



LRS

LABOUR RESEARCH SERVICE

ANNUAL REPORT 2012

Membership organisation, democracy, activists, trade unions, women, worker leaders, spaces for reflection, vision, strategy, action, resourcing, **Knowledge is too important to be left in the hands of the bosses**, information management, facilitation, education, methodologies, online, participation, regional, continental, Africa, international, labour movement, organisation & representation, gender, society & workplace, vulnerable workers, social dialogue, living wage, decent work, multinational companies, transforming corporate governance, alliances, advocacy, HIV & AIDS, **collective bargaining**, worker rights, conserving labour heritage, labour rights for women, labour history, heritage



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THE CHAIRPERSON'S REPORT

The Labour Research Service (LRS) is a non-profit organisation. Its saying is "Knowledge is too important to be left in the hands of the bosses", which is very profound, as knowledge is power.

The empowerment of the members of trade unions, and unions as a whole with relevant, up to date and critical knowledge in promoting and advancing the interests of workers in the workplace and society is essential.

Six board members were elected at the 25th annual AGM of the LRS in August 2012.

1. Clement Chitja - CEPPWAWU
2. Guy Slingsby - NEHAWU
3. Bhekani Ngcobo - NUM
4. Joseph Molusi - NUMSA
5. Kashiefa Achmat - SACCAWU
6. Nadeema Syms - SATAWU

There have been changes in the composition of the LRS Board of Directors in the period under review. The Board received resignations from Joseph Molusi of NUMSA and Kashiefa Achmat of SACCAWU. The Board is grateful for the valued contributions which these comrades made to the LRS and wishes them all the best in their new endeavours. The respective unions replaced these comrades with Nyaniso Siyana of NUMSA and Stephanie Duffy of SACCAWU.

A significant change was that the director, MS Patel, resigned from the post, but remains with the organisation in a different role. The Board endorsed his resignation on the condition that all staff were consulted and that the succession process be properly managed. The board ensured that the process was done professionally and with all necessary due diligence. Mr Trenton Elsley was subsequently appointed as the director of the LRS. Mr Patel takes the role of project leader of the new education and advocacy programme of the LRS. I would like to take this opportunity to thank Saliem for his tireless efforts to situate the LRS as a trusted, relevant and productive labour support organisation over the last five years.

The board meets on a quarterly basis and executes its fiduciary duties with integrity, credibility and due diligence, taking into account the interest of the organisation and its member unions. Good governance is a cornerstone on how the board executes its responsibilities. The board met four times in 2012 and held an additional strategic planning workshop. The board reviewed the LRS annual operational plan, mid-term review and end of year evaluation. The strategic workshop develops the strategic plan and way forward for the LRS. This sets a guide in terms of strategic outcomes and performance goals for the organisation. This strategic planning session will be held in the first quarter of each year.

Attendance at board meetings is excellent and the board is always quorate. There is a high degree of participation and discussion at meetings with clear decision-making and effective chairing. The board ensures that records are kept of all meetings.

The LRS has received a clean audit for the year under review. The board receives financial information at every meeting and the audit committee meets to deal with finances and in turn reports to the board.

The LRS is a non-profit, membership-based organisation and its operations are funded for the most part by international donor funding. The global recession is having an impact on the funding available to non-profit organisations like the LRS. The work that the LRS does towards securing funding for the sustainability of the organisation is more important than ever. The organisation will therefore maintain a cautious approach to the recruitment of additional staff and base such decisions on available resources.

Here is a brief overview of the work being done by the LRS.

- Collective Bargaining Support has been an emphasis of the LRS since its establishment in the 1980s.
 - The collective bargaining support programme continues to create and facilitate new spaces for a broad layer of union representatives to reflect, share and learn on topics of bargaining and organising.

- The LRS hosted the Negotiators' Workshop in Durban (KZN) for the first time in 2012.
 - The collective bargaining support programme continues to elevate the level of participation of women in project activities. The participation of women in negotiators conferences in 2005 was at 16% and this has increased significantly on a year to year basis to 65% in 2012.
- The LRS continues to maintain and develop new support resources for trade unions including trade union-specific bargaining reports, Inflation Monitor, Bargaining Monitor and online resources for wages (the AWARD database) and company information (MNC database). New resources are coming online soon, notably an online library of collective agreements to support trade union information management, benchmarking strategies and education work.
 - The LRS Multi-National Company Database is online and the information is up to date and covers 86 listed companies on the JSE. The database includes information on operations, revenue, profit, executive remuneration, wage gaps and company shareholding.
 - The Transforming Corporate Governance programme supported the maturing of several Shop Steward Alliance networks. The programme stimulated regional collaboration with trade unions the hospitality sector and on trade unions and pension funds (Namibia, South Africa and Zimbabwe).
 - The Global Network programme assisted SADSAWU to promote Decent Work for Domestic Workers in South Africa towards the ratification of ILO Convention 189 for Domestic Workers.
 - The Gender and HIV programme promotes labour rights for women and unions are beginning to prioritize this as an organisational tool. The programme pursues the development of women in trade unions using several creative methodologies. The programme works hard at attracting young women to participate in project activities in order to start a conversation with the next generation.

