trades Union Congress (TUC). The continued emphasis on tight monetary policy and inflation targeting is a clear indication that the views of CSOs are not respected in national economic policy-making. The views that matter are those from the IMF and the World Bank. This should not be the case because we are all witnesses to the mess...
these institutions created in Africa with their structural adjustment programmes in the 1980s.

In this proposal, as in our previous proposals, we continue to urge the NDC Government to fulfil its promise of making employment creation the central piece of its policies and the basis for growing the national economy. We also advise government to assess its performance mainly on the basis of the number of jobs created during the year and to refrain from using inflation as the main indicator of its performance.

EMPLOYMENT

The employment challenge in Ghana may be summarised around three main issues. The first issue has to do with the continued implementation of the policy of net employment freeze in the public sector. Government is refusing to recognise its direct role in employment creation. The second is the failure of government to offer some level of protection to domestic industry which government itself considers as the engine of growth and the provider of decent employment. We are referring to our trade policy which, to all intent and purposes, has proven to be inconsistent with our employment policy objectives. The third, and flowing directly from the above, is the growing casualisation and informalisation of employment in all sectors of the economy. Out of the estimated total workforce of 11 million about 10 million are engaged in informal economic activities.

The scale of the employment challenge that faces the country, with special reference to the decent work deficit, requires direct intervention by government. Government must provide direct employment to the youth in priority areas such as education, health, security, housing, sanitation, water supply and transport infrastructure. The notion that the public sector is over-bloated is not correct. The size of the public sector should not be measured by the size of the public sector wage bill only. It should appropriately be measured by the adequacy (or inadequacy) of essential services to the people of Ghana. There is every indication that we need more teachers, more health workers, more policemen and women, and more houses. We need more paved roads, schools and railways as well as improvement in sanitation across the country. And we need more...
people to deliver such services. What is the basis for saying that the public sector is over-bloated? It is only when one puts on the spectacles of the IMF (an institution which is overly concerned with monetary targets even at the expense of social development) that one can conclude that our public sector is oversized. The current size of the public sector is just about half a million. For a population of almost 24 million that translates into about one public service worker for every 48 citizens. Currently, there is an average of one police officer protecting over 800 Ghanaians. The ratios may be higher in the case of fire officers, immigration officers and the army.

The education sector alone may need over one hundred thousand teachers for Ghana to meet the Education for All (EFA) goal. The health sector needs more doctors, pharmacists, nurses, laboratory technicians and other health professionals. The size of the police force has to be quadrupled if the state is to guarantee national security especially as Ghana prepares to become a major oil producer. The same goes for the Immigration and Fire Service. These are areas we cannot simply leave for the private sector. Filling the vacancies in the education, health and security sectors alone will make significant impact on the employment situation. This is the kind of revolution we expect the NDC Government with its social democratic credentials to initiate in the labour market if indeed it wants to achieve the much touted “BETTER GHANA AGENDA”.

We cannot continue to rely on the private sector to provide the amount of decent jobs required for social development. For the private sector to become the real engine of growth and be able to provide jobs in their right quality and quantities, it has to be actively supported by government. Government needs to strategically intervene on behalf of the private sector in many areas. For example, our trade policy has to be reviewed to shield the private sector from unfair competition. Tax incentives could be granted both local and foreign companies based on the number of jobs created and sustained over a number years. It is time for Government to have the courage to intervene in the money market to bring down cost of borrowing in line with the declining trend of inflation.

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We urge government to reduce the emphasis on inflation-targeting and move boldly towards a more comprehensive employment-targeting. We expect the 2011 Budget to have clear and measurable targets for employment creation. Ultimately, Ghanaians will judge the performance of the Government by the jobs it creates.

OIL REVENUE MANAGEMENT

In less than 3 months Ghana will join the ranks of oil-producing countries in the world. Ordinarily, this should be a source of joy to Ghanaians since a significant proportion of the national import bill is devoted to oil and related products. In addition, an oil industry can generate additional revenues which can be used to build economic infrastructure and provide social services for the people.

But as we have seen all over Africa, oil discovery and subsequent production present their unique challenges. Countries in the African region with large deposits of oil such as Nigeria, Angola, Gabon, Sudan, Chad, Equatorial Guinea and Cameroon have suffered the so-called ‘resource curse’ associated with abundance of natural resources. Despite huge revenues from oil, large proportions of their populations are surviving in severe poverty. The emergence of an oil industry has also engendered conflicts in several countries leading to needless loss of lives. Some specific examples will help to illustrate the point.

