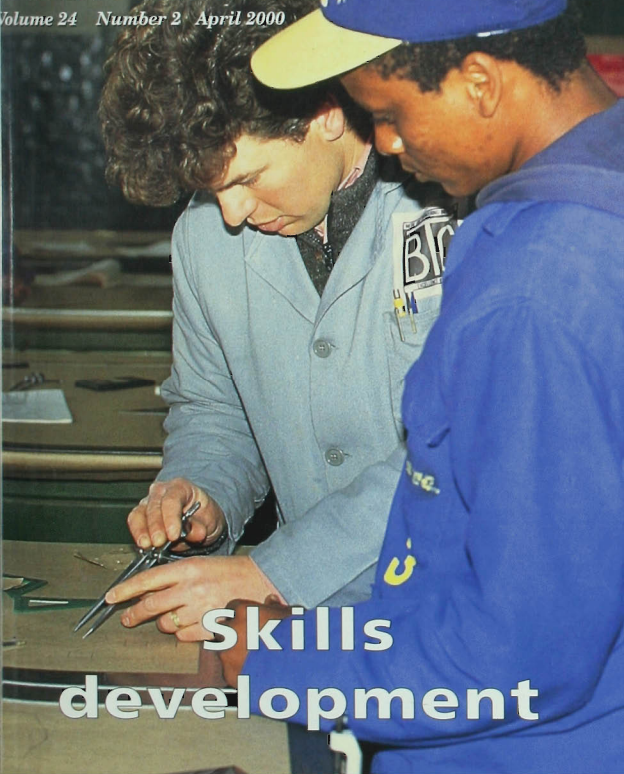


SOUTH AFRICAN

LABOUR BULLETIN


Volume 24 Number 2 April 2000

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Skills development

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The South African apartheid workplace needs to be restructured. This edition of the *Bulletin* examines four issues that have an effect on workplace transformation – skills, union strategy, what's happening in unions and the impact of the broader industrial relations climate.

The new skills legislation attempts to, among other things, promote skills training. Adrienne Bird argues that skills development must be linked to industrial strategy for South Africa to develop and become more productive.

Ian Macun shows how strategic planning can be used for skills development. Barry and Norton also argue that labour must engage in the new institutions that have been set up – one of them being Sector Education Training Authorities, on which Vlok's interview with Sam Morotoba focuses. How should labour engage? Marock's article details COSATU's policy and guidelines on recognition of prior learning (RPL).

But skills development is only one part of a strategy needed to transform the workplace. Unions also look at issues such as work organisation and participation.

Karl von Holdt's series – 'The Highveld Steel Story', details how NUMSA has tried to implement a new strategic vision of reconstruction in the workplace. This includes conceptualising a new vision and winning support for it in union structures – by no means an easy process, since it raises a number of controversial questions such as is

the union committing itself to managing capitalism? Is worker control being advanced? Von Holdt's case study of how NUMSA implemented teamwork and transformed a workplace, is a positive example that other unions can follow. This can be contrasted to Kally Forrest's analysis of what happened at Volkswagen. She highlights the workers' different ideologies (and thus) strategies on restructuring the workplace. The article shows that democratic debate in union structures and the use of accepted strong leaders to resolve internal conflict are essential if workers' interests are to be protected, and union strength and legitimacy are to remain intact.

The last case to point to is Eskom where a tense industrial relations climate is one of the factors preventing workers and management from working together on HIV/AIDS. It points to the necessity for good and stable industrial relations to be in place if co-operative projects are going to work.

Tanya van Meelis
Editor

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Cover: Training at Benoni Training Centre (BTC) Photograph William Matlala

All photographs by William Matlala unless otherwise indicated.

The views expressed by contributors are not necessarily those of the editorial board of Umanyano Publications

Oh rats!

RUITERS' REFLECTS

REDEYE was at the FES/Naledi conference and was amazed to hear the following from Alistair Ruiters, new director-general of the Department of Trade and Industry: 'The relationship between capital and state is very comfortable in other countries, and here too we have fallen into it. You just need to stand back at cocktail parties and look at what is going on there. This is different to what we learnt in the 1980s. Who are our policies benefiting?'

REDEYE commends Ruiters for his honesty and hopes to see more people taking a step back at cocktail parties.

RATING ON THE DOL

The Department of Labour, at its skills conference, supplied a booklet with a section on sample training material. In it, a case study mentions that among the employees in a certain company 'there were two girls in the office'. REDEYE wonders how old they were because surely there are laws against employing girls.

It then discusses how to train a rat and compares that to training 'a man'. A diagram on the steps in teaching progression has a rat on the one side and a 'man' on the other. The section concludes with this question 'In the learning context are people like rats?' and answer 'if you wanted to train a human to perform a task, you would proceed in a



similar way (to training a rat), leading him through a progression of five distinct steps'.

At the beginning of the section it says 'In no way is the Department of Labour...accountable for the quality or value of the material represented'. Now what kind of a statement is that? REDEYE wonders whether the department knew what was coming.

MARY'S MERC

In *FEDUSA Debate*, the federation's official magazine, Mary Maletle, its president, is photographed next to her 'newly acquired Mercedes, a car fit for a president'.

REDEYE congratulates FEDUSA on its transparency. Now, wonders REDEYE, what would the chance be of COSATU leadership showing off their cars?

If any leader would like to send a photo to REDEYE, the address is at the front of the *Bulletin*. REDEYE will even accept photos of *skorokaros*, but that seems unlikely taking into account some of the stories REDEYE has heard about COSATU affiliates' parking garages. REDEYE will keep readers informed of any photos received.

HOBGOBLIN

REDEYE has decided that some translations of Karl Marx's works, though inaccurate, make for better reading. A case in point is the translation which claims that 'a hobgoblin is haunting Europe'. Sounds much more interesting than 'a spectre is haunting Europe'.

Dear Editor

The *Labour Bulletin* published an interview you did with me in February 1998. I wish to inform you what has happened since then.

I have always been aware of the nature and ability of ideologies to deceive and control the minds of men, that only the owner of a mind could change it, that this process uses self-realisation and development.

One can hardly think of a more emotive word for South Africans than 'apartheid', and I was planning for the day when I could be part of a 'post-apartheid' society. But I have realised that the legacy apartheid left us with is a massive, complex and interrelated web of laws, traditions, attitudes, socio-political and theological factors. These have to be unravelled and reversed, but it will not be easy.

I wanted to be a part of this process, as you correctly captured in your interviews, because

of my beliefs in forgiveness and reconciliation. I realised that there could be no reconciliation without justice, and justice includes removal of unequal structures. There can be no reconciliation without equality, as only equals can reconcile. This meant the liberation of black people and removal of oppression.

I have been applying for new positions and trying to build my career. After my third application I was short-listed for a position as admin officer, two ranks higher than the post I was in, that of senior clerk. I believed God's word which says 'A labourer is worthy his due'. I hated racist attitudes and believed that lessons were learned from the past, and that apartheid would be reversed. I believed in the LRA, labour relations, employer-employee relationship, and I got the job!

Ben van der Merwe
NEHAWU member

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The Skills Development Act

transforming education and training for workers

Parliament passed the Skills Development Act, 1998 ('the Act') in the context of high unemployment, grossly unequal distributions of income, inequality of opportunity based on the legacy of apartheid, poverty and low levels of investment in the South African labour market. The Act aims to address these features by way of a new set of institutions and financial schemes

The purpose of the Act is to:

- develop the skills of the workforce;
- improve workers' quality of life, prospects of work and labour mobility,
- improve productivity in the workplace;
- promote self employment;
- improve the delivery of social services;
- increase the levels of investment in education and training in the labour market and improve the return on that investment;
- encourage employers to use the workplace as a learning environment,
- encourage workers to participate in learnerships and other training programmes to improve their employment prospects;
- help work seekers find work.