- The Trade Union Library & Archive continued the cataloguing of the trade union archive and made the catalogue available online.

In Conclusion

The members of the Board have been exceptional in steering the LRS and they actively participate in activities of the organisation. I am grateful for the collective leadership provided by the members of the board. Their tireless efforts in discharging their responsibilities are hereby sincerely acknowledged. I also wish to extend my gratitude to the director and all staff members of LRS for their commitment and hard work.

Nadeema Syms
Chairperson of the LRS Board of Directors
July, 2013

LRS MEMBER UNIONS

The LRS currently has 15 member trade unions with a combined membership estimated to be over two million workers.

Name	Acronym	2012
Chemical, Energy, Paper, Printing, Wood and Allied Workers Union	CEPPWAWU	80 000
Democratic Nursing Organisation of South Africa	DENOSA	74 883
Food and Allied Workers Union	FAWU	127 000
Health and Other Service Personnel Trade Union of South Africa	HOSPERSA	69 147
Independent Municipal and Allied Trade Union	IMATU	67 684
Metal Electrical Workers Union of South Africa	MEWUSA	17 180
National Education, Health and Allied workers Union	NEHAWU	265 440
National Union of Mineworkers	NUM	310 382
National Union of Metalworkers of South Africa	NUMSA	273 996
South African Commercial Catering and Allied Workers Union	SACCAWU	150 000
South African Domestic Service and Allied Workers Union	SADSAWU	6 200
South African Democratic Teachers Union	SADTU	252 907
South African Municipal Workers Union	SAMWU	160 000
South African Transport and Allied workers Union	SATAWU	165 859
Transport Omnibus Workers Union	TOWU	3 000
Totals	15 Unions	2 023 678

The strike action in the mining industry in South Africa in August 2012 and the killing of scores of striking workers at Marikana is a tragic marker of the current social, economic and political context. The scale of the tragedy has forced the social actors, not only trade unions, to think more deeply about how they relate to their constituencies. The subsequent protest action by farm workers in the agricultural areas of the Western Cape must be understood, at least in part, in the context of events in the mining industry. The weak global and national economies only amplify the pressures already established in the social, economic and political realms. How are we to understand and to respond to the moment?

While we may argue that wages are the dominant strike trigger in South Africa, there is also evidence that wages are not truly decisive in understanding the context.

Surveys undertaken by COSATU and NALEDI in 2012 asked workers what unions should do to strengthen support for workers. *Communicating* rated higher than *wages*. *Being listened to* and *being involved* also scored high. These responses are a clear message that workers value participation highly.

The issues that workers cared about a lot, but on which they had a low level of satisfaction with the work of the union, make for interesting reading. The issues which workers identify point us to key social and economic processes.

i. Childcare

Workers recognise that we as a society habitually outsource the work of primary caregiving to women and furthermore that we resist recognising the value of this work.

ii. Cheap transport

Workers know that the ability to travel within and between municipality, city and country is decisive in determining their ability to participate in social and economic life.

iii. Support for temporary and casual workers

Workers understand that more precarious forms of employment render them just that, more precarious and more vulnerable.

iv. Skills development

Workers understand that their ability to develop the education and skills at their disposal is closely connected to their prospects for securing stable and well remunerated employment.

v. Higher wages

Workers understand that they are not well paid and that it is only through their own struggles that they can force employers to increase their pay. What is interesting is that wages only rate fifth on this list.

We need to look beyond wages, the poster child of collective bargaining and of industrial action, to better understand the context and the challenge before us. We must maintain our efforts to raise wages through collective bargaining. We must escalate our efforts to address social issues through bargaining and social dialogue. We must wherever possible make the link between bargaining and organising to ensure that our efforts to transform material conditions are underpinned by a growing organisation of workers.

A recurring phrase used to refer to the problem which faces not only unions, but social actors in general, is that of *social distance*. Social distance is a euphemism for poverty and inequality and how this plays out within organisations, even mass-based democratic organisations. We must reflect on the level of member participation and decision-making within our organisations.

A further dimension of the challenge, and it is a critical one, is forms of employment. It is the reorganisation of employment relationships and the precariousness and separation that this engenders, reinforces and perpetuates which provides an important point of departure for any trade union that is serious about reflecting on their core processes, organising and representing workers.

We can respond to the context by cultivating organisation and representation as sources of worker power, and in this way to provide a foundation for challenging the informalisation of rights and security.