Nigeria is reputed to have earned over US$350 billion from crude oil since 1958. Yet, per capita income has declined from US$1,000 in 1981 to US$300 in 2002. The Human Development Report 2004, published by the United Nations Development Programme (UNDP), ranked Nigeria 151st out of 177 countries in terms of poverty. The richest 10 percent of the Nigerian population controls, 40.8 percent of the country’s wealth while the poorest 20 percent controls a mere 4.4 percent.

Angola, the second largest crude oil producer in Sub-Saharan Africa, producing about 1.5 million barrels per day earns between US$3 billion and US$5 billion a year. However, despite the massive injection of oil revenue on annual basis, 70 percent of the 12 million citizens of Angola are classified as poor, surviving on less than US$1 in a day. Angola is
ranked 161st on the UN Human Development Index.

The Equatorial Guinea produces about 450,000 barrels per day and currently it is earning about US$4 billion a year. Average income is said to have grown to US$5,000 a head from less than $500, and the economy is growing by 65 percent a year – faster than anywhere in the world. Yet, life expectancy remains at 51 years. Fifty-seven percent of the population has no clean water and educational expenditures have remained at 1.7 percent of government expenditures. The country has the worst malarial infection rate in the world.

It has been said that Ghana is different: it has thriving democracy, a vibrant media, strong civil society and above all the country has all the bad and good examples to learn from. Many Ghanaians are hopeful that oil revenue will be used to eradicate poverty.

However, bucking the curse of oil, particularly in Africa, requires more than a hopeful citizenry. It requires good laws and strong institutions. It requires a big push in transparency and constant oversight. Above all, it requires rules that create a legitimate and effective framework for the conduct of public policy.

Within a few weeks Ghana will go into commercial production of oil, but the legal and institutional frameworks for the management of oil revenue/resources remain unclear. Proposed laws such as the Ghana Petroleum Revenue Management Bill and the Petroleum Exploration Bill are very likely to be rushed through parliament without proper and thorough debate and scrutiny. The following are some of the obser-
We agree with the proposal to establish the Investment Management Committee (IMC) for the purposes of oil revenue investments and management. We think that this important committee should be structured in a way that guarantees its independence operationally and financially. However, we find it difficult to understand that Organised Labour is not represented on that committee. At least, there should be one representative of Organised Labour on this committee. Organised Labour also deserves to be represented on the Petroleum Quantity Assessment Body. This body is expected to verify the quantity of petroleum produced. It is in the national interest that workers are represented on these bodies.

We are of the view that the Petroleum Revenue Management Bill, in its current state, gives too much discretion in many areas to the Minister of Finance and Economic Planning. We recommend that this discretion of the Minister should be exercised in consultation with the relevant stakeholders including Investment Management Committee, Parliament and the Bank of Ghana.

The TUC urges government to see the emerging oil industry as a unique opportunity for Ghana to improve its economic and social infrastructure. We need more schools, hospitals and roads. Every Ghanaian should be able to access potable water regardless of his or her location.

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INTERNATIONAL TRADE POLICY AND THE ECONOMIC PARTNERSHIP AGREEMENT

We are of the view that trade and the nature of trade policy is crucial for the growth of the private sector and the ability of the national economy to create decent jobs. Trade affects enterprise formation and development and employment creation.

It is true that foreign trade allows us to have access to goods and services we are currently not able to produce domestically. But it is equally true that because of our current trade policy, we will never be able to produce what we are potentially capable of producing. For example, because of international trade, we have lost our ability to satisfy the poultry needs of Ghanaians. We now depend on foreigners for over 90 percent our poultry requirements.

We believe that our current trade policy is inimical to enterprise development and job crea-
The policy subjects our local enterprises to excessive and unfair foreign competition. It is not surprising that the manufacturing sector is recording negative growth rates.

Our trade policy needs to be reviewed to be in line with our employment policy objectives. The current regime of international trade rules (WTO) offers Ghana and developing countries enough safeguards to shield their domestic enterprises from unsustainable competition. We need to take advantage of these safeguards.

Our opposition to the Economic Partnership Agreement (EPA) is well known to government. We think that the EPAs carry the liberalisation to another level that is destroying our manufacturing base. We urge government to use the 2011 budget statement to provide updates on the status of both the interim EPA and the ECOWAS EPA.

PUBLIC SECTOR WAGES/SALARIES

We are happy to note that government has started the implementation of the Single Spine Pay Policy (SSPP). The Fair Wages & Salaries Commission (FWSC) deserves commendation for what it has achieved so far in spite of the enormous challenges.

