

Finances must be under worker control

Money is a very important issue in the democratic movement. Unlike many other democratic organisations, one of COSATU's principles is paid-up membership. *Cosatu News* will look at various aspects of our finances on this page.

This story is from a talk given at the National Office Bearers Seminar given by Cde Jay Naidoo, General Secretary of COSATU.

Every year a budget is drawn up by COSATU CEC. This looks at what COSATU is planning and how much it will cost.

Some costs are operating costs, like telephones, stationery, photostats, telexes, transport, rents, wages. Then there are costs to pay for the programme of each department.

There is no money to pay for things we have not budgeted for. The only way is to take money that is meant for something else. There are some comrades who think that COSATU is sitting on an endless amount of money just waiting to be used. This is wrong. COSATU has a fixed budget for each year.

Who do we get money from? We get about 30% of our budget from our members. The other 70% comes from overseas trade unions with whom we have strong links.

Assistance causes problems
1. We can become dependent on our donors. We can start to think we can't do anything without their financial support. We can create expectations we could never meet if we did not have their financial support.

2. What if donors put conditions

on the money they give us. They don't do so at present. But what if they decided to?

3. The government wants to pass a Fund-Raising Act (see box). This law is an attack on us and all democratic organisations.

For reasons like these we must struggle to make our resolution on self-sufficiency work. We must rely on ourselves. We are our own liberators. There are also other reasons for looking seriously at funding and financial procedures.



Corruption

We have the danger of corruption. A lot of money is pumped into the country to try to corrupt our struggle. And there have already been a lot of problems of corruption in our unions. This is why we have the rule: no individual must control the finances of the federation, only worker committees.

Accountability and procedures

Accountability is not just a matter of returning receipts. It is how

we use the money, and whether every cent really goes to furthering our struggle. Funds are a political issue. They must build organisation. It is our responsibility to see that this is so.

Fight the Funding Bill!

The new Funding Bill is one of the most vicious attacks on our organisations. It wants to stop the use of overseas money for mass campaigns.

How will the bill work ?

First, the government's registrar decides which organisation they want to investigate. They then call that organisation a "reporting organisation". That organisation will have to tell the registrar about every cent they get from overseas. They must tell what the money will be used for. The registrar will order them to open a special account. Then they must give the registrar reports and audited statements when he asks for it. They can also interrogate that organisation or send inspectors to get more information from that organisation. Reports on all "reporting" organisations will be given in parliament.

What will the government do if it does not like COSATU's funding?

They can ban us from getting anymore overseas money. They can use the Emergency Laws to ban us like the UDF is banned.

What if we refuse to co-operate?

If you don't tell the truth about our funds, we can be fined R40 000 or jailed for 10 years. If we don't do as the law says, our funds can be frozen (no-one can use it). The government can take and use the money for itself. It can also send it back to the funders.

Structures must control finances!