We must build the capacity of unions to undertake and sustain an increasingly strategic approach to organising and bargaining, one which explicitly seeks to link organising and bargaining with a view to bringing vulnerable workers and women in particular into the mainstream of rights and security. The twin challenges of organisation and representation demand deeper reflection within trade unions

and the continuous development of layers of workers capable of strategic leadership. The changed and changing organisation of work requires that we reflect on the forms of organisation, communication and representation which we use to organise and articulate the interests of trade union members and workers more generally. Similarly, the challenge of engaging in social activism and dialogue for change requires a labour constituency which is both skilled and informed. The deepening internationalisation of production and distribution requires us to continue to develop regional, continental and international solidarity.

We believe that the values and strategic orientation of the LRS position us to make a contribution towards meeting these challenges and meeting them in a manner that is positive and developmental for our member trade unions and working class activists generally.

The LRS strives to be an integrated information, education and research provider to trade unions. The strategy of the LRS is to engage worker leaders with information and research in order to transform information into a potential source of power. This understanding informs both the quantity and quality of our efforts to reach worker leaders with the research outputs of the organisation.

The total number of participants in activities hosted by the LRS in 2012 was 2655 individuals, almost all of whom were workers, worker leaders or trade union officials. The total number of participants reached through LRS presentations in spaces hosted by trade unions was 4000. The indirect reach of the LRS proceeded through the distribution of about 10 000 copies of publications, information and education resource distribution. We estimate that about 3 000 recipients were women. The LRS E-resource mail list reached over 850 subscribers by the end of 2012 and currently includes over 1000 subscribers.

At a programme level, the Collective Bargaining Support programme hosted 750 participants in activities plus over 300 participants were involved in activities hosted by LRS partners in Zimbabwe and Ghana as part of the programme. The Gender & HIV and AIDS programme played host to over 800 participants, the vast majority of which were women. The Global Network programme counts almost 450 participants in activities including those of the network partner organisations in Africa. The Transforming Corporate Governance programme engaged with 350 participants in its activities including worker leaders and trade union officials in numerous African countries.

This represents a very significant level of output and engagement by an organisation with a total staff of 11 persons in 2012 including finance and administration functions and is a testament to the commitment and the passion of the people who make up the LRS.

The Funding Environment

The LRS continues to raise the funds it requires to support its strategic and operational objectives despite a tightening donor environment. The long-term relationships which the organisation has cultivated with solidarity support organisations with a commitment to democracy, gender transformation and trade union development remain key to the sustainability of the LRS.

The international funding environment is however becoming increasingly constrained. Despite very high levels of inequality, South Africa is viewed more and more as a middle income country and therefore not a priority destination for development funding. In addition to a shift away from organisational support or core funding towards project and activity funding, donor support for development work in and through trade unions is coming under pressure. The global economic recession is amplifying a generalised weakening of the international solidarity funding environment.

A major challenge for the LRS in the year ahead will be to revisit its strategies for sustainability. This means that we must allocate significant time and resources to the process. This will impact on our level of service to member unions. The LRS will streamline its core services to unions and encourage our members to participate in a selection of key LRS events. The LRS will further develop its ability to deliver information, research and analysis through online and offline mediums to as large an audience of worker leaders as possible.

This phase will require clear planning and innovative thinking. It will require difficult decisions and a strategic path. It will require a dedicated and skilled staff and closer collaboration with our member unions. I am confident that the LRS and its member unions have the resources between them to meet this challenge.

Human Resources

The LRS staff complement remained unchanged in 2012. The LRS employed one additional staff member in April 2013. This represented a much needed addition to the collective bargaining support team and was necessitated by the demands of the programme and the change in directorship. The LRS now has a total of twelve full time staff members.

There has been an on-going redefinition of roles and responsibilities within the organisation in order to promote ownership and accountability. This process will continue. This process includes the financial, administrative, support and programme and project functions within the LRS.

A new management committee structure, made up of the Executive Director, Finance Manager and Organisational Development Manager, was established in this period. This structure facilitates collective management of the people and processes of the organisation.

The newly created role of Organisational Development Manager reflects our desire to build strategy by learning from our experiences and our constituencies.

LRS Strategic Plan

The LRS strategic plan is a living document and the LRS will continue a dialogue among the staff and board in an effort to promote organisational learning and to further develop our strategic thinking.

MISSION

To develop an objective and independent research and resource base in a participative and accessible way, that will shape the discourse on alternative strategies necessary to strengthen labour and civil society representation and influence on issues of human rights, democracy, equality and socio-economic justice.

STRATEGIC OBJECTIVES

The LRS is an integrated information, education and research service for trade union development. The LRS will achieve this by delivering on the following indicators:

- 1) Trade union activists have a supportive and enabling environment in which they can reflect on and affirm their experiences towards developing a uniting vision for the labour movement
- 2) Trade union activists develop strategy, skills and knowledge for moving from individual to collective action
- 3) LRS member unions participate in, utilise, evaluate and give recommendations regarding the information, education and research outputs of the LRS.
- 4) Regional and international trade unions work actively with the LRS to build and strengthen solidarity between South African trade unions and trade unions internationally, with a focus on African trade unions.
- 5) SSOs provide core support to the LRS on the basis of buy-in to an organisational vision and programme and clarity of strategic objectives and the capacity of LRS to raise project funds.