But as we have always maintained, the benefits of salary enhancement in the public sector will outweigh the costs. It is our expectation that all public service workers will also see substantial improvements in their pay levels. We can guarantee on behalf of public service workers that the salary enhancement will have positive impact on productivity in the entire service. This is important because any improvement in the quality of public sector service delivery will have positive impact on the private sector which is seen as the engine of growth.

On our part, we, in collaboration with other organised labour groups, will continue to work with the Fair Wages and Salaries Commission to ensure the full implementation of the SSPP.

CONCLUSION

Official data for the first half of the year indicate that the national economy is in good health at least in relative terms. The figures show downward trend in inflation. The cedi has stabilised against the major international currencies. The budget deficit has reduced substantially and in the view of the Bank of Ghana, the trend of disinflation would in the medium term enhance growth.

But as has been the case in the past three decades, the macroeconomic improvements have failed to translate into social progress. The employment challenge is becoming ever more daunting. Government continues to implement a policy of net hiring freeze in the public sector. The informal sector is expanding with jobs of very low quality in terms of earnings, job security and social protection. The policy of trade liberalisation continues to hinder the creation of decent employment in the private sector.

The sure way to get round this vicious cycle is to move away from the inflation-targeting policy to employment-targeting. The oil revenues could be a great source funds for the creation of decent jobs for the teeming youth. We expect a more comprehensive employment policy initiatives and employment targets for every region and district in the Budget Statement and Economic Policy for 2011.
INTRODUCTION

We recall the words of Justice Sowah in his description of the Constitution in the case of *Tuffour Vrs Attorney General*. He said “a written Constitution such as ours is not an ordinary Act of Parliament. It embodies the will of a people. It also mirrors their history. Account therefore needs to be taken of it as a landmark in the people’s search for progress. It contains within it aspirations and their hopes for a better and fuller life”.

This description succinctly brings out the nature, purpose and value of our Constitution. Our Constitution is not just a set of English words and phrases stating rules and guidance for the national institutions and the citizenry as a whole. As Justice Sowah said, our Constitution does not only contain the history of our country but also carries our hopes and desires for progress and a better and a fuller life in the future. It is for this reason that any attempt to review the Constitution ought to be devoid of political, sectional or parochial interests. The general good is what must guide the review exercise.

As a labour movement, we recognize that Ghana under the 1992 Constitution has largely been successful. This notwithstanding, the operations of the Constitution has revealed certain concerns that we may need to take a second look at as a nation desirous of progress and a better future.

DISMISSAL OF WORKERS WITHOUT JUST COURSE

It is provided under article 191(b) that a member of the public service shall not be dismissed or removed from office or reduced in rank without just course. This is a very important provision that protects public officers against dismissals without reason. It is also in line with the ILO Convention 158 which Ghana TUC

MEMORANDUM TO THE CONSTITUTION REVIEW COMMISSION

The Constitution Review Commission was set up by a Constitutional Instrument 2010 (C.I.) 64 as a Commission of Inquiry to conduct a consultative review of the operation of the 1992 Constitution. This Review will provide a platform for the people of Ghana to express opinions on the fundamental law which governs their lives. That represents a true expression of democracy; nothing more, nothing less.

The nine (9) member Commission was inaugurated by His Excellency the President of the Republic of Ghana, John Evans Atta Mills on the 11th of January, 2010. The Commission was given a three prong mandate to:

1. Ascertain from the people of Ghana, their views on the operation of the 1992 Fourth Republican Constitution and, in particular, the strengths and weaknesses of the Constitution;
2. Articulate the concerns of the people of Ghana as regards the amendments that may be required for a comprehensive review of the 1992 Constitution; and
3. Make recommendations to the Government for consideration and provide a draft Bill for possible amendments to the 1992 Constitution.

This is the Ghana TUC Memorandum to the Constitution Review Commission...
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has recently agitated for its ratification. However, article 191 is only limited to public servants. Given the fact that the right to work is so fundamental, it is important that the good intention of the framers of the Constitution be extended to all workers.

The old common law position that an employer can terminate the employment of the worker without reasons has outlived its usefulness and ought to be reviewed.

Giving reasons for terminations is so important because it is in the reasons that a worker can determine what he/she is truly entitled to by way of benefits. For example, an employer who intends to carry out a redundancy exercise simply avoids the huge redundancy payment to workers by terminating their employment without reasons.

Given the defect in the common law on this issue, the international community through the International Labour Organization (ILO) has moved to address the issue by passing and bringing into force ILO Convention 158 which requires that employers can only terminate when a just cause exists.

Ghana has not ratified ILO Convention 158 and therefore the beautiful position it presents is not enjoyed by Ghanaian workers with the exception of public sector workers who are protected by article 199(1) of the Constitution. We propose that a provision be made under the fundamental human right chapter of the Constitution to address this concern.