Parliament passed the Act on 20 October 1998 and most of its provisions came into operation on 10 September 1999. The Act repealed the whole of the Manpower Training Act, 1981, the Guidance and

Brendan Barry and Dawn Norton outline the new legislation dealing with skills development.

Placement Act, 1981, the Local Government Training Act, 1985 and the sections of the Telecommunications Act, 1996 which deal with training. The Act creates significant opportunities for trade unions to influence the type and extent of training to be provided by employers to workers.

The National Skills Authority

The Act establishes the National Skills Authority (NSA).

The functions of the NSA are to:

- advise the Minister of Labour on a national skills development policy, a national skills development strategy and guidelines on its implementation;
- advise the Minister of Labour on the allocation of funds from the National Skills Fund;
- liaise with Sector Education and Training Authorities (SETAs) on the national skills development policy and strategy;
- conduct investigations on any matter arising out of the application of the Act.

Column contributed by Cheadle, Thompson and Haysom

The NSA is composed of 27 members appointed by the minister. Five members represent organised labour, five represent organised business, five represent community and development interests, five represent the interests of the state, four represent the interests of education and training providers, two have expertise in the provision of employment services and one member is nominated by the South African Qualifications Authority (SAQA).

A member of the authority holds office for a period of three years and is eligible for re-appointment.

SETAs

On 20 March 2000 the Minister of Labour established 25 SETAs, each with jurisdiction over a defined economic sector. On the same day the Minister of Labour abolished the 33 training boards established under the Manpower Training Act, 1981.

The Act provides that the assets, rights, liabilities and obligations of those training boards are transferred to the SETA responsible for their economic sector. As an interim arrangement, existing apprenticeships must be dealt with in terms of the Manpower Training Act, 1981, but the SETA must perform the functions of the old training boards with respect to the apprenticeship contracts.

The Minister of Labour will set a date on which this interim arrangement will end and publish it in the Government Gazette. On that date, existing



The Skills Development Act aims to develop workers' skills.

apprenticeship contracts will be considered as learnerships under the Skills Development Act. The primary functions of each SETA are to:

- develop a sector skills plan,
- implement the sector skills plan,
- promote learnerships;
- approve workplace skills plans,
- monitor education and training in the sector;
- allocate grants,
- support the development of learning materials.

A SETA consists of representatives from organised labour, organised employers (including small business) and relevant

government departments and may also include representatives from interested professional bodies and bargaining councils in the particular sector if the minister so approves

Organised labour is represented on each of the 25 SETAs. Each SETA must consist of an equal number of members representing employers and employees.

The Act obliges SETAs to apply to SAQA for accreditation as Education and Training Quality Assurance bodies. Once so accredited SETAs will be responsible for the accreditation of training providers and quality assurance of their training.

Learnerships

SETAs are responsible for establishing learnerships in their economic sectors. Learnerships are intended to address the gap between current education and training provision and labour market needs. Learnerships must consist of a structured learning component, and practical work experience of a specified nature and duration which leads to a qualification registered by SAQA and which is related to an occupation. Learnerships replace the old apprenticeships under the Manpower Training Act, 1981. Learnerships are

The 25 SETAs

SETA 1: Financial and Accounting Services

SETA 2: Banking Sector Education and Training Authority

SETA 3: Chemical Industries Education and Training Authority

SETA 4: Clothing, Textiles, Footwear and Leather Sector Education and Training Authority

SETA 5: Construction Education and Training Authority

SETA 6: Diplomacy, Intelligence, Defense and Trade & Industry Sector Education and Training Authority

SETA 7: Education, Training and Development Practices Sector Education and Training Authority

SETA 8: Energy Sector Education and Training Authority

SETA 9: Food and Beverages Manufacturing Industry Sector Education and Training Authority

SETA 10: Forestry Industries Sector Education and Training Authority

SETA 11: Health and Welfare Sector Education and Training Authority

SETA 12: Information Systems, Electronics and Telecommunication Technologies

SETA 13: Insurance Sector Education and Training Authority

SETA 14: Local Government, Water and Related Services Sector Education and Training Authority

SETA 15: Media, Advertising, Publishing, Printing and Packaging

SETA 16: Mining Qualifications Authority

SETA 17: Manufacturing, Engineering, and Related Services Education and Training Authority

SETA 19: Police, Private Security, Legal and Correctional Services

SETA 20: Primary Agriculture Education and Training Authority

SETA 21: Public Sector Education and Training Authority

SETA 22: Secondary Agriculture Sector Education and Training Authority

SETA 23: Services Sector Education and Training Authority

SETA 25: Tourism and Hospitality Education and Training Authority

SETA 26: Transport Education and Training Authority

SETA 27: Wholesale & Retail Sector Education and Training Authority

The anticipated SETAs in 'Personal care' and 'Sports, Arts, Culture and Entertainment' were not established because they were not financially viable.



Learnerships are also available to unemployed workers.

intended to improve the old system by.

- offering training both within and beyond the formal sector,
- focusing on a wider range of occupations,
- integrating theoretical education with skills training

Furthermore, learnerships are available to a wider range of learners including first-time work seekers and unemployed workers

Learnerships are established by learnership agreements between a learner, an employer and an accredited training provider and must be registered with the relevant SETA. The learner and employer must also enter into a contract of employment. The SETA is required to give a record of learnerships to the Department of Labour.

Planning Unit

The Act provides for the establishment of a Skills Development Planning Unit in the

Department of Labour. This Unit will research and analyse skills deficits and needs in the labour market and assist in formulating the national skills development strategy. The Unit will also provide information on skills to the Minister of Labour, the NSA, SETAs, education and training providers and organs of state.

Financing

The Skills Development Levies Act, 1999 is an allied piece of legislation concerned with the financing of the Skills Development Act. As from 1 April 2000, employers will be obliged to pay a levy of 0,5% of their payroll to the South African Revenue Service (SARS). This levy will increase to 1% as from 1 April 2001.

The purpose of this levy is to fund the skills development of employees and unemployed persons.

Employers who are exempt from



Learnerships will integrate theoretical education with skills training.

paying the levy include.

- those who are exempt from income tax in terms of section 10(1)(f) or section 10(1)(fa) (religious, educational or charitable institutions) of the Income Tax Act, 1962;
- employers who are not required to register as employers with the SARS on grounds that all their employees are not liable for PAYE and whose total payroll is estimated to be less than R250 000 per annum or such other amount determined by the Minister of Labour.

A public service employer in the national or provincial sphere of government and any public entity which gets 80% or more of its expenditure from funds voted by parliament (such as the Human Rights Commission or Gender Commission) is

not required to pay the leviable amount. However, they must budget the same amount (ie 0,5% and later 1%) for purposes of education and training.

The Department of Labour estimates that the skills development levy grant scheme will yield about R1-billion for training and skills development this year and double that next year. The SARS will distribute:

- 80% of the levies (ie approximately R800-million) to SETAs (in proportion to the amounts collected from employers registered with a particular SETA),
- the remaining 20% (ie approximately R200-million) to the National Skills Fund ('Fund').

The money in the Fund may be used only for projects identified in the national skills

strategy as national priorities, or for other projects the Director-General of Labour determines are related to the purposes of the Act. These national projects are in the process of being identified.

Employers may reclaim much of the levy they have paid if they provide skills training for their workforce. The aim of the levy is to encourage employers who do not offer training opportunities for their employees (or very little training) to raise the skills levels of their employees.