- 6) A wide range of donors/funders see the LRS as accountable, relevant and productive partner in tackling a range of transformation goals, with specialist skills in the areas of the labour market, gender, HIV and AIDS, coordination, research and resource strategies.
- 7) LSOs and NGOs in Africa are active affiliates of IFWEA
- 8) The LRS shares and learns about organisational forms, resources, methodologies and technologies through closer working relationships with selected LSOs and NGOs
- 9) Government adopts policy and legislation or regulation that improves the conditions of vulnerable workers.
- 10) The media (mainstream print and radio, union newsletters, magazines and journals) reflect the voice and perspectives of workers on issues, conditions and struggles of the workplace.

THE PROGRAMMES OF THE LRS

Collective Bargaining Support

KEY WORDS

Strategic bargaining, Bargaining Indicators, online database AWARD, negotiations, focus on vulnerable workers, contract cleaning, construction, private security, organisers, shop stewards, negotiators, living wage, minimum wage, campaign support, online library, collective agreements, online wages, conditions of service, information, research, trade union bargaining reports, Inflation Monitor, Bargaining Monitor, e-resource distribution 1000+, education, structured learning interventions, sustained interventions, participative, conceptual frameworks, organisation and representation, strategy development, research, NAMPK Shop Steward Alliance, South Africa, Ghana, Namibia, Zambia, Zimbabwe, Africa...

ACHIEVEMENTS

- Methodological shift from emphasis on information to the communication of analytical and strategic frameworks, more participative approaches and more sustained interventions.
- Shift in emphasis towards developing the linkages between organisation and representation (as well as research and education) as sources of worker power and a particular focus on organising and representing vulnerable workers.
- The collective bargaining support programme continues to elevate the level of participation of women in project activities.

Participation of Women in the LRS Negotiators' Conference over the years (%)

2005	2006	2007	2008	2009	2010	2011	2012
16%	-	21%	31%	31%	38%	54%	65%

- Creating and facilitating new spaces for a broad layer of union representatives to reflect, share and learn on topics of bargaining and organising. First LRS Negotiators' Workshop held in Durban, KZN.
- Experimentation with new types of forums (for example vulnerable workers forums held in collaboration with COSATU), which promote a heightened focus on workers in informal and vulnerable sectors.
- Trade unions can draw on a range of support resources including trade union-specific bargaining reports, Inflation Monitor, Bargaining Monitor and online resources for wages (AWARD database) and companies (MNC database). New resources are coming online soon, notably an online library of collective agreements to support trade union information management, benchmarking strategies and education work. The trade union representatives who access these resources confirm their relevance and usefulness.
- The programme explored the drivers and obstacles for organising and representing vulnerable workers at a conceptual level and by exploring trade union experiences and will continue to develop this work by engaging trade unions.
- The programme is building research and resource support for the living wage/minimum wage campaign.
- Cultivating a continental collective bargaining support network through collaboration with partners in Ghana, Namibia, Malawi, Zambia and Zimbabwe. This work has resulted in unique research resources and multinational research outputs. Examples include bargaining reviews from the participating countries and a study of NAMPAK operations in three countries.
- Contributing to the development of the international and continental presence of the LRS through collaboration with global union federations, national centres and labour support organizations

- Growing e-resource distribution and the LRS subscriber list now in excess of 1000 trade unionists.

PROGRAMME REACH

- About 750 workers, worker leaders and trade union officials participated in collective bargaining support activities including workshops, forums, conferences and seminars in 2012.
- Over 300 individuals were involved in activities held by the LRS partners in Ghana and Zimbabwe.
- The programme has consistently increased the proportion of women who participate in these interventions. Women in all activities which the LRS either hosted or contributed to was 29%, but women in LRS hosted activities was 52%.
- We estimate that our reach through resource distribution at events other than those hosted by the LRS to be about 2500 copies of different publications in 2012.
- The indirect reach of the programme is far greater. The e-resource had 850 subscribers by the end of 2012.
- The extent to which our information releases and research reports and presentations are recycled (discussion, onward distribution of resources and so on) within trade unions is unclear but would likely translate into many more people being exposed to LRS information, strategies and ideas. The number is likely to exceed 2500 by a significant margin.

Transforming Corporate Governance

KEY WORDS

Shop steward alliances, South African multinational companies, Multi-National Company database online, global union federations, Africa, alliances, networks, sharing, global framework agreements, Shoprite, Pick n Pay, Massmart/Wal-Mart, mapping mining operations in Africa, Anglo Gold Ashanti, executive remuneration, the wage gap, company performance, shareholder activism...