THE COMPULSORY RETIREMENT AGE OF PUBLIC SERVANTS

There appears to be some discrimination in the retirement age for public service holders in general and other public officers specifically provided for in the Constitution. Article 199(1) provides that ‘a public officer shall, except as otherwise provided for under this constitution, retire from the public office on attaining the age sixty years’. There is, however, a certain category of public officers who can continue to work after attaining the age of sixty years. These include those specified under Article 145. The compulsory retirement age for judges of the Supreme Court and the Court of Appeal is 70 years, while that of the High Court and Chairmen of Regional Tribunals is 65 years. Under article 194(5) the compulsory retirement age of the Chairman and Vice Chairman of the Public Services Commission is 70 and 65 respectively and those of the CHRAJ Commissioner and the deputies are 70 and 65 years respectively.
It is to be noted that the Constitution frowns upon any form of discrimination which is defined in article 17(3) to mean, ‘to give different treatment to different persons attributable only or mainly to their respective descriptions on race, place of origin, political opinions, colour, occupation, religion or creed whereby persons of one description are subject to disabilities or restrictions to which persons of another description are not made subject or are granted privileges or advantages which are not granted to person of another description’.

The argument in certain circles that these offices require high level of experience does not hold because every occupation requires some experience. Consequently to single out persons in the judicial occupation or legal occupation to retire at ages above the general compulsory age of 60 amounts to discrimination and our view is that those various provisions in the Constitution perpetrating the discrimination mentioned above ought to be reviewed in order to be fair to all public office holders.

**SEPARATION OF POWERS UNDER THE CONSTITUTION**

The strict application of the principle of separation of powers requires the various organs of government to be independent of each other in the exercise of their various functions under the Constitution. Instead of this strict application, the framers of our Constitution opted for a hybrid system, bringing together features of both the Presidential and the Parliamentary systems of government. This is the result of the provision in article 78(1) which states among other things that, “ministers of state shall be appointed by the President with the prior approval of Parliament from among Members of Parliament or persons qualified to be elected as members of parliament, except that the majority of ministers of state shall be appointed from among members of parliament”.

The provision in Article 78(1) put the majority of ministers of state in a dual capacity, having to combine their legislative functions with their executive functions. While admitting that this arrangement may facilitate the relationship between the Executive and the Legislature, the experience has shown that it has the tendency to adversely affect their constitutional functions especially their Parliamentary roles. This is because most Ministers have often concentrated on their ministerial functions leaving their seats in Parliament empty for long periods thereby eroding the quality of parliamentary debates. Indeed, in some occasions, our Parliament has found it difficult to
constitute the quorum for the performance of its function.

The 1992 Constitution compels the President to appoint the majority of ministers from among members of Parliament. Indeed, it is not an exaggeration to say that the reason why parliamentary primaries of our political parties are often full of rancor and allegations of vote buying is because our politicians believe, and rightly so, that being a Member of Parliament places one in a better position to be appointed Minister of State. Therefore, their zeal to become MPs may not be influenced by their desire to serve their people in the Legislature but to better position themselves for Ministerial appointments.

On the basis of the above conclusions it is suggested that in order to ensure an effective Parliament capable of checking the activities of the Executive, and consisting of persons who truly want to serve in the Legislature the restrictions on the President should be removed.

**THE SPEAKER OF PARLIAMENT PERFORMING THE FUNCTIONS OF THE PRESIDENT**

Another area of the Constitution that constitutes an example of the framers’ decision to abandon the strict application of the doctrine of separation of powers is contained in article 60(11) which provides as follows:

“Where the President and the Vice President are both unable to perform the office of President, the Speaker of Parliament shall perform their functions until the President or Vice is able to perform those functions”.

It is our proposal that the Legislature, as an institution, and the Executive, as an institution, should each maintain their distinct and separate areas of authority.

In order to ensure complete separation of powers, it would be desirable for the Constitution to make clear provisions to ensure that whenever the Speaker is performing the functions of the President, he/she would devolve his presiding and other roles in Parliament to a deputy speaker. He/she should not exercise the powers of the Speaker and acting President at the same time.

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DECLARATION OF ASSETS BY PUBLIC OFFICES

Articles 286 and 287 which require a category of public officers to declare their assets before and after assuming office are well intentioned. There is, however, the need for the declaration to be made public.

Under article 287(1) CHRAJ is mandated to investigate allegations that a particular officer has not complied with the provision. The question is how the public will know that a particular officer has not declared so as to make allegation before CHRAJ for possible investigation. There is, therefore, the need to make public the declaration made by the officers. Secondly there is the need to expand the list of officers specified in the Constitution.