The employer's incentive to provide training is to receive a proportion of their levy. In turn the levy rewards employers who currently provide significant skills training to their employees because they may now recover a proportion of their training expenditure. Furthermore, each SETA will make grants available to employers who are able to implement training for specific skills shortages identified by the SETA.

It is anticipated that employers will be concerned to recover as much of the levy they have paid as possible. An employer may recover:

- 15% of their levy if they employ or appoint a Skills Development Facilitator;
 - 10% if they prepare a workplace skills plan,
 - 20% if they implement this plan.
- A Skills Development Facilitator is responsible for developing and planning a firm's skills development strategy. This Facilitator assists employers and employees to draft and implement their workplace skills plans. These plans must identify and prioritise the training needs in a particular workplace and indicate which employees will receive training.

Enforcement

Chapter Ten and Schedule Two of the BCEA apply (with the necessary changes

required by the context) to monitoring and enforcing the Act, and any legal proceedings concerning a contravention of the Act.

In brief, these provisions provide for the appointment of labour inspectors who may conduct inspections, investigate complaints and issue compliance orders. A labour inspector may, without warrant or notice, enter a workplace or a premises used for training, to monitor or enforce compliance.

An employer may be fined for failing to comply with a provision of the Act. The fine is calculated as a percentage of the amount owing. A person may be sentenced to a fine or imprisonment for a period not exceeding one year if he or she is convicted of an offence in terms of the Act. Offences include:

- failure to pay the levy,
- obtaining prescribed documents by fraudulent means,
- giving false information knowing it to be false,
- obstructing or attempting to improperly influence a person who is performing a function in terms of the Act.

Conclusion

The Act provides significant opportunities for trade unions to shape skills development policy, strategy and implementation.

- at national level on the NSA;
- at sector level on each SETA, particularly in developing and implementing sector skills plans and promoting learnerships,
- at workplace level in developing workplace skills plans. ★

Brendan Barry and Dawn Norton are attorneys at Cheadle, Thompson and Haysom

What happened at VW?

So serious was the Volkswagen (VW) strike in January this year that President Mbeki referred to it in his opening speech to parliament, saying that the government would not tolerate illegal disruptive strikes. And figures released later by Statistics SA noted that the production of motor vehicles, parts, and accessories was down by nearly 16% in January on a seasonally adjusted basis because of the strike.

But this was not workers striking against their employers. It was workers striking against their union, NUMSA.

This is not the first time that workers in South Africa have struck to highlight internal union conflict. In fact, it is a peculiarly South African tactic to disrupt production when members have a grievance against their union.

It is not always clear why workers use this tactic rather than raising grievances in union structures. It may be the only way workers know of getting their grievances aired or it may be an attempt to cripple the opposition by weakening the union in that plant. But it is clear that workers are prepared to risk their jobs to protest an internal union matter.

But how does a situation like the one at VW arise? How do unions attempt to deal with the conflict, and how successful are they?

These are complex questions which need a considerable amount of unravelling.

Kally Forrest explores why the three-week strike against NUMSA took place at VW and concludes that workers learned through their bitter experience that the union is there to represent their interests and that internal conflicts must be solved through democratic debate in union structures.

There has recently been a spate of internal union conflict – some of which have been successfully resolved, and others that simmer on unresolved or explode into violent confrontation in the public arena. The killing of an NUM regional chair, Selby Mayise in May last year when he addressed workers on confusion around the Mineworkers Provident Fund, is one of the most extreme forms this conflict has taken. Indeed, the memory of this murder has put extra stresses into resolving of internal union conflicts.

VW and Nissan conflicts

Although the VW strike got wide coverage in the press there were few attempts to answer these questions beyond vague allegations that the UDM (United

Democratic Movement) and other political formations were making in-roads in the plant and causing conflict

At VW, in Uitenhage, as at Nissan (see Box on p 18), there is a history of workplace restructuring and change. Like Nissan, VW is a large auto factory with a big union membership of about 4 000 members As at Nissan, a rumbling internal dispute broke out into open hostility and in the VW case led to a three-week strike against the union's suspension of 13 shopstewards And as at Nissan, in the lead up to this internal dispute NUMSA shopstewards and regional leadership were accused of being in bed with management in a highly charged atmosphere with threats and intimidation.

But in the VW case, unlike Nissan, NUMSA was not able to contain the violence and internal conflict. The reasons are complex and varied and this article does not claim to cover all the dynamics in the dispute

Background

For a long time before the strike, internal union politics at VW were unstable. VW is a key factory in the Port Elizabeth/Uitenhage area with strong links into local community politics. In the 1980s workers waged militant battles to improve their conditions and VW was the first factory in the union movement to demand a living wage of R2 an hour.

Through its militant struggles and size VW was seen as an important factory to win in local political battles This has meant that over the years various political groupings, and tensions, have surfaced in the factory. In the past the union contained these differences but in the 1990s things changed

The 1990s ushered in a new democratic government which workers had fought for New labour laws protecting workers'

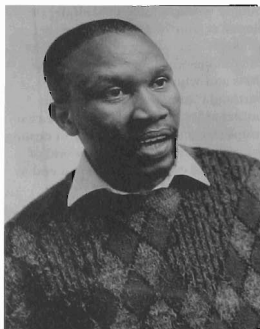
rights were introduced, and new and younger workers joined VW under the tolerant regime of Mandela's presidency. But there are also older workers at VW who remember the hard battles of the 1980s and who cannot forget how apartheid ruined their lives And the conflict at VW is partly about these two groups struggling to find a way of dealing with employers in the 1990s world of international competition and an end to protective tariffs

Over time a group of older African members began to feel alienated from the younger shopstewards on the shopstewards committee This younger leadership was struggling with massive unemployment, and other new and complex issues in a period where co-determination was the buzz-word, and the old days of militant rejection and suspicion of all management initiatives was over This difference in approach is well illustrated by the different responses to the A4 Golf Export Agreement

A4 Golf Agreement

VW Germany were willing to allocate the A4 contract to their South African subsidiary if local management could develop the capacity to carry out the contract In order to win the contract the company had to cut back on costs and introduce new technology Negotiations with the union began

The company offered 850 new jobs with the spin-off of another 1 000 jobs in the harbour in return for certain workplace changes. This included things like only one tea-break a day, and instead of the traditional three week factory closure over Christmas, leave would be spread over a nine-week period to ensure unbroken operations This was taken to membership and after nine months of discussion the union got the mandate to



Peter Dantjies helped resolve conflict in the union at Nissan.

go ahead with the agreement. NUMSA's Eastern Cape regional chair, Irvin Jim, put it like this: 'That agreement was not perfect but in a capitalist environment it was the best we could do to ensure creation of jobs in a sea of unemployment in the area.'

to the older traditional African workers it looked like the union was selling out on all the hard-won struggles they had waged to win rights like regular tea-breaks.

But to the older traditional African workers it looked like the union was selling out on all the hard-won struggles they had waged to win rights like regular tea-breaks. They also wanted the

traditional factory closure at Christmas with everyone returning together to their homes to attend to things like circumcision ceremonies.

A core of these workers started holding their own regular general meetings at lunch time where they voiced their unhappiness about shopstewards selling out, and complained about the lack of mandates, and servicing.

Over time they gathered a group of sympathetic workers around them in a grouping known as Indlu yeengwevu (The House of Elders). In this way a block of union members operating outside of union structures emerged even though some of them were shopstewards

Then the de-mutualisation of Old Mutual in 1998 further aggravated this split. As at Nissan and in other internal union disputes, benefits can be the trigger for some heated emotions.

