

## **The Fatti's and Moni's Dispute**

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### **Background to the Strike: The Union**

The Food and Canning Workers' Union was established in 1941 as a registered union. Due to its non-racial status, the Union was subjected to considerable harrassment from the state; frequent raids were conducted by the police and the Department of Labour in an effort to prove that Africans were members of the union. Eventually in 1947, under threat of de-registration, the Food and Canning Workers' Union formed a separate African union.

In spite of their formal separation, the two unions have always operated as 'one and the same' according to general secretary Jan Theron. All decisions are made by a management committee which meets once a month. Furthermore, when the registered union applies for a Conciliation Board, it does so on the basis that the agreement reached is automatically extended to Africans. In effect, the only tangible differences between the F & CWU and its African counterpart, are different bank accounts and honorary presidents. The non-racial status of the Union was to have an important influence on events before and during the Fattis and Monis strike.

### **Events Leading to the Strike**

In August 1978, the union began organising in the Bellville South factory of the United Macaroni group. The factory is a mixed one, with three different sections - milling, pasta and ice-cream cones. The milling section, which is the biggest of the three, was the only one affected by the strike. The union represents more than half the 250 workers at the factory.

At the beginning of 1979, the union was asked by its members in the milling section to negotiate an increase in wages. Workers wanted a minimum wage of R40 a week, an eight hour day with fixed tea and lunch breaks and an annual three week period of leave. At the time of the strike, male workers were earning an average of R32 per week and females between R19 and R27 per week, despite long service records. A petition putting forward the demands was signed by 45 workers and presented to management. The FCWU issued several demands for an increase in wages and stated that unless this was considered, they would apply for a Conciliation Board to force

**F & M to enter into negotiations.**

On 12 April 1979, after management had failed to respond to the demands, the FCWU applied to the Department of Labour to have a Conciliation Board appointed. Exactly a week later, Mr. Terblanche, the administration manager of Fattis and Monis in Cape Town, sent for the coloured workers involved in the petition. He told them they had to choose between the liaison committee and the union. He told them there would be 'moielike tye' (difficult times) ahead if they chose the union and insisted they decide that day. The workers, however, refused and contacted the union. Mr. Terblanche refused to speak to the union about the matter, but the company director, Mr. Peter Moni gave assurances to Mr. Theron that the workers were not being threatened.

On 23 April, five of the workers involved in drawing up the application were called to Terblanche's office and dismissed. No reasons were given for the dismissal. Mr. Terblanche later claimed they were dismissed because of re-organisation and mechanisation in the factory. Mr. Theron denied that this could be a valid explanation because the workers would have known about such a re-organisation programme in the factory. He also felt it to be highly unlikely that re-organisation would entail the dismissal of five experienced workers with considerable service with the firm behind them. All five were active members of the union. One was a production clerk, who was a shop steward; one a machine operator who organised the petition and three were experienced workers. All had been active in the drawing-up and presenting of the petition.

On 24 April, a further five workers, who demanded to know the reason for the dismissal of the original five, were also dismissed. Mr. Theron saw the dismissed workers and then phoned Mr. Terblanche. The latter replied that there had been a strike and that he would phone back. In the afternoon, Mr. Theron accompanied by African and coloured organisers, saw Mr. Terblanche. They appealed to him to reinstate the dismissed workers, saying they were the breadwinners of their families. Mr. Terblanche's reply was that they should have thought of that before they initiated the petition to F & M for an increase in wages.

The next day, all the workers of the milling section, both African and coloured, came together and asked for re-instatement of the dismissed workers. Mr. Terblanche called in officials from the Department of Labour who threatened workers that unless they returned to work, they would face a R200 fine. This was later denied by the Department. The officials also tried to separate the workers on racial lines, telling Africans to stand on one side

and coloureds on the other. The workers refused to, saying they were all there for the same purpose. It was then that 78 African and coloured workers went on strike.

For the seven months that the workers were on strike, they were given R15 a week and one free meal a day by the union. Workers and union officials met every day in a Bellville hall and throughout the strike, there were thorough discussions between union and workers about what was taking place. A strike committee was elected by the workers to represent them.

