

up the recognition agreement. NUMSA has accepted this action but still insists that the company deals with the union over issues affecting the workers at the company.

What is clear from the above, is that section 79(2), designed to reduce industrial action, has in fact led to longer strikes. NUMSA's tactics have driven the editor of *Business Day* to write that Section 79(2) should be scrapped as a "striking failure", as "management cannot go on trying to deal with an amorphous mass".

There are signs that the Department of Manpower probably agrees. It recently instructed the National Manpower Commission to review the entire Labour Relations Act.

NUMSA's response, it seems, has been a successful one. To quote a spokesperson of the union, "The act will either kill us or we will kill it". ☆

## **The I G Metall Code, the LRA and disinvestment**

by *CAROLE COOPER*

The intention of the Labour Relations Amendment Act (LRA) promulgated in September 1988 has been to undercut the hard-won gains made by unions over the last decade. Concerned about this attack, the German

union, I G Metall, approached the South African Co-ordinating Council of the International Metalworkers' Federation (IMF) to discuss solidarity with I G Metall.

I G Metall is the union for metalworkers in West Germany, and it is the largest union in the country. Two working groups from I G Metall visited South Africa in 1988 and had discussions with the IMF unions here. After the discussions I G Metall drew up a 14-point code. The code aims to pressurise German companies operating in South Africa to sign the code as a standard which will govern relations between the company and the union. The code goes a long way to restoring those rights removed by the LRA as well as addressing problems of workers which arise from the system of apartheid in general.

Companies signing the code must:

1. Remove the 'exploitative advantages provided by apartheid laws', in particular in relation to the homelands.
2. Not take advantage of the use of security and emergency laws, and in particular continue to pay the wages and employ detained employees, as well as those who have been sentenced under security legislation.
3. Show a readiness to negotiate at company level with the representative trade union regarding all internal company affairs.
4. Grant unions right of access to company premises.
5. Provide facilities for meetings and voting on company premises without interference from manage-

ment.

6. Guarantee shopstewards rights, including the provision of the necessary facilities and a release from work.
7. Accept the right of unions to represent their members in disciplinary and grievance proceedings.
8. Recognise the right to strike, that is, not dismiss workers who have gone on strike.
9. Accept the right of workers peacefully to picket on company premises.
10. Renounce using the industrial council system to render strikes illegal.
11. Agree to refer any labour dispute which falls under South African court to mutually acceptable arbitrator.
12. Not jeopardise the right of employees to stay in hostel and other company accommodation, except in the case of a fair termination of the employment relationship.
13. Guarantee the maintenance of these standards also in the case of companies which are dependent on German subsidiaries and in the case of franchisees, and
14. Report annually regarding compliance with these principles in each company to the relevant South African trade union, as well as to the German parent company's central works council.

### Joint formulation

In expanding on the principles, I G Metall said that they reflected both the practical needs of the young black

trade unions, as well as the knowledge of I G Metall gained during numerous past attempts to offer help and show solidarity. The body said that the fact that they had been jointly formulated made them a 'new and significant step along the road to South African policy' and that 'it was not intended to pre-empt or influence from outside any of the actual result of the South African unions' struggle.'

Foreign companies operating in South Africa, it said, should be judged according to the minimum legal standards which they were accustomed to applying in their operations at home. These conditions were set out in the code. I G Metall went further, however, and said that the 14 points were not merely a matter of significance to German companies. Other measures, it said, such as various ILO conventions relating to South Africa, or the European Social Charter, could also lead to the same results. The implications of I G Metall's point is that such conventions or charters could be used to bind non-German companies to signing undertakings similar to the I G Metall Code.

But unions have experienced problems in getting the code accepted by companies. Initially negotiations seemed to run smoothly and in early December 1988 six of the major German multinationals - BMW, VW, Mercedes Benz, Siemens, Robert Bosch and Hella - signed or accepted in-principle agreement to implement the points. However they qualified this by saying it was necessary to adjust the points from company to

## BRIEFINGS

company. This led to negotiations at each company on the implementation of the code in line with the company's specific conditions.