The VW provident fund had invested in Old Mutual. With de-mutualisation workers believed they were entitled to cash payouts. The Indlu yeengwevu encouraged workers in this belief whereas at other workplaces NUMSA regional leadership quickly clarified the situation.

When shopstewards at VW explained that payouts from a provident fund only took place on resignation, retrenchment, retirement, or death, some workers at VW remained deeply suspicious and confused

Dealing with Indlu yeengwevu

Shopstewards outside of Indlu yeengwevu felt they had to deal with this unconstitutional group that 'was misleading workers'. So, for example, they called a company congress in 1997 to allow members to raise grievances and map a way forward.

The regional executive was then mandated to execute this plan of action with shopstewards. But it was clear that 13

of the 32 shopstewards were not on board, according to Jim, 'The 13 actively boycotted or sabotaged union meetings and structures and attacked the leadership all the time without specific allegations. We felt they just had the desire to weaken organisation. They knew they could not break away and form another union because the majority of membership would not go with them.'

Witnessing this split in their leadership, membership became passive and marginalised in the conflict. The worsening situation rumbled on throughout 1998 until in 1999 the NUMSA Uitenhage shopsteward council, made up of shopstewards from different companies, decided to take action and suspend the 13 stewards. The suspended stewards were invited to a hearing but did not come. The region pointed out that the suspension was unconstitutional but at a later regional congress the decision of the local was upheld subject to correct procedures being followed.

The Indlu yeengwevu group quickly followed this decision with a one-day strike supported by about 300 NUMSA members demanding the reversal of the suspensions. To resolve the situation NUMSA leadership decided they had to be 'creative' and lift the suspensions while adhering to the congress decision that the 13 must stop operating as a block within NUMSA, and stop inflaming opposition to NUMSA leadership. This decision was communicated at a quarterly general meeting to which the 13 were invited. They attended but sat with general membership distancing themselves from other shopstewards.

At the meeting the other shopstewards resigned as they felt they could not continue in the threatening atmosphere and 'they felt useless with no unity to take up issues'. This left the 13 as the sole

shopstewards. The meeting agreed to hold shopsteward elections and bring in the neutral Independent Mediation Services of South Africa (IMSSA) to conduct them. But this never happened.

The Indlu yeengwevu group conducted their own ballot and at a meeting attended by the regional secretary, Slumko Nodwangu, they gave the names of new stewards to management. Nodwangu objected that the stewards had not been properly elected and management then witnessed veiled threats on Nodwangu's life.

NUMSA's leadership then returned to the regional congress decision to suspend the stewards because they did not adhere to the conditions laid down.

NUMSA's leadership then returned to the regional congress decision to suspend the stewards because they did not adhere to the conditions laid down. 'We had to take a stand to defend our organisation,' said Jim. The suspended shopstewards did not attend their disciplinary enquiry.

The strike

On 20 January the Indlu yeengwevu group and about 300 supporters went on strike. Over time about 1 300 workers joined the strike. Most of the strikers were less skilled workers. This time it took three weeks before production at VW started again. VW management responded by closing down the plant and giving workers a deadline to return to work, saying it was an illegal strike. Some returned but 1 300 were dismissed.

In the meantime the Indlu yeengwevu

group set up a Crisis Committee in the community which was partly taken over by non-VW workers. Their spokesperson was an unelected ex-NUMSA and now management member of Goodyear, Wilfuss Ndani.

The majority of dismissed workers turned to NUMSA to get them reinstated and the union immediately took up their cases. But the strike had taken its toll on both production output (VW was losing about R25-million turnover per day) and the image of the union was dented in workers' eyes as they asked: 'Do we need all this trouble?'

What to make of it?

On the face of it, NUMSA leadership tried a number of different ways to resolve the conflict in their ranks. There were attempts to deal with the problem as openly and democratically as possible through the calling of general meetings, company congresses, and regional congresses. So why did these attempts not succeed as they had at Nissan?

The Indlu yeengwevu were older workers, concerned mainly with workers' issues, who felt their militant tradition of workplace union struggle was under threat.

Some commentators feel that politics and the union's lack of impartiality stood in the way of a solution to the problem. Most NUMSA leadership was aligned with the ANC/COSATU/SACP alliance and shopstewards outside of this camp were viewed with suspicion. The Indlu yeengwevu were older workers, concerned mainly with workers' issues

who felt their militant tradition of workplace union struggle was under threat. As time went on some of the stewards from this group joined other political groupings.

At every point where the union attempted to resolve the conflict they sent in representatives who supported this alliance politics, whether it was the regional leadership or national leadership in the form of NUMSA president Mtutuzeli Tom. The union did not send in a neutral, but trusted representative, as in the case of Nissan, to act as a mediator in the conflict. This meant that all attempts at solutions were immediately regarded with suspicion.

There was also a crisis of ideology in the union. Older workers were battling with the new style of leadership - a leadership that accepted they were operating in a capitalist environment. Older members had grown up in the 1980s socialist rhetoric - and this was especially true of auto factories in the Eastern Cape - where there were times when it seemed that workers would wrest control of factories from employers. From this perspective this new era of co-determination with management looked like a sell-out.

But the Indlu yeengwevu group were unable to put forward any alternative strategies which could convince the majority of workers that theirs was the route to go. Instead they dug in their heels and sabotaged union leadership and structures from the sidelines. During the strike, Nodwangu commented, 'Workers used intimidatory tactics which were associated with VW struggles which were at the centre of the struggle in Uitenhage in the 1980s. These kinds of tactics in these times with a new LRA were inappropriate.'

The Indlu yeengwevu were also struggling with the style of leadership.



Like other unions, NUMSA must work at building and maintaining unity

Gone were the days where the union sought mandates from members on all issues. With more complex issues, and more worker benefits, shopstewards are often involved in a range of technical issues where they make decisions on the spot. This broader representative democracy was not easily accepted by older members.

This was a tension that the union did not resolve, as Peter Dantjies, NUMSA's general secretary at the time, put it, 'There is a lack of involvement of members. People tend to rely on one-hour meetings and when important issues are discussed in other meetings there is not a majority of members present.' The union was not able to ensure deeper involvement by members which would have allowed for broad mandates that shopstewards could work with to ensure no undue delays in negotiations.

Combined with this clash of ideologies went certain assumptions about the level of leadership experience in VW.

Nodwangu comments that 'because VW was an old and militant factory there was the belief in the union that there was qualitative, experienced leadership in the factory and a well educated membership. In fact at the point of production a great deal needs to be done to inform members of micro- and macro-economic relations - a great deal of education needs to be done.'

The assumption that local leadership could deal with the conflict meant that national leadership came in at a very late stage when it was difficult to make any constructive intervention.

Commentators also feel that the conflict was not dealt with early enough at a local level. Differences were allowed to simmer unattended until a clear

Internal union dispute at Nissan

Just before the VW strike, NUMSA leadership were resolving an internal union dispute at Nissan where members called for the cancellation of their union subscriptions and a strike directed against their company and union. This conflict was successfully resolved.

At both Nissan and VW, workplace changes either caused, or heightened, internal union conflict. The dispute at Nissan happened against a backdrop of company restructuring and discussions around retrenchments in the face of falling profits.

Unilateral restructuring

NUMSA has 2 000 members at Nissan, a company in Rosslyn near Pretoria. Nissan management unilaterally introduced a new medical aid to cut company costs. Once they had contracted the new medical aid, management consulted NUMSA shopstewards and the chair of the shopstewards committee wrote a letter endorsing the new medical aid. Workers were then faced with a form to sign to change over to the new medical aid.

Workers were confused about the decision and they were worried about what would happen to their contributions in the old medical aid. A vocal group of workers emerged who strongly opposed the shopstewards committee for going along with the new medical aid. They accused shopstewards of being in bed with management.