ACHIEVEMENTS

- The LRS Multi-National Company Database is online and the information is up to date and covers 86 listed companies on the JSE. The database includes information on operations, revenue, profit, executive remuneration, wage gaps and company shareholding.
- The programme has supported the maturing of several Shop Steward Alliance networks through information and research to improve sharing and communication between workers, within companies and within sectors. Participants are also developing a better understanding of company financials.
- Hospitality sector research and supporting the establishment of sub-structures in the sector.
- Regional collaboration (Namibia, South Africa and Zimbabwe) on hospitality sector and shareholder activism (specifically unions and pension funds).
- Developed a better understanding of the terrain in relation to shareholder activism
- Cultivating relationships with Global Union Federations through support for regional and international networks and campaigns.

PROGRAMME REACH

- Two hundred (200) workers and organisers participated in meetings, focus groups and workshops in 2012 (including regional and international participants). Around 90 of these participants were women (45%).
- The programme funder distributes popular versions of the reports to the affiliates involved in the shop steward alliances. Last year there was only one such report and around 500 copies were distributed to African affiliates active in Pick n Pay. Project resources are also posted on our website and the website of the funding partner.

KEY WORDS

New programme, Education & Advocacy, in development, design of education that addresses the needs of shop stewards, IFWEA, exploring forms of education, popular education, curricula, study circles, online, social dialogue, social protection, Global Network, decent work, domestic workers, IDWN, ILO Convention C189, promoting informed debate on wages in South Africa...

ACHIEVEMENTS

- Assisting SADSAWU to promote Decent Work for Domestic Workers in South Africa to lobby for and achieve the Ratification of ILO Convention 189 for Domestic Workers.
- Assisting LEDRIZ (Zimbabwe), LaRRI (Namibia), WEAZ (Zambia), Ghana TUC (Ghana) and COTU-K (Kenya) to promote the ILO Convention 189 for Domestic Workers in their respective countries.
- Building a relationship with the African Domestic Workers Network through hosting a joint conference on Organising Domestic Workers.
- Successful piloting online education for 10 workers in the retail and domestic sectors and included 3 participants from among LRS African partners through the IFWEA Online Academy.
- Developing a project with NALEDI to promote social dialogue on wages and salaries in the coming year
- Developing a project with IFWEA to promote popular education among trade union activists at a grassroots level in the coming year.
- The LRS has created space to develop a new programmatic focus in the coming period. The Education and Advocacy Programme is a new programme of the LRS which will develop clear objectives and outcomes through consultation and experimentation during 2013. Currently

it includes the Global Network Project for Decent Work and the IFWEA Online Academy and Study Circles Project.

PROGRAMME REACH

- The Global Network project reached 300 workers and union activists in South Africa who participated in workshops and conferences (95% were women).
- A further 200 workers in other African countries (40 in each of the 5 Global Network partner countries) were involved in “know your rights” workshops and lobbying activities. (95% were women)
- The Online Academy pilot education course “Information and Communication for Collective Bargaining” registered 10 workers from South Africa all whom were women. Of the three African partners involved 2 were women.
- A Workshop for UNI Global Union on “Collective Bargaining and the Decent Work Agenda” reached 15 unionists from the African Shoprite Shop Steward Alliance.
- A Workshop Session of BWI international Staff in April 2012 – “Living Wage, Decent Work and Collective Bargaining – What role for global unions?” reached 12 BWI Leaders and Staff members
- A presentation at an Evening Seminar hosted by DITSELA titled, “Wages and the State of Unions: The need for trade union development indicators”, addressed 30 worker leaders and union organisers.

Gender & HIV and AIDS

KEY WORDS

Labour Rights for Women, ITUC, multiple federations, trade union, affiliates, campaign groups, Decisions for Life Campaign, support, mobilisation, education, awareness raising, organisation building, organisational change, gender equality, peer learning processes, LGBT, mentoring, action learning, national strategic plan for HIV and AIDS, policy...

ACHIEVEMENTS

- An increase in growth and initiative amongst the young women participating in the Decisions for Life (DFL) Campaign.
- There was evidence of the provision of support amongst participants in the Decisions for Life Campaign and the acquisition of new skills and self-confidence.
- Participants displayed an improved ability to look at organizational culture with a gendered lens, formulating more effective policies for recruiting retaining and advancing young women and developing more inclusive leadership styles.
- Participants in the Decisions for Life Campaign showed an increased use of teamwork, indications of greater gender awareness and a shift in power dynamics within the organizations and created a generally more welcoming environment for young female workers.
- Participants gained self-confidence through writing workshops and were able to access tools that helped them to improve their work environments and better their organizations
- Participants learned new and creative techniques and strategies to provide support for organizations through writing workshops
- Unions increasingly see the importance of gender considerations and Labour Rights for Women and are beginning to prioritize this as an organisational tool.
- Domestic workers are leading the charge in pushing to have reproductive labour valued
- Increase in self-esteem, self-confidence and recognition of possessing power-within from the participants of the gender action learning process (especially the women).