Public support for the workers grew rapidly in the face of management's intransigence. On 11 May, university and college students held a mass meeting at which they announced a boycott of F & M products. Within the next few months, they were joined by a wide range of organisations throughout the country including the Union of Teachers' Association of South Africa, the South African Council of Sport, (SACOS) the Labour Party, Inkatha and the Western Cape Traders' Association, which represents 2 000 black traders in the area.

From the start, management refused to recognise or negotiate with the FCWU, despite repeated attempts by the latter. The union realised that the only way it would get to meet management, was through the presence of a mediating party, such a presence was to prove an important factor in keeping negotiations alive. On 13 June, F & M agreed to meet with the union at a meeting organised by Mr. T. Mandla of the Western Province African Chamber of Commerce. The meeting was also attended by the Western Cape Traders Association. However, the negotiations broke down after F & M refused to re-employ 40 contract workers whose contracts were broken when they went on strike. They offered to re-employ the other 48 workers in subsidiary companies. This was rejected by the workers who demanded to be reinstated together in their original posts.

On 5 October, talks between F & M and the union were re-opened after the union had approached various influential organisations for support in its campaign. The South African Council of Churches replied that it could not co-operate in a boycott without talking to management first. They had a meeting with F & M in Johannesburg and it was agreed that talks would be re-opened with both the SACC (on behalf of the workers) and F & M appointing mediators. A UCT academic, Dr. James Leatt was the mediator appointed by the SACC. On 2 November, in a dramatic culmination to consistent management attempts to undermine the union, F & M broke off negotiations and announced plans to send letters to individual workers offering to take

them back at wages 'significantly higher' than the pay scales in force at the time of the dispute. They also guaranteed that their seniority would not be affected by the break in service. This was unacceptable to the workers who unanimously rejected 'Fatti's latest bid to bypass the union' and stated that the only acceptable settlement would be one negotiated and signed by their union.

On 8 November, the FCWU and F & M reached a formal settlement and the remaining 56 workers returned to work in two batches within a week of each other. This was seven months after the start of the strike.

### **Attempts to Break the Strike**

A tactic employed by management to undermine the union was to visit the workers individually and try to persuade them to return to work and ignore the settlement negotiations between FCWU and the Fattis management. There were reports that some of the workers were offered bribes of up to R50 if they returned to work. One of the Fattis representatives who visited the workers, showed them a list of workers who would not be accepted back by the firm. The list excluded the names of six of the workers, three of whom are members of the committee elected by the strikers. Coloured workers were visited by a coloured man and a white man who claimed to be private detectives. These men offered money to the workers to abandon their union and return to work.

Fattis management admit to having visited the workers. The reason they give for this is that they wanted to ensure that the workers were not too badly off.

Another tactic, although not initiated by Fattis, was to co-operate with a representative of the Ciskeian Government, a Mr. Belewe. Initially contacted by one of the strikers, a H Xolisi Skolpati, at a stage in the strike when morale was very low, Mr. Belewe approached Terblanche but refused to tell the workers what had been discussed during the meeting. Later he approached individual workers with offers of jobs at the Good Hope Bakery, a Fattis and Monis subsidiary.

As a result of Belewe's approaches, Fattis announced they would take back all the striking workers who applied before 3 August, 23 of the workers accepted the offer and were put to work in the company's Good Hope Bakery in Guguletu. Some were given jobs picking up paper and others the heaviest manual jobs in the factory. Most important of all, the contracts of the migrant

workers who went to work in the bakery, were never renewed. They were thus working illegally and during subsequent police raids on F & M houses, two of them were arrested - one of them, ironically enough, Skolpati himself. This exposed the hollowness of the firm's offer of re-employment and the strikers considered the Ciskeian representatives to have sold them out. They resolved to continue to fight to be re-instated unconditionally in the posts they held at the time of the strike.

Although it is difficult to differentiate between the role played by the state and that played by management in the strike because they worked together very closely, I shall mention a few instances of state intervention.

Early in July, a contingent of about 20 uniformed and plainclothes policemen questioned several of the workers at their daily meeting in a Bellville hotel. They asked questions such as who were contract workers, who had organised the strike, and who had given them stickers supporting the boycott.