THE POSITION OF ATTORNEY GENERAL AND MINISTER OF JUSTICE

Article 88(1) provides for the position of the Attorney General who shall be a minister of state and principal legal advisor to the government. All proceedings - criminal and civil - are initiated in the name of the Attorney General for the State while all civil suits against the state are to be directed at the Attorney General. The fact that the Attorney General is also a minister of State (often called the Minister of Justice) who does not have a secure tenure of office has often influenced the Attorney General’s decision whether or not to prosecute a particular case.

The result is that the A-G has often lacked the zeal to prosecute matters that have political implications especially against members of the ruling party. On the contrary, experience has shown that the majority of matters with political implications that the A-G decides to prosecute are often against members of the opposition parties. This is because as a minister of state the A-G is not independent.

We suggest that the Attorney General should not be a minister of state who can be appointed and withdrawn at anytime but his office should be independent with a secure tenure of office such as the CHRAJ Commissioner or the Electoral Commissioner and not subject to the whimsical and capricious maneuvers of the President.

PAYMENT OF TAX BY THE PRESIDENT

Article 68(5) exempts the President from the payment of tax on his salary and allowances. It is our considered opinion that the payment of tax is so important for the development of a contrary that the number one citizen must show the way for all others to follow. The exemption of the President creates the impression that the non-payment of tax is a benefit or that payment is a punishment. It is difficult to appreciate how the payment of tax by the President will hinder or interfere with his/her work. We concede that the President is entitled to certain privileges and amenities, but waiving tax does not appear to be a good approach.

CONCLUSION

In conclusion, we thank the Commission for the special opportunity offered us to present our proposals. We hope our proposals will receive the attention of the Committee.
The TUC welcomes the opportunity extended to it by parliament to comment on the Petroleum Exploration and Production Bill. The TUC finds the approach to solicit views of stakeholders and the general public adopted by parliament before the passage of this bill very appropriate. We however, encourage parliament to offer interested stakeholders enough time to critically analyse and comment on a bill of this nature.

Our comments are based on the notion that Ghana now has proven reserves of petroleum deposits. The discovery of crude oil in commercial quantities places Ghana in stronger position in negotiating future oil contracts. The risk associated with further exploration and production has been considerably reduced. It is therefore important that this bill set the right tone for future oil contracts. It is important that the bill establishes all necessary legal, regulatory and institutional frameworks that are critical in ensuring that the hydro-carbon resources of the country go to the benefit of the people.

The TUC draws the attention of parliament to the fact that the bill as posted on its website is incomplete. Clauses 11, 12 and 13 are missing from the bill. We do not know what the reasons are for this omission. It would therefore be necessary for parliament to make available to the general public the complete document and allow time for further scrutiny. In the meantime we make our comments on what is available to us.

The Minister for energy is accorded excessive discretionary powers by many provisions of the bill. For example, under the management of blocks, the minister has the sole prerogative to open new oil blocks, close existing ones or redefine the boundaries of open blocks. Under the same section, the bill provides that any person aggrieved
by the decision to close or redefine the boundaries of oil blocks to make representation to the same minister whose decision the person might be seeking to reverse. Given the politics of petroleum exploration and production and the huge costs associated with the venture, it is important that parliament is afforded greater role in regulating petroleum operations in the country.

The TUC is of the view that all future Petroleum Agreements (PA) should be subordinated to the provisions of the Petroleum Exploration and Production Act. We therefore think that phrases such as “unless otherwise agreed in the petroleum agreement” should be deleted or revised. Such wordings appear to give the impression that something can be negotiated outside the confines of the Petroleum Exploration and Production law.

In reference to the stronger position Ghana now finds itself, the TUC will recommend that this bill should increase Ghana’s participating interests to 20 percent from the current 10 percent.

The TUC is worried at the continued reliance on the payment of royalties as a way of generating revenues and securing national interests from the hydrocarbon resources of the country. Our concern is based on the experiences in the solid minerals industry particularly in the gold mines where reliance on royalties has not generated enough revenues for the nation even though gold prices and production continue to increase on annual basis.

We therefore recommend that Ghana explores the possibility of switching from the royalties-based agreement to Production Sharing Agreement (PSA). The PSA emphasizes state ownership of petroleum resources. It can also ensure greater national control over the operations of oil companies. In some jurisdictions, the PSA would require contractors to submit work programme and budget for government/Parliament approval. Above all, the PSA would offer the nation the right to share directly with the contractors whatever profits they make from oil. We find that very attractive and worth considering. In our view, Ghana would be better-off if it had had the right to split profit with the gold mines.