- Participants in gender action learning process displayed increase in teamwork and in the recognition of social and patriarchal norms impeding gender equality within the participant organizations.
- Participants in the gender action learning process were finally demonstrating an increased awareness of gender issues, including HIV, Gender Based Violence and Social and Economic Empowerment, leading them to design more effective interventions in their communities and constituencies.

PROGRAMME REACH

The programme engaged over 800 participants in 2012 through the educational, organising and outreach activities of the Decisions for Life and Labour Rights for Women campaigns. The vast majority were women and the majority were also young women.

In 2012 the programme produced four different booklets on the topics of breastfeeding, decent work and contracts, sexual harassment and a writing booklet as well as 500 calendars, which were all distributed at various events.

Trade Union Library & Archive

KEY WORDS

Trade union library, archive, conserving labour heritage, digitising archives and resources, online, Community House, Heritage site, outreach....

ACHIEVEMENTS

- Setting up the Trade Union Library and Archive (TULA) after the renovations to Community House. The trade union library is a rich source of socio- economic and political resources with a focus on industrial relations and trade union development.
- Further cataloguing of the trade union archive and making the catalogue available online.
- TULA exhibition at the COSATU Congress 2012

- TULA hosted two workshops with trade union resource officers and educators in an effort to raise consciousness of this resource and to better articulate with union resource strategies.
- The LRS raised funds from the National Lotteries Distribution Trust Fund (NLDTF) to support the conservation of labour heritage through digitisation of resources and outreach activities in 2013/2014.
- There is on-going development of linkages between TULA and LRS programmes.

PROGRAMME REACH

- The population of remote users of the library has grown. There were over 200 enquiries via email and telephone. The library will increasingly make resources and services available to trade unions and trade union activists online. At the same time, we will look to develop the linkages between the LRS programmes and the Trade Union Library & Archive.

ACKNOWLEDGEMENTS

There are numerous organisations and individuals who partner with the LRS and contribute in one way or another to the work of the organisation and its programmes. First and foremost are our funders and commissioning organisations. The LRS and its member unions thank them for their support and it is our hope that this annual report reflects that their support was well founded.

FUNDERS	Acronym	Project
Canadian Auto Workers Union	CAW	Young Women Worker Leadership Empowerment Programme
Department for International Development - UKAid	DFID	Social Protection and Decent Work for all
European Commission DG - EuropeAid	EC	Globalizing Decent Work
Foundation Human Rights	FHR	Enhancement of the writing and analytical skills of woman in the civil society sector
International Trade Union Confederation	ITUC	Labour Rights for Women / Funding for Leadership and Opportunities for Women
Joint Gender Fund	JGF	Partnering for Gender Transformation
National Heritage Council	NHC	Developing the Trade Union TULA Archive
Netherlands Trade Union Confederation	FNV	Collective Bargaining as a Vehicle for Strengthening Trade Unions in Africa
Netherlands Trade Union Confederation	FNV	SADSAWU Support - Organizing Domestic Workers
Netherlands Trade Union Confederation	FNV	ITUC – Decisions for Life
Olof Palme International Center	OPC	Core Support
Rosa Luxemburg Stiftung	RLS	A Living Wage for all - Moving Beyond the Rhetoric
SOLIDAR	SOLIDAR	Global Network - Decent Work for All
COMMISSIONED WORK	Acronym	Topic
National Union of Mineworkers	NUM	Collective Bargaining Support
Solidarity Center		Hospitality Sector Research, Trade Union Trustee Research
Friedrich Ebert Stiftung	FES	MNCs and Networks
Development Policy Research Unit - School of Economics, UCT	DPRU	Wage Information System Online
Ditikeni Investment Company	DITIKENI	Company Audits
CONTRACTORS – Programme support		Programme
Didier Jonkers		Transforming Corporate Governance
Erna Curry		Global Network
Fazila Gany		Gender & HIV/AIDS
Fran Brand		Collective Bargaining Support
Karen Rutter		Gender & HIV/AIDS

FUNDERS	Acronym	Project
Michelle Friedman		Gender & HIV/AIDS
Patricia Petersen		Collective Bargaining Support
Shamim Meer		Gender & HIV/AIDS
INTERNSHIPS – Relationship building		Programme
Dineo Kekana		Transforming Corporate Governance
Lawule Shumane		Transforming Corporate Governance
Haroon Moolla		Global Network
Mikaela Rönnholm		Transforming Corporate Governance
Sinethemba Platyi		Trade Union TULA & Archive
Sofia Ludvigsson		Gender & HIV/AIDS
Vuyolwethu Jack		Trade Union TULA & Archive

THE YEAR AHEAD

The year ahead will be a period of consolidation, innovation and development for the LRS.