Western Cape Administration Board inspectors twice raided houses belonging to Fattis and Monis where most of the strikers still live. During the second raid, which occurred at 3.30 a.m. the inspectors were armed with a list of names of striking workers. The workers were all woken up and told to report to the board's offices in the morning. The Administration Board's chief superintendent, Mr. P.U. Schellhause, told the union's attorneys that Terblanche had approached him on Monday and asked him to investigate allegations of certain workers 'causing trouble' at the hostels. Terblanche handed Schellhause a list of names of all the workers living in the hostels.

Forty of the strikers were contract workers from the Ciskei who, by striking, lost their right to live and work in the peninsula. During the seven months of the strike, four of them were charged with being in the peninsula for longer than 72 hours. They were all found guilty and sentenced to a R50 fine or 50 days imprisonment suspended for 14 days, subject to their leaving the peninsula or obtaining permission to remain from the Administration Board within that time.

A few months after the start of the strike, it was discovered that one of the workers was a special branch agent.

An important feature of the F & M strike, was the solidarity shown between African and coloured workers. Twenty of the initial group of 88 strikers are coloured and 68 African. Union officials stress that this was not a spontaneous stand. At work, the workers are divided on racial lines - coloured and

African workers do different kinds of work. Their cloakrooms are racially segregated. Organisation by the union began with coloured workers. For a long time, the African workers were un-unionised. They first saw the value of a union when one of them was paralysed from the neck down in an industrial accident. His wife came to apply for compensation and was told he was not entitled to any. Union officials went to the factory and demanded that *the worker be compensated. Without any further ado, they were handed a cheque for a substantial amount.*

From the start of the strike, the state and F & M management tried to break down the solidarity between workers of different race groups. Department of Labour officials tried to deal separately with coloured and African workers. Management commented to the press that 'the Africans don't really understand what is happening - they are just led by the coloureds'. Such attempts to break interracial solidarity were firmly resisted by the workers, who, throughout the strike, declared their determination to stand together regardless of race.

### **The Boycott - Community Involvement**

A distinctive feature of the strike was a national consumer boycott of Fattis & Monis products in support of the striking workers. The boycott was actively supported by a range of diverse organisations including colleges universities and schools, small traders, Inkatha, the Soweto Committee of Ten and several trade unions. Although management claims that the boycott had no effect on their sales, Fattis profits were almost halved in the 6 months preceding July 1979. Mr. G. Bijsters of the company's Johannesburg head office, confirmed that profits for January to July 1979 were R186 000 compared with R363 000 for the same period in 1978.

In an attempt to boost sales, free T shirts were given away with sales of Record Flour (a Fattis' product) at Malmesbury; a completely new name was given to a range of pasta products in Johannesburg and salesmen were appointed to go around telling people that the boycott was finished.

At the beginning of October, more than 120 students and school pupils from the University of the Western Cape, the University of Cape Town and a number of black high schools, organised a blitz on peninsula supermarkets. They packed trolleys with Fattis & Monis' products and refused to pay for them at the tills, stuck 'boycott Fattis and Monis' stickers on Fattis' products and left trolleys full of pasta products standing around in the aisles.

The idea of the boycott was first put forward by Mr. Kassiem Allie of the WCTA, who threatened to call on his members to boycott F & M if they persisted in their refusal to negotiate with the union. However, he vacillated for weeks and it was finally the boycott organised by the Western Province African Chamber of Commerce, which first brought F & M to the negotiating table. Three days after black shops in the townships stopped buying F & M bread, Terblanche went to see Mandela at his house and asked to meet with him to negotiate the re-instatement of the workers. Mandela insisted that the union be included in the negotiations and in the end, the WCTA were invited as well.

There is no doubt that this sort of activity had a significant effect on management's desire to put an end to the strike. In fact, Mr. Moni admitted to the press that one of the reasons for his firm agreeing to the settlement when they did was that school and university holidays were coming up soon and they had heard that students and school pupils intended further action. While he refused to admit that the firm's profits had dropped as a result of the boycott, he conceded that the boycott was having a seriously adverse affect on the 'image' of F & M.