Specific indicators (time-frame and proportion of local content) should be set in the Act to allow for monitoring and compliance. For example “Contractors or sub-contractors should within 5 years of operation achieve about 90 percent local content. The local content shall include employment and procurement of goods and services”.

Contractors and sub-contractors should be made or compelled to collaborate with Ghanaian education institutions to develop and implement skill training programmes for local people. The programmes should be in the form of internships and scholarships to train local people in relevant petroleum courses. This is the only way we can have Ghanaians prepared for the task of participating in the oil and gas industry.

The TUC proposes that the decommission fund should be deposited in a Ghanaian owned bank. It should be made explicit in the Act that the funds for decommissioning be held in local banks; to allow for easy monitoring by the relevant authorities and also provide resources for financing of long-term development.

The policy of no gas flaring maintained by the GNPC should be captured in the law. This should be explicit in the Act since gas flaring can have deleterious consequences for the environment and people living in the immediate environs of oil production.

The bill, in the view of the TUC is not clear and strong on issues relating the impacts of oil exploration and production on the livelihoods of people living in the immediate environs and how these are protected. It is important that the interests of communities and their livelihoods are protected within the law.
CONSOLIDATING WORKERS SOLIDARITY AND THE LEGACY OF OSAGYEFO KWAME NKRUMAH

A SPEECH DELIVERED BY BROTHER CHRISTIAN APPIAH AGYEI (FORMER SECRETARY-GENERAL OF GHANA TUC) AT THE 2010 MAY DAY SYMPOSIUM

Solidarity or complete unity underpins the trade union movement worldwide. A common feature of the most effective trade unions that have thrived and grown stronger even in the face of negative economic and social forces is solidarity. Unions can achieve very little, if anything at all, without solidarity. Even a cursory observation of the labour market in Ghana and other countries across Africa and beyond shows that the only effective means by which trade unions can ensure natural and distributive justice in employment relationships and continue to be relevant is to remain united. Let me emphasise that anything short of complete unity and solidarity in spirit, sentiment, purpose and interests at the trade union front will mean lower pay and poor working conditions for the majority of workers who need trade union protection.

Trade unions have a common goal and that goal is to protect the interests of workers. In their attempt to achieve higher living standards and improved working conditions for workers, unions concern themselves with various social, economic and political issues. But the bottom line is that they want to achieve high standard of living and improved working conditions for workers. Trade unions across the globe use similar strategies as a means to their goals. The main strategies are collective organisation and collective bargaining. These strategies are based on the realisation that workers are weak individuals but together they can achieve distributive justice.

Despite the adversities and challenges posed by capital supported by multilateral institutions, unions have over the years achieved a number of benefits for the working class using the two basic strat-
There have been periods where unions have formed alliances with governments in power as a strategy to protect the interests of workers. The logic underpinning this strategy is simple. By forming alliances with governments, unions can achieve some benefits for workers either in the form of favourable legal reforms, higher pay or improved working conditions. In some countries, as we know, unions have strong links with the major political parties. The unions contribute financially to the parties’ programmes and campaigns and help them to win power. Unions have achieved some benefits for the members using this strategy. But in some cases the disadvantages of these political alliances have outweighed the advantages derived from them.

Here in Ghana, the TUC adopted this strategy immediately after independence. The TUC became a wing of the CPP under the leadership of Nkrumah. This alliance brought some gains to the trade union movement. First, the union got the CPP government to ratify several ILO conventions to protect Ghanaian workers. For instance, out of the 47 or so conventions currently ratified by Ghana, about 35 were ratified by the CPP government. The CPP government also enacted the Industrial Relations Act of 1958 and 1965 to ensure that national labour laws reflect the provisions in the ILO conventions ratified by Ghana. These and other measures taken by the CPP government helped to strengthen the trade union movement during the 1960s.

The organizers of this symposium chose this theme “Consolidating Workers’ Solidarity and the Legacy of Osagyefo Dr. Kwame Nkrumah” for a good reason – to highlight the need to firmly establish unity and solidarity among the Ghanaian working class, as we celebrate the hundredth anniversary of the birth of Nkrumah in recognition of what Nkrumah achieved for the working people of Ghana. It is against this backdrop that I discuss this juicy topic at this special symposium dedicated to Osagyefo Kwame Nkrumah.