Collective bargaining research and support remain central to the work of the LRS. The LRS now looks to consolidate its support resources and to embed these resources more firmly within trade unions. This can enable a new level of collaboration with the potential for more wide-ranging benefits to unions. The LRS will continue to create learning spaces for worker leaders and officials of mass democratic organisations to develop their strategic thinking and practice for organising and representing worker interests.

In the year ahead the LRS will deepen the educational focus in each of its programmes and through the development of a dedicated education programme. The LRS is developing and applying new and renewed methodologies for learning.

At the same time, the LRS will retain a strong emphasis on research and knowledge production, which lay the foundation for its education, development and support work. The LRS is also working to make information and research increasingly accessible to worker leaders both by design and the medium of delivery.

In the year ahead the LRS will continue to work to invigorate the organisation and representation of the interests of vulnerable or informalised workers as part of the mainstream of trade union engagement. The LRS will develop its ability for targeted advocacy work on issues of social protection and livelihoods.

The LRS will continue to facilitate the articulation of the interests of women workers in trade union processes of organisation and representation. The LRS will continue to work to deepen the role of women in trade unions and to make unions a home to women. The LRS will maintain a strong presence in the field of gender transformation and gendered analysis for organised labour. The LRS remains a resource for developing the level of trade union engagement with HIV and AIDS in the workplace and in society.

In the coming year, the LRS will further support company and shop steward networks which bridge regional and international boundaries and in turn challenge the boundaries of influence of collective bargaining and social dialogue.

The LRS will continue a tradition of cultivating regional and international relationships across its different programmes, built on the values of solidarity in action and action in solidarity.

The year ahead is one in which the LRS will begin to advance deeper into the digital age and open up new possibilities for preserving, developing and sharing a growing knowledge base of labour history and trade union engagement with business, state and society.

The coming period is one which the LRS must revisit its strategies for sustainability in a context where solidarity support and labour development are being squeezed by economic recession and the current trajectory of development politics. The LRS will commit significant time and resources to this vital task. The LRS will engage its member unions on strategies for maintaining its support services at the same time as it develops strategies for securing the continued viability of the organisation.

In the year ahead the LRS will continue to make a contribution to the trade union movement which is far greater than the sum of its parts. As always this will depend on the commitment and the good will of its staff, its board of directors and its member trade unions. Fortunately, these are resources which the LRS possesses in abundance.

Trenton Elsley
Executive Director
August 2013

AUDITED FINANCIAL STATEMENTS OF THE LRS FOR 2012

Auditor's Report

Independent Auditors' Report

To the members of Labour Research Service

We have audited the annual financial statements of Labour Research Service, which comprise the statement of financial position as at 31 December 2012, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes, and the directors' report, as set out on pages 6 to 29.

Directors' Responsibility for the Annual Financial Statements

The company's directors are responsible for the preparation and fair presentation of these annual financial statements in accordance with South African Statements of Generally Accepted Accounting Practice, and requirements of the Companies Act 71 of 2008, and for such internal control as the directors determine is necessary to enable the preparation of annual financial statements that are free from material misstatements, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these annual financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the annual financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the annual financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the annual financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the annual financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

In common with similar organisations, it is not feasible for the organisation to institute accounting controls over cash collections from donations, fund raising and other income prior to the entry of the collections in the accounting records. Accordingly it was impracticable for us to extend our examination beyond the receipts actually recorded.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the annual financial statements present fairly, in all material respects, the financial position of Labour Research Service as at 31 December 2012, and its financial performance and cash flows for the year then ended in accordance with South African Statements of Generally Accepted Accounting Practice, and the requirements of the Companies Act 71 of 2008.

Supplementary Information

Without qualifying our opinion, we draw attention to the fact that supplementary information set out on pages 30 to 31 does not form part of the annual financial statements and is presented as additional information. We have not audited this information and accordingly do not express an opinion thereon.

Without qualifying our opinion, we draw your attention to the fact that the written consent of all shareholders, we have performed certain accounting and secretarial duties.