This caused a split in the shopstewards committee – some sided with angry workers and others supported the new medical aid. Anti-NUMSA feeling ran high amongst workers and there were requests to cancel union subscriptions. Then 2 000 workers struck against the company's medical aid decision and the union's endorsement of this.

Head office intervenes

At this point Peter Dantjies, NUMSA general

secretary, was called in from head office to try and sort out the conflict. He consulted carefully with shopstewards over a period of two days and then addressed a general meeting.

In Dantjies' words it was a difficult meeting, 'Workers were very hostile. They kept interrupting me and grabbing the mike out of my hands to address workers. All this came just after the killing of an NUM regional chair in a similar situation and speakers made reference to that incident. Workers would not allow any shopstewards or local organisers to address them. It was very threatening.'

But Dantjies had a couple of advantages. Firstly he had formerly been an organiser in the Rosslyn area and was trusted by workers. Secondly he was seen as a neutral 'outsider' with no particular brief or involvement with either of the shopsteward factions. This was in contrast to the regional leadership who workers did not consider neutral.

These advantages enabled Dantjies to hold his ground and members began to air their grievances which included complaints about lack of servicing and consultation, and allegations against regional officials. The meeting then proceeded to endorse some creative and innovative ways of handling the dispute.

Commission

The meeting agreed to set up a commission to investigate members' grievances and to develop proposals for general membership to discuss. Dantjies was to head the commission and members could elect anyone to sit on the commission – they did not have to be shopstewards. Dantjies said this was important because, 'I detected there was a core who were not shopstewards who were driving the opposition and we needed to know who they were'. And the same time, 14 people who

were strongly attacking the union were elected to sit on the commission.

The company was at first very hostile to this commission. They felt they had the upper hand because shopstewards had endorsed the idea of a new medical aid, and they did not want to deal with an ad hoc group of workers.

The union, however, managed to persuade management to co-operate with the commission and to give commission members time off with pay and transport for the period of investigation. It was also agreed that shopstewards would continue with their day-to-day tasks and the commission would only deal with medical aid issues.

The commission set to work and demanded information from each medical aid so that members could make an informed comparison. The union also explained to the medical aid how their selection had caused conflict.

The medical aid agreed to a joint meeting with the union and management and in this way the union managed to change the balance of forces around the company's unilateral decision. At the meeting the medical aid agreed to withdraw until workers had a proper chance to discuss and make an informed decision.

In this balanced and transparent manner the union was able to diffuse the situation and to bring the union opposition on board in a constructive way. The commission investigated all worker allegations including

their allegations against the regional leadership many of which were without substance and had arisen mainly out of anger with the union's lack of consultation. Members of the commission also agreed that political differences must be neutralised as this was not the main issue.

Commission findings

The commission agreed to recommend to the general meeting that shopstewards be suspended and those stewards responsible for writing the letter to management should not be allowed to stand for re-election. They also agreed to recommend that in future any member calling for the suspension of union subscriptions would be expelled from the union.

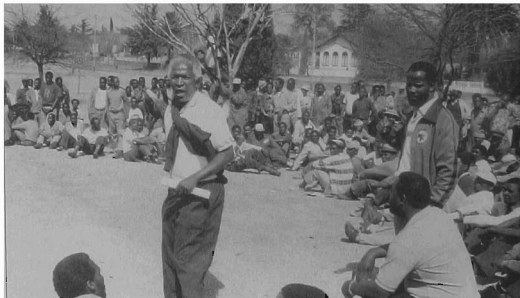
The union then held a five hour report-back meeting with general membership where all issues were thoroughly discussed. The ball was put back into the membership's court, as Dantjies put it: 'We told them we can't say which medical aid you must go with. That is your decision, it's for you to assess now you have the information. We are merely here to normalise the situation. You must decide and give a mandate.'

Once the union was again talking with one voice it was possible for NUMSA to declare a dispute with management over their unilateral implementation of the medical aid. The company then withdrew their decision and began a proper process of negotiation over the future of the medical aid.

opposition group emerged. Richard Ntuli, an experienced NUMSA organiser on the East Rand and a former shopsteward, has commented: 'There is jealousy amongst shopstewards themselves. I faced that. It's a hard job to bring them all the time together. That's why we met every week. There's a Sesotho expression *'dtaba di mablong'* (in your face), you must look at each and everyone in the face and check

and see that this one has something wrong. You must move fast as a shopsteward to catch things before they get worse.'

Even during the strike, management felt that regional leadership did not come forward rapidly enough. For the first three days of the strike NUMSA leadership were afraid to come to the plant in Uitenhage because of threats. They wanted to meet



Debate and discussion in union structures build organisation.

management in Port Elizabeth and cited the recent NUM worker killing of Mayise as the reason for this. Management felt that the union lost the initiative by not addressing workers at once.

As VW's human resources director, Brian Smith put it, 'Maybe 600 of them would not have gone on strike, those three days allowed them to entrench their position by getting workers to believe that NUMSA leadership was corrupt, controlled by the ANC/SACP, in bed with management. They got the upper hand in the absence of clear communication from the union'

The delay in dealing with the Indlu yeengwevu opposition may have been partly to do with the NUMSA tradition of allowing a wide range of opinions and political views within the organisation. This has been one of the union's strengths. But in 1990s, with the absence of a common enemy of the 1980s (apartheid and the Nationalist government), diversity of opinion is harder to contain.

In the future the union will have to work harder at informing, educating and

keeping all workers on board if it wants members to fully understand and support its policies. The union can no longer rely on an external enemy to assist in the creation of worker unity. And it is the responsibility of shopstewards to ensure this happens. If it does not happen, workers will test their union through extreme action, and will only learn through the bitter lesson of dismissal that:

- ❑ the union is after all there to represent their interests;
- ❑ and it is only through open discussion within union structures that their interests will be best served. ★

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Thanks to the following people for their contributions to this article: Peter Dantjies, Irvin Jim, Slumko Nodwangu, Petrus Nxumalo (NUMSA National Auto co-ordinator) and Brian Smith and thanks for other informal discussions with union members.

Industry policy and skills development

The explicit linking of industry policy and skills development policy is new in South Africa

Traditionally the two concepts were more or less separate. In many industries today there is still the firmly held belief that the only people that really constitute assets are those with high levels of specialised skills. These are the managers and professionals who benchmark themselves internationally and are more mobile than McDonald's! It's all about demand and supply they tell us. People with fewer skills are in abundant supply, not scarce at all. Indeed, with the levels of unemployment that we have in South Africa, it is relatively easy to drive the cost of this abundant resource down - 'if you don't want this job at this rate of pay, there are others who do'.

The trouble with this mindset is that it perpetuates the status quo. There has been a lot of talk about cakes and pies and who gets what share - but everyone agrees its not just about sharing, it is also about size. We need a bigger cake but at the moment the bakery just isn't big enough. This is where industry policy comes in. We have to make plans to develop a bigger bakery. Of course there are plenty of 'regulations' from the World Trade Organisation that limit what you can do to develop your bakery. But nevertheless there are still things that can be done - and skills development is one of them.

Adrienne Bird argues that skills development must be linked to industrial strategy for South Africa to develop and become more productive.

Skills development can

- contribute to the development of new industries,
- help make existing ones more profitable and competitive,
- help others find new niches.

How? Well, rather than discuss this in abstract, I'll look at the mining industry as an example.

Skills and the mining industry

An embryonic 'industry policy' for the mining industry was developed at the Mining Summit in February 2000. Employers, unionists and government officials reached consensus on a range of new measures to grow the mining industry wherever possible. They also agreed that where job loss is unavoidable they will develop alternatives for those who lose their jobs as a result of restructuring.