As we know, the development of trade unionism in Ghana is deeply rooted in the country’s politics from the colonial rule, through the anti-colonial struggle to the achievement of independence in 1957. Therefore, in my view, it is most appropriate to place the discussion within the context of the evolution of the country’s political struggle for self-rule to the attainment of independence and beyond. The unique role of Nkrumah in both the struggle that culminated in the achievement of independence and the development of the trade union movement in Ghana cannot be overstated. This is a fact that is acknowledged by all.

Until Kwame Nkrumah hit the political scene in the Gold Coast
in 1947, the agitation for self-rule was almost limited to the academia and the elite in the Gold Coast. When Nkrumah was appointed as the General Secretary of the United Gold Coast Convention (UGCC) he was quick in recognizing the potency of the trade unions and decided to harness it for the struggle for self-determination. When the Convention People’s Party (CPP) was eventually formed under the leadership of Nkrumah, the leadership of the trade union movement was roped into the vanguard of mass movement for the anti-colonial struggle. Through Nkrumah, the trade unions deepened their organizational drive leading to the expansion of their scope and representation. To strengthen the financial base of unions, Nkrumah introduced the check-off system which enabled the unions to finance their activities without necessarily depending on the largesse of employers or government.

After the attainment of independence the CPP government, under the leadership of Nkrumah, systematically operationalised the policy of import substitution industrialization. Nkrumah needed the absolute co-operation and understanding of the trade unions to implement his economic policies. As part of the process towards industrialization, several reforms were introduced including the legal reforms which culminated in the enactment of the Industrial Relations Act of 1958 and 1965.

During this period, the TUC had become an integral part of the CPP. As a direct result, there was relative peace at the labour front. Trade union leaders became very powerful and influential and had every opportunity to influence the policy direction of Ghana.

During this period, as some of us may recall, the divisive East-West ideological differences had been allowed to negatively influence the development of Pan African Trade Union Movement thus resulting in the setting up of rival Pan African Trade Union organizations. It took the dexterity of Kwame Nkrumah to encourage African Trade Union leaders to finally come together and work for the establishment of the Organization of African Trade Union Unity (OATUU). Nkrumah went further to provide offices in Ghana to house the headquarters of OATUU in Accra. As we know OATUU still has its headquarters in Accra and continues to receive financial and other forms of support from the Government of Ghana.

Kwame Nkrumah was convinced that the harmonious development of African society depended on the cooperation between a united and vibrant working class movement and the progressive political parties. Inspired by this vision, Nkrumah and but also, Nkrumah encouraged them to push for solidarity among trade unions across the African continent. African trade union leaders like Tom Mboya of Kenya, Siaka Stevens of Sierra Leone, Rashid Kawawa of Tanzania and others came under Nkrumah’s influence and through them, the anti-colonial struggle as a vehicle for pushing for African Unity gained strength. Under Nkrumah’s influence, working class solidarity gained impetus and the need for establishing African continental trade union movement gained momentum.

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In furtherance of Nkrumah’s vision of African Unity, unions in Ghana were not only encouraged to be united to help sustain the self-rule in Ghana
Workers were living in dire poverty and they needed protection from the trade union movement. But union leaders had turned themselves into politicians and their priorities were at variance with the core business of trade unions; namely to protect the interest of workers. This is a mistake we should avoid as we reflect on the legacy of Nkrumah.

As noted earlier, the alliances between the trade union movement and CPP made union leaders powerful. But, I would like to argue that the power derived from that alliance was limited to the leadership of the union but not to the trade union movement. In fact, the union leaders become so powerful and influential that they thought they were more of government ministers then trade union leaders. This created a huge gulf between the leadership of the trade unions and the rank and file members. The ordinary members of trade unions considered their leadership very distant from them. The majority of workers were living in dire poverty and they needed protection from the trade union movement. But union leaders had turned themselves into politicians and their priorities were at variance with the core business of trade unions; namely to protect the interest of workers. This is a mistake we should avoid as we reflect on the legacy of Nkrumah.

The May Day theme “Consolidating Workers Solidarity and the Legacy of Osagyefo D. Kwame Nkrumah” gives us the opportunity to do some retrospection which will enable us maximize the benefits falling out of this legacy and also avoid the mistakes of the past.

I submit that the adversarial relationship between the leadership of trade unions and the public authority does not benefit anybody. Rather collaboration based on mutual respect can impact positively on the social development of the country. Trade unions can benefit fully from this social partnership if they promote solidarity among their ranks and extend it to other social players who share their vision and aspirations.