C2M Chartered Accountants Inc.
Chartered Accountants (S.A.)
Registered Auditors

30 April 2013

Tygerforum B
53 Willie van Schoor Drive
Tyger Valley
Bellville
7530

Per: A Nel

AUDITED FINANCIAL STATEMENTS OF THE LRS FOR 2012

Balance Sheet

LABOUR RESEARCH SERVICE
(Registration number 1986/002993/08)
Annual Financial Statements for the year ended 31 December 2012
Statement of Financial Position

Figures in Rand	Note(s)	2012	2011
Assets			
Non-Current Assets			
Property, plant and equipment	2	160,410	30,401
Current Assets			
Accrued income	3	941,141	683,278
Loans to related parties	4	-	3,588
Trade and other receivables	5	743,364	244,584
Cash and cash equivalents	6	713,256	4,687,742
		2,397,761	5,619,192
Total Assets		2,558,171	5,649,593
Equity and Liabilities			
Equity			
Non-distributable reserve	8	149,913	149,913
Accumulated Surplus/(Deficit)		(139,065)	(109,022)
		10,848	40,891
Liabilities			
Current Liabilities			
Deferred income	3	216,200	4,953,745
Loans from related parties	4	1,870,081	-
Trade and other payables	9	344,626	539,568
Provisions	8	116,416	115,389
		2,547,323	5,608,702
Total Equity and Liabilities		2,558,171	5,649,593

AUDITED FINANCIAL STATEMENTS OF THE LRS FOR 2012

Income Statement

LABOUR RESEARCH SERVICE
(Registration number 1986/002993/08)
Annual Financial Statements for the year ended 31 December 2012
Statement of Comprehensive Income

Figures in Rand	Note(s)	2012	2011
Revenue		7,233,793	4,669,349
Project expenses	10	(9,301,186)	(8,391,707)
Gross deficit		(2,067,393)	(3,722,358)
Other income		3,898,909	4,934,942
Operating expenses		(1,696,147)	(1,329,330)
Operating surplus (deficit)	11	135,369	(116,746)
Investment revenue	12	(165,412)	161,981
Surplus/(Deficit) for the year		(30,043)	45,235
Other comprehensive income		-	-
Total comprehensive surplus/(deficit)		(30,043)	45,235

AUDITED FINANCIAL STATEMENTS OF THE LRS FOR 2012

Statement of Changes in Equity

LABOUR RESEARCH SERVICE
(Registration number 1986/002993/08)
Annual Financial Statements for the year ended 31 December 2012
Statement of Changes in Equity

Figures in Rand	Non-distributable reserve	Accumulated Surplus/(Deficit)	Total equity
Balance at 01 January 2011	149,913	(154,257)	(4,344)
Changes in equity			
Total comprehensive surplus/(deficit) for the year	-	45,235	45,235
Total changes	-	45,235	45,235
Balance at 01 January 2012	149,913	(109,022)	40,891
Changes in equity			
Total comprehensive surplus/(deficit) for the year	-	(30,043)	(30,043)
Total changes	-	(30,043)	(30,043)
Balance at 31 December 2012	149,913	(139,065)	10,848
Note(s)	7		

AUDITED FINANCIAL STATEMENTS OF THE LRS FOR 2012

Cash Flow Statement

LABOUR RESEARCH SERVICE
(Registration number 1986/002993/08)
Annual Financial Statements for the year ended 31 December 2012
Statement of Cash Flows

Figures in Rand	Note(s)	2012	2011
Cash flows from operating activities			
Cash used in operations	14	(537,422)	197,326
Interest income		(165,412)	161,981
Net cash from operating activities		(702,834)	359,307
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(149,913)	-
Movement in grants		(4,995,408)	1,566,587
Net cash from investing activities		(5,145,321)	1,566,587
Cash flows from financing activities			
Movement in loan from related parties		1,873,669	(416,995)
Net cash from financing activities		1,873,669	(416,995)
Total cash movement for the year		(3,974,486)	1,508,899
Cash at the beginning of the year		4,687,742	3,190,882
Effect of exchange rate movement on cash balances		-	(12,039)
Total cash at end of the year	6	713,256	4,687,742

AUDITED FINANCIAL STATEMENTS OF THE LRS FOR 2012

Report of the LRS Audit Committee



Labour Research Service

ASSOCIATION NOT FOR GAIN
Incorporating the Trade Union Library
Registration number; 1986/002993/08

“Knowledge is too important to be left in the hands of the bosses”

REPORT OF THE AUDIT COMMITTEE FOR THE YEAR ENDED 31 DECEMBER 2012

After reviewing the services rendered by the company’s auditors, C2M Chartered Accounts Inc, and the Annual Financial Statements that were presented to the Board of Directors for acceptance, we would like to submit our evaluation of the process that was undertaken as follows:

1. The audit work done by the service provider was at all times professional and thorough;
2. Due attention was given to the expected outcomes in terms of the various project reports that were required by each of our funders that required audit reports;
3. Their turn-around time when approached for additional requests was excellent; and
4. They met with time constraints given to them.

In our opinion C2M have rendered a professional service that has assisted the organisation in maintaining its transparency requirements with the funders. The service was on par with other reputable audit practices and the fee that was charged is in line with comparative market rates (we are presently still paying less than we were paying our previous auditors in 2010).

In light of the above and in order to maintain continuity of service, we recommend that C2M be re-appointed as the company’s auditors.



LRS

LABOUR RESEARCH SERVICE

Knowledge is too important to be left in the hands of the bosses

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