Mr. Hassan Howa of SACOS seriously jeopardised hopes of a settlement by publicly announcing that he refused to lift the boycott until he personally was satisfied with the terms of the re-instatement. At one stage in the final round of negotiations, union officials visited him in order to persuade him to agree to call off the boycott when the dispute had been concluded. All the other boycott organisers had already agreed to do so. He only agreed to this on condition the workers themselves told him to do so. A meeting was arranged between him and the workers on 2 November where he was told categorically by the workers that they were entirely satisfied with the terms agreed to by the union and that they wanted him to call off the boycott as soon as their contracts had been renewed.

This seems to be the only sign of a non-worker group trying to seize the initiative from the union. Apart from Howa, the boycott was conducted throughout the strike in close co-operation with the strikers - responding directly to their needs and acting according to their instructions.

tern Cape Traders' Association and the Cape Chamber of Industries intervened at different stages during the strike to convene meetings between the union and management. This was necessitated by the reluctance of Fattis' management to meet with the union as a legitimate representative of the workers. The real value of the mediators was that F & M did not have to be seen to invite the union to negotiations. They were also useful in that they were some sort of witness to the discussions. Union officials stress that at no stage did the mediators ever play a part in the actual bargaining. All negotiations essentially remained between management and the workers and the union officials.

F & M, however, hired a public relations consultant from a firm called Editorial Service Bureau for the last six days of negotiations - reputedly at the cost of several thousand rand. He virtually took over negotiations on behalf of management and issued several press statements on behalf of Mr. Moni.

### **The Settlement**

A settlement, described by Mr. Theron, as a 'great victory for the remaining 56 workers and for the union', was reached on 8 November.

'It is also a victory for workers everywhere and for the organisations who were prepared to support the workers' cause'.

Theron added that it was victory at a 'tremendous price' in that the strike had cost the union over R30 000, as well as causing great hardship to the workers and their families.

The General Workers' Union commented that never before had workers stayed out so long, and that co-operation between coloured and African workers had added 'a new dimension to worker unity'.

The importance of the settlement is that an employer has signed a contract with an unregistered union (the AFCWU). Both the FCWU and the AFCWU were referred to jointly as 'the union' in the agreement. This is particularly remarkable in view of the fact that in this case management had insisted on dealing with the two unions separately. They will never be able to do this again.



The terms of the settlement are:

- ★ All the strikers will be re-employed at the F & M Bellville factory in two batches on Wednesday, 14 November and Wednesday, 21 November. The reason for this is that F & M want time to try to find alternative employment for the scab workers who took the places of the strikers.
- ★ F & M will try to place the strikers in their original jobs as soon as possible.
- ★ Strikers will start at the same wages as before the dispute, but wages will be brought into line with any raises received by other workers within one month. (Most other workers have received 14% increases since the dispute).
- ★ F & M will seek the renewal of the contract workers' documents within the next two months.
- ★ F & M will provide contract workers with a bus to travel to the Ciskei for two weeks over Christmas to enable them to see their families.
- ★ The strike period will not be regarded as broken service - the strikers seniority will not be affected and they will receive annual bonuses as if they had not been on strike.
- ★ No strikers will be fired for one year, except for theft or drunkenness.
- ★ The union will not press wage demands during the next year.
- ★ The union agreed to inform the organisers of the boycott when the 'dispute has been concluded'. (Union officials explained that this wording was used specifically to mean that this would be when the contract workers' contracts are renewed and not just when settlement was reached).

The only question that now remains is whether F & M will honour the terms of the settlement. As Theron commented, the workers and their union are extremely distrustful of F & M because of the way they conducted themselves during the strike.

*'Although this suspicion can only be alleviated once the settlement has been implemented, I don't think this should detract from the victory this settlement represents', he added.*

Boycott organisers throughout the country, with the exception of the Wes-

tern Province Traders' Association, have vowed to continue the boycott until the contracts of the migrant workers have been renewed. This will no doubt influence F & M to act quickly because, as Moni admitted:

'The boycott could have had a serious effect if we had allowed it to linger on. There is no doubt that these boycotts can be effective. We made the mistake of ignoring organised labour. I would advise other firms to negotiate directly with unions as soon as possible'.