A key resolution that was passed deals with skills development:

For skills development

- supporting and promoting appropriate education and training;
- encouraging through the provisions of the Skills Development Act, the National Qualifications Framework and the Mining Qualifications Authority, the development of a skilled workforce capable of flexible deployment within the sector and to ensure portability of skills to other sectors in the economy as a routine part of their employment.

Appropriate skills

For the purpose of this article, I assumed that 'appropriate skills' in the above resolution, refers to the rest of the Mining Summit Consensus. It means those skills that are needed to support the resolutions for

- 'mineral promotion, mineral development and managing the impact of cyclical volatility;
- co-ordinated/integrated rural development'

What does this mean in practice? Let's take three examples. The social partners to the Mining Summit resolved to:

- promote small-scale mining in South Africa;
- link high productivity to an aggressive marketing strategy;
- pursue land rights as a key ingredient for agricultural and other economic development in rural areas as part of integrated rural development.

Promoting small-scale mining

A wide range of support measures are required to promote small-scale mining, including:

- access to micro-credit for entrepreneurs;
 - availability of viable contracts;
 - mentorship and business support.
- Underpinning each of these support

measures is a skill question. Credit, be it micro or 'macro' needs to be managed. Entrepreneurs will need opportunities to improve their financial management skills.

Entrepreneurs need to identify, enter into, and deliver on contracts. Entrepreneurs who are new at the game need to learn how to do these things in a way which ensures that they walk away with some profit in their pocket, but also leave behind satisfied clients who will consider contracting them again (and workers willing to continue working for them). This is no small feat in a climate where there are a growing number of competitors in the small-scale mining sector. The skills required are multi-faceted - ranging across the spectrum of management and production skills.

Mentorship and business support also implies new skills. In the cut throat world of economic survival there is normally little room for one employer to support another. If small-scale mining is to flourish, however, then the larger players will need to develop a new culture towards small-scale operators more akin to that of a supplier than that of a competitor. Mentorship itself requires skills development on the part of the mentor - when and how to support and when to stand back to ensure that independence and not dependence is promoted.

In practice the 'appropriate' skill strategy that underpins the commitment to support small-scale mining will also have to take account of real constraints - people have little time available and little money to pay. Innovative delivery methods will need to be designed which can be accessed after hours at low cost to the entrepreneur. Who will pay and who will undertake the development of these new programmes? In terms of the Skills Development Act, it must principally be the Mining Qualifications Authority (MQA)

- the Sector Education and Training Authority (SETA) for the industry. Although funds may be accessed from the National Skills Fund for certain aspects of support to small, micro enterprises.

Productivity and marketing

Another commitment of the summit was linking high productivity to an aggressive marketing strategy. Again there are a multitude of skill questions underpinning this statement. There are the skill questions associated with 'high productivity' as a target. There are skill questions associated with 'an aggressive marketing strategy'. Of course there are many other dimensions involving money, world markets and the rest - but skills are a necessary, albeit not sufficient condition for the success of the strategy. What skills are required?

Skills for high productivity are multi-layered and are very dependent on the model of work organisation being used. Flat or at least flatter organisational structures require higher levels of skills at the base - multi-skilling of team members and higher levels of team management in the middle. High productivity strategies also require exceptional senior management skills in logistics, finance and other areas. Skills requirements are also closely related to the technology being used.

An aggressive marketing strategy requires high level skills on the part of those who plan and implement such strategies. Many of these skills take a long time to develop and include academic training and extensive experience in the marketing arena.

Again the question arises - who will



Retrenched workers need skills to find more work.

pay and who will plan these interventions? Ultimately this is a matter that individual mines will have to address - and the Skills Development Act stimulates this with the introduction of a grant that can be claimed from the MQA when

- a skills development facilitator is identified (grant A);
- a workplace skills plan is submitted (grant B),
- a workplace skills plan is implemented (grant C)

However, the cost of developing sufficient high level skills may exceed the capacity of individual mines and hence the MQA will need to explore opportunities for industry-wide collaboration. Mines that collaborate with such initiatives could be

rewarded with additional grant payments (grant D). Mines could also be rewarded for addressing the basic learning needs of all miners (also grant D)

Economic development in rural areas

Skills are also clearly a component of the strategy to 'pursue land rights as a key ingredient for agricultural and other economic development in rural areas'. The skills to negotiate and secure the land come first - this may require special initiatives for government officials, trade union negotiators and mine management. Once land has been secured, new farmers need skills to productively use the land. They need skills linked to 'tilling and toiling' and also management and marketing

Mentoring of new farmers may be needed. Skill programmes need to be easily accessible to farmers as they will initially have limited resources and limited time for such activities.

Again the question arises as to who will pay and who will plan these activities? This time, given that the skills are 'core business' of other SETAs such as the Primary Agriculture Education and Training Authority, the MQA's role would be to link new farmers to the SETAs and help secure the resources for this initiative.

Flexibility and portability

The parties to the Mining Summit recognise that retrenchments will probably continue in the industry. They are therefore concerned that the skills acquired by miners and others should also be recognised and useful outside the industry. They hope that the new areas that are grown through industry policy interventions will provide employment alternatives. However, where this does not happen, retrenched should seek work outside the industry.

This is no simple matter. If jobs can be found within an expanding mining industry then people can be skilled into these opportunities. The steps are straight forward. What is the opportunity? What skills are needed to underpin success in this new area? Select, train and place! (Together with putting in other necessary support measures other than training, for example credit facilities etc.) This may be an expensive and time-consuming exercise but it is still do-able.

But employment outside the mining industry requires that some other sector has found growth opportunities and is able to absorb retrenched from mining. This is more difficult because many sectors have experienced retrenchments themselves and have their own queue of retrenched demanding first option on new jobs. But assuming such opportunities exist or can be created, then the steps are the same as those described above. The key in each case is that new opportunities are identified and related skills described.

When no new opportunity has been identified, then a problem exists. What new skills are relevant? The Department of Labour has learnt that simply developing skills is no guarantee that a person will find work. So in the event that no new opportunities have yet been identified, one must wonder whether training is the correct intervention. The risk is lessened the higher the skill acquired - so 'blind skilling' really only makes sense at the tertiary level. Peter Fallon and Robert Lucas found that 'the probability of being unemployed falls drastically from over 30% to around 1% when workers with 14 years of education are compared with those with 10 years'.

Trade unions have argued that in this instance the miners facing retrenchment should be given Adult Basic Education and



An intelligent balance between generic and specialist learning is needed.

Training (ABET) Whilst this is a realistic call, it must be clear that this is no more than a foundation on which additional skills will have to be built once a new opportunity is identified

On its own ABET - generally heavy on literacy and numeracy and light on training - does not prepare people for work. It prepares people to be able to learn more effectively later. The "T" of ABET depends on identified opportunities in which the skill acquired can be practised

The National Qualifications Framework (NQF) is the most reliable means for addressing the issues of portability. But again some hard realities need to be faced. A qualification related to stoping and blasting - albeit registered on the NQF - will not travel far as it is more or less unique to mining. Skills travel only as far as their scope of application. The NQF can do no more than ensure that they do indeed travel their full potential range by ensuring

that all contexts in which a skill is applied are represented in the standard generating process

The more generic components of a qualification will tend to have a wider applicability and will tend to lay a basis for changing contexts into the future. But again a cost/benefit analysis will be needed here - the bigger the qualification the further it will travel, but the longer it will take to acquire and the more costly it will be to deliver. And while workers consider themselves to be relatively securely employed, they have little incentive to exert the effort required to learn the additional material - particularly if there are no direct wage or promotional benefits to be enjoyed in the short-term. There are trade-offs to be made and these can only be made in context

Sector Skills Plans

The Skills Development Act requires that the newly established SETAs prepare

Sector Skills Plans The preparation of these plans can either.