A study of the dynamics of contemporary economic and political trends shows clearly that trade unions have been under siege as a result of the policies of the international financial institutions, among other factors. Beneficiary governments, particularly in Africa, have been required to implement very austere economic policies which by implication are anti-labour. These institutions usually enter into contractual agreements with their client African governments which ensure that these institutions benefit handsomely from these transactions.
Trade unions which stand for equitable social development in their respective countries have consistently struggled against the implementation of these policies which clearly do not have human face. It is for this reason that public authority and multinational corporations mostly see trade unions as obstacles. I can say on authority that I chanced upon a World Bank publication called “Africa Confidential” in Cairo in the mid 80s. In that publication, the World Bank advised the Government of Ghana to keep the policy of holding down wage levels on track so that it could fully implement the Economic Recovery Programme. The paper concluded that with “a docile Ghana TUC” it should be possible for the Government to do it. It was a very revealing piece of advice and it partly explains the reasons for the widespread violations of trade union rights in Africa at the time. This was the period in which trade union leaders, acting in solidarity were struggling for the determination of reasonable levels of wages in their respective countries.

In Kenya, the Central Organization of Trade Unions (COTU) was deregistered and the Secretary General and some of his colleagues were temporarily incarcerated. In Nigeria, the centre was deregistered, and some labour union leaders were thrown into jail. In Central Africa some labour union leaders were forced out of office. In the face of this onslaught on labour rights, trade unions in Africa, acting in solidarity were struggling for the determination of reasonable levels of wages in their respective countries.

The solidarity actions were supported by our continental trade unions and other friendly International Trade Secretariats (ITS) or global unions. The power of solidarity in trade unions manifested in those difficult times and it reaffirmed to the trade unions that their survival resides in unity which also begot solidarity. The power and influence of public authority and resourceful multinational corporations pale into insignificance when they come up against united forces of trade unions acting in solidarity to defend the course of workers’ rights.

It is quite opportune that while we celebrate the Workers’ Day of Solidarity under this theme, we identify factors which undermine our effort to promote and strengthen our solidarity as champions of labour committed to uphold the dignity of labour.

Our forbearers have won for us respectability at the workplace and it is incumbent upon us to use the trade union to uphold and hand over the legacy to those who will follow after us. We should not merely sing the workers’ solidarity song, we should live it.

I would like to use this opportunity to emphasize the need for trade unions to allocate adequate financial and material resources to educate their members. Trade union work worldwide has become knowledge-based. Therefore if we should avoid becoming irrelevant we must strive to continuously go for knowledge to strengthen solidarity among our ranks.

Dr. Nkrumah blazed the trail for us. Let us in unity and for the sake of holding the flame of solidarity aloft support one another in our quest to improve the lot of the working people of Ghana.

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I wish to recall a statement made at the ILO Governing Body meeting in Geneva during one of our debates on social issues. He declared that poverty was an asset for workers. We the workers representatives on the Governing Body took very strong exception to this statement because we considered it derogatory to us. However after I had pondered over the remark for some time, I asked for patience and took the view that what the distinguished employer said was a mere misstatement. What he meant to put across was that generally, in the world of work, workers through solidarity action always had advantage over the employers. Our strength resides in unity and workers’ solidarity is a product of unity. Solidarity within the ranks of the worker’s group of the ILO has remained the most effective weapon we employ to secure major successes. Therefore, we have to cherish and sustain it.

On Nkrumah’s legacy, it is important that we apply pragmatic interpretation to the theoretical legacies left for us by Nkrumah. Making deductions from some of his thoughts while in exile, I dare to say he himself if he ever had the opportunity, would have modified his views on some social issues on which he expounded position. You are lucky to have the benefit of hindsight, so you will have no excuse for any serious slip-ups.

By highlighting worker’s solidarity and unity as part of the legacy of Nkrumah in this year’s May Day celebrations, the leadership of Organised Labour has demonstrated that they are ready to cooperate. I urge all the labour groups that form Organised Labour to move quickly in the coming days to form on strong trade union centre in Ghana. In the face of the challenges ahead, the only effective way to move forward is to bring all workers together in one strong trade union organisation. I would like to add that it is time for existing trade unions to ensure that all workers in Ghana have the right to exercise their fundamental right to form or join a trade union. Here I have in mind the staff of the Customs, Excise and Preventive Service (CEPS), National Fire Service, the Immigration Service, the Police Service and workers in all other such institutions whose right to form or join a union has been taken away by law. It is time for these categories of workers to be unionised.

As we discuss solidarity among the working class, I would like to encourage you to reach out to our brothers and sisters in the informal economy. They need legal and social protection. So get them under your fold and together as a working class you can achieve great things not only for workers but also for the betterment of society as a whole.

I urge you to move forward in solidarity and I assure you, success will crown our efforts. 

Solidarity Forever!!

Thank You.