According to one of the IMF unions involved in the negotiations, the National Union of Metalworkers of South Africa (NUMSA), two problems have emerged from these negotiations, which have been discussed at the shop-stewards council for stewards from German companies.

Firstly it was felt that the 'adjustment' clause was being used to introduce points which would change the actual principles of the Code. Secondly, companies were adopting a 'quid pro quo' stance: that is, companies were demanding that unions give up certain rights in exchange for signing the principles. Workers have felt that the quid pro quo stance would reduce their rights, especially in companies such as VW, where workers have won significant concessions in the past. As a result negotiations with the companies have been restarted on a new footing, with varied progress. According to NUMSA, the union is close to an agreement with Mercedes Benz, with some progress being made at VW, BMW, and Siemens, but with little progress at Robert Bosch and Hella.

### Moves in European Parliament

Discussion on the code has not been confined to negotiations between



German subsidiaries and South African unions. The West German government, in particular, the German foreign minister, Hans Dietrich Genscher, has spearheaded a move to have the code accepted by the Eu-

ropean Parliament and incorporated into the European Economic Community (EEC) code. A working committee comprising senior diplomats from all 12 of the member nations have met three times to discuss ways of implementing the code (*Weekly Mail*, 14 April).

However, there has been strong resistance to the idea of incorporating the code from, in particular, the British. According to the British labour attache in South Africa, John Sawyer, the code represents an interesting new departure, especially because of the involvement of unions in drawing it up. But Britain was opposed to its incorporation into the EEC Code as this would mean, he says, that British companies would be expected to adhere to principles which were enshrined in German law and not British law.

Adopting the 14 points would mean giving more rights to workers in South Africa than those in Britain, he says. He argues that the German labour relations system is far more legalistic than the British system, which relies more heavily on collective bargaining for the granting of rights to workers. He argues further that neither COSATU, the British Trade Union Congress nor the local metal unions have argued for it to be

incorporated into EEC Code. However, the British government would not object to British companies signing an agreement themselves based on the 14 points.

According to Peter Ruthman, the German labour attache, opposition to the incorporation of the 14 points into the EEC Code has also been expressed by socialist governments of Greece and Portugal. Other sources say that Spain and Belgium also oppose the move, with Denmark and France adopting a neutral stand.

However in a compromise measure, the EEC countries have agreed to draw up a declaration which would urge European companies in South Africa to adopt the 14 points. Commenting on the German move, officials from NUMSA said that while they would welcome it if the companies of other countries were subjected to pressure to sign the code, whether it was incorporated into the EEC Code was immaterial.

What implication does the adopting of the code have for the disinvestment and sanctions campaign? Is there not a contradiction in supporting disinvestment (in line with COSATU's policy on the issue), while negotiating the terms for German companies to operate here?

### Minimum requirements

In the code, I G Metall addresses this question, seeing the implementation of the code as the minimum requirements for those wishing to remain in the country. 'Companies

operating in South Africa despite all the international appeals for economic sanctions, must therefore at the very least declare themselves prepared not to benefit from this undemocratic and anti-social legal system. This principle forms the basis of the list of demands for minimum standards for labour relations and labour conflicts contained herein.'

NUMSA officials involved in negotiating the code have stressed their commitment to COSATU's sanctions and disinvestment policy. They see the 14 points as having nothing to do with the issue. The importance of the 14 points, they stress, is that they are a significant effort to fight the Labour Relations Act (LRA) and for unions to regain rights lost through the amendment act. The 14 points, they believe, represent a step in the campaign agreed on between COSATU and NACTU to get companies to agree to contract out of the LRA. Most of the points which unions object to in the LRA are by-passed by the points in the I G Metall Code.

Despite these union assurances, however, it remains to be seen whether the companies reaching agreements based on the code will use this as an argument for remaining in the country. This was a tactic used in the past by companies which signed either the Sullivan Principles, the EEC Code, or one of the other codes. Yet there is a material deference: in comparison to the above codes, the I G Metall 14 points have teeth and would, if agreed upon, represent a significant gain for unions - which is probably why com-