- describe the current skill environment and loosely identify those occupations that appear to be expanding and declining according to market dictates, or
- they can become living and vital parts of the plans that Sector Summits and other 'visions of the future' create.

The first option will always be constrained by the current market environment and will, in general, not be able to provide a stimulus for new growth. However, the second option opens the way for human agency - this is where we realistically want to be in five or so years time, and we see that we don't yet have the skills we need for this strategically chosen option - so we had better get on with the business of developing what we need.

For the SETA in the mining industry, the MQA, a strategic skills plan could literally take each item of the agreement reached in the Mining Summit and analyse it from the perspective of the skills needed for success. Implementation would entail identifying areas of priority, implementing agencies and resources. The Mining Sector Skills Plan could be an aggregation of all of these measures.

The Department of Trade and Industry, in collaboration with other departments, is helping to facilitate Sector Summits across a wide range of industries. These will provide an ideal anchor for strategic skills plans in the future.

Conclusion

No amount of planning can enable us to see clearly into the future. Increased emphasis on more general learning is the best path to follow in times of very radical and unpredictable change - but this increases preparedness to learn, not skilled application which will need to be added

when the time is right. So an intelligent balance between generic and specialist learning will be needed.

There is also the question of those high level, specialised skills which were mentioned in the opening paragraphs of this article. The labour pool of such skills is simply not big enough in South Africa and emigration is exacerbating the problem. The lead time required to train such people in the traditional way forces one to consider alternatives - and genuine career pathing is one such alternative (immigration is another)

In addition to the traditional learning pathways for such people, perhaps they can be 'grown' from within industries by enabling craft equivalent skilled workers to become paraprofessionals and paraprofessionals to become professionals in more meaningful ways.

The new learnership system could be used to facilitate these new learning pathways. This needs to be a strategy at industry level, as it is unlikely that a single employer could alone affect the size of the skills pool.

There is, however, a clear responsibility for industries to signal such strategic shortages (either directly as in the past or through their Sector Skills Plans in future) to tertiary institutions. Together with government, industries should support such signals with targeted funding for traditional students as well as those that have the potential within the industry itself.

Without competent people, new strategies for productivity enhancement, small business promotion and development will flounder. It is as simple as that. ★

Adrienne Bird is the Chief Director: Employment and Skills Development Services, Department of Labour.

Heita SETA

an introduction

Bulletin: What legislation governs the establishment of Sector Education and Training Authorities (SETAs)?

Morotoba: The legislation governing the SETAs is the Skills Development Act (SDA), 97 of 1998 and the Skills Development Levies Act (SDLA), 9 of 1999. Before, training was governed by the Manpower Training Act of 1981 and employment services were governed by the Career Guidance and Placement Act of 1981. Both these acts have been repealed with the introduction of the two new acts.

Bulletin: Why was it necessary to change from industry training boards (ITBs) to SETAs?

Morotoba: Firstly, the 33 ITBs covered a narrow industry scope as they were established along industry lines. Secondly, the establishment of ITBs was likely to continue rapidly and we could have ended with 100 to 150 ITBs. Thirdly, there was a lack of co-ordination and a serious amount of duplication amongst ITBs. Fourthly, most ITBs' scope of training coverage was narrow as they focused mainly on artisans. Fifthly, South African Qualifications Authority (SAQA) legislation determines that a distinction should exist between training provision and quality assurance. Some ITBs were setting standards, providing training and conducting quality

Etienne Vlok interviews Sam Morotoba, executive officer of the National Skills Authority, on the establishment of SETAs.

assurance. Sixthly, the ITBs were not overly representative, with most only recently including employees on their boards. Seventhly, government departments were not participating in the activities of the ITBs and we wanted to ensure that a partnership exists between the public and private sectors.

Bulletin: How does the National Skills Authority (NSA) relate to SETAs and how is that different to how the National Training Board (NTB) related to the ITBs?

Morotoba: The relationship between the NTB and ITBs was never tightly defined in the legislation. The NTB never had formal meetings with ITBs although it provided advice to the minister on matters relating to apprentices and ITB levies. The SETA-NSA relationship is defined in terms of the SDA. The NSA is required to liaise with SETAs on policy, strategy and implementation. Because the NSA will advise the minister on policy it will have to interact with the SETAs as its advice will be based on information from the SETAs.



Sam Morotoba of the NSA.

Bulletin: *How will SETAs operate?*

Morotoba: Each SETA will consist of a board or council elected from employers, employees, the relevant government department, professional bodies and the bargaining council. It will have a staff complement as proposed in the SETA business plan, a CEO, a head office and provincial offices. SETAs will do skills planning; develop sector strategies; implement skills development policy; and design, register and manage learnerships in their sectors. They will play a major role in assuring quality of learning and disbursement of funds to employers who comply with the training grants guidelines. SETAs will also liaise with the NSA on policy matters relevant to their sector. They will provide information to employment services regarding vacancies, retrenchments and training opportunities. They will also produce reports and databases. In the interim SETAs will also

take most ITB functions to ensure a smooth transition.

Bulletin: *To whom are the SETAs accountable?*

Morotoba: A SETA council or board is primarily accountable to the constituencies in its sector. SETAs are also accountable to parliament via the Minister of Labour.

Bulletin: *How will the SETAs set up skills profiles?*

Morotoba: The Skills Development Planning Unit (SDPU) was established in the Department of Labour to assist SETAs to develop sector skills profiles. It has developed standards and training materials for the training of Skills Development Facilitators (SDFs). The SDFs will assist companies to develop company plans and also assist them in submitting such plans to the SETAs for consolidation.

Bulletin: *Should SETAs ensure that training takes place or do training themselves?*

Morotoba: Contrary to the ITBs, SETAs will not provide training, but they will play a major role in assuring quality learning. SETAs will design learnerships aimed at complementing the apprenticeship system. Because of the abolition of ITBs, some SETAs may end up with a training function as they have inherited this function from the ITBs. The Act requires SAQA to accredit SETAs to perform the quality assurance function. Before accreditation, SETAs will have to relinquish learning provision responsibilities. SETAs will advise NSBs on qualifications and encourage its members to participate in the standard generating bodies' processes.

Bulletin: *SETAs are required by law to perform education and training quality assurance (ITQ 1) What does this mean?*

Morotoba: A SETA is responsible for ensuring that education and training provided to learners within its sector is of good quality and is relevant to the sector. They are also responsible for ensuring that programmes meet standards and that certificates are issued on the achievement of appropriate credits. SETAs will ensure that educators are properly qualified, confirm that the education and training is in line with the standards set by SAQA, and register assessors.

Once a SETA is established it will have 18 months to be accredited in terms of the SAQA Act. As a transitional measure, SETAs will assume responsibility over ITB quality assurance obligations or request SAQA to oversee that function.

When it has received the quality assurance status from SAQA, the SETA will be able to perform quality assurance and accredit industry and private centres to provide training.

The SAQA regulations state that quality assurance bodies will be established in three sectors: the education, social and economic sectors. To ensure quality in all learning, SETAs will have to interact with both the social sectors and education sector.

Bulletin: *Who will be on the SETAs' boards?*

Morotoba: The Act specifies that in terms of composition there must be equal representation for employers and employees. It also makes provision for the relevant government department to be on the board where appropriate.

The other stakeholders on the board are professional bodies and bargaining councils. Lastly, the SETAs can accommodate NGOs and interest groups on special sub-committees or chambers. Voting will be governed by the constitutions of the SETAs.

Bulletin: *How will the different constituencies' roles differ in the SETAs?*



SETAs will guarantee the quality of training that learners receive

Morotoba: The constituencies' interests will determine their roles. They will want to ensure that the SETA addresses their specific interests. For example, the trade unions will want the learning to empower their members; to help the members move up grading systems; and to increase the members' mobility between workplaces and industries.

Business will want returns on their investments; a competent workforce which can produce quality products or provide good service; and skilled workers to assist them to become more productive and competitive. Government will want the standards to meet national benchmarks and the qualifications issued to be based on national set credits. It will also want education and training to contribute to the development of the economy so as to attract foreign investment and create jobs. A skilled nation will reduce the burden on the state because people can create their own jobs and will therefore not be looking for somebody to employ them. This will increase the tax base.

Also, if less people are dependant on the state, the revenue will increase. The NGOs will continue to sensitise SETAs to issues which affect groups such as people with disabilities, people in rural areas, different age groupings and SMMEs. Professional bodies will want to maintain certain ethics in their professions, ensure it is held in high esteem; keep a register of the people in the field; and ensure good conduct in that profession.

Bulletin: How will the SETAs be funded?

Morotoba: The SETAs will be funded using part of the 0,5% of payroll levy paid by employers. The South African Revenue service (SARS) will collect the levy from all employers eligible to pay the levy every

month. Eighty percent of the total levy collected within the sector will be transferred to the SETAs.

The SETAs may not use more than 20% of the total money transferred to them for administration and an additional 10% for developmental costs. The remaining 50% will be distributed back to employers if they adhere to certain conditions. SARS will transfer the other 20% to the National Skills Fund (NSF) to assist in financing national priority programmes. A SETA or a company under a SETA can still get a portion of the NSF money if it undertakes programmes for special interest groups, such as people with disabilities.

Bulletin: How will a learner benefit from a SETA?

Morotoba: The quality of the training the learner receives will be guaranteed; the qualification will empower the learner to enter the labour market; during the process of learning the learner will be protected from being used as cheap labour, and the learner will benefit financially through minimum allowances. At the end of the programme the learner will have the necessary work experience to enter formal or self-employment.

Bulletin: Will SETAs benefit not only those in formal employment but also the unemployed and those in informal employment?

Morotoba: SETAs are certainly not meant for people in formal employment only. While the formal sector is likely to remain their primary focus, incentives were established through the NSF to focus on target groups. The different constituencies in a SETA have an equal responsibility to ensure that their board addresses the needs of those marginal sectors. The

Department of Labour and other donors' funds would be used effectively to provide additional incentives. I also believe that incentives in the form of competitions and awards to the best SETA with programmes for the unemployed and those in SMMEs, would assist in changing the focus. One cannot completely rule out using coercive measures as a last resort in the light of continued disregard to these groups' interests.

Bulletin: Will the SETAs be covering the most vulnerable workers especially farm and domestic workers?

Morotoba: Some farmworkers will fall under the Primary and Secondary Agricultural SETAs. Some domestic workers in cleaning industries are to fall under the Services SETA. The question of their vulnerability cannot be solved by the SDA only. That is why we rely on the BCEA, other government department incentives, the strength and organisation of the unions in that sector and the employers' commitment to skills development. Most farmworkers and domestic workers will benefit from training programmes funded by the NSF because their employers are likely to be below the threshold of R250 000 payroll per annum. Such employers are exempted from paying the levies.

Bulletin: What do you want to see from SETAs in five years time?

Morotoba: I would want to see South Africa being rated very high in the World Competitiveness Report in terms of the availability of skilled labour and competitiveness. This will ensure prospective investors are certain about the levels of skills we have in this country. I will



SETAs are not only for people in formal employment

be happy to see SETAs having contributed towards rising productivity and employment levels. The over-dependence on the state will decrease because we will have citizens who are self-employed and not looking at the state for job creation. We have raw materials but our skills have been inefficient to manufacture products out of it. When I see the amount of raw materials being processed locally increase because of the abundance of skills then I will know we are making a difference to the majority of our population. I will be happy to see the majority of employers in our country behind their SETA flag saying 'we can'. I will be happy to see individuals in self-employment schemes saying 'I can, I made it because of a SETA'. Only then will I know that we are making a difference to the majority of our people. ★

Prior Learning

what and why

Recognition of Prior Learning (RPL) is critical for achieving the labour movement's objectives on the new education and training system. COSATU has consistently argued that RPL is critical to ensure redress and that workers are able to gain recognition for the skills and knowledge they gained through years of experience.

RPL is a key component of the implementation of the Employment Equity Act and the Skills Development Act. However, we have found that many difficulties arise in implementing RPL processes and there is a danger that our objectives for RPL will not be achieved. For this reason COSATU has developed a policy and guidelines to inform the way in which RPL is undertaken at the workplace.

What is RPL?

RPL is a process to give people recognition for the skills and knowledge that they already have, but which have not been formally recognised. It gives formal credit for learning through experience, whether that learning happened in a course, in work, or in life.

The RPL assesses people against the same standards and therefore gives equal credit to the knowledge and skills gained through experience and those gained through formal education and training.

Trade unions have consistently argued for Recognition of Prior Learning (RPL). Carmel Marock outlines and gives motivations for COSATU's policy and guidelines on RPL.

RPL's importance

It is easy to see why the union movement should support RPL activities. RPL is vital for a number of reasons and contributes to:

- redressing historical disadvantages;
- validating people's skills and knowledge (credits towards a qualification – ie accreditation);
- the broader development of individuals (including development of confidence, lifelong learning and access to education and training);
- access to jobs and progression in career paths;
- recognition in terms of grading and pay;
- planning (skills audits, education and training, career paths, change process);
- restructuring the workplace;
- democratising and transforming education and training institutions.

In 1995 and 1996 a number of RPL pilots took place in industry, and early rumblings indicated that RPL may not always achieve

the results that we would like. For this reason, the COSATU Participatory Research Unit (PRU) initiated a participatory research process in August 1996

The research focused on the pilots in the auto and mining sectors. There was also some research carried out in the hospitality and construction industries. Through this research, we were able to understand the problems that can arise during RPL processes. These issues were discussed in different COSATU fora and a RPL policy emerged.

RPL's purposes

'Nothing has happened because of RPL, no payment increase, no training' (Auto worker)

'We are not really sure if there has been an RPL process - we were asked questions but are not sure what has happened with this or what it was for' (Hospitality worker)

A key concern that arose across all the pilots was that workers were unclear about the purpose of the RPL exercise. While management stated that they had wanted a skills audit of workers in the company, workers had expected to be regraded (and receive higher pay) after the RPL process. They also thought that they would have access to further education and training.

These different perceptions lead to high levels of frustration and tension. In many cases workers were not informed about their results, or as in the case of the mining industry, they were informed very late. This vacuum following the RPL process, lead to considerable disillusionment with RPL and workers expressed doubts about its value.

Key principles that emerge from these experiences are that:

- the purposes of an RPL process must be

clearly defined and agreed,

- RPL must be deliberately designed and implemented to meet its agreed purposes,
- RPL must be linked to other relevant processes, such as education and training, accreditation etc, so that it can meet its purposes

Methods and principles

'What does the colour yellow mean to you?' (Assessment question in an auto plant)

Workers raised a number of concerns about the relevance and fairness of the assessment methods and tools. One example is when the assessor asked workers what the colour yellow meant to them. Of course there were a range of answers - however the 'correct' answer was that yellow indicates that an area is hazardous. Other workers raised concerns about the fact that they were asked to write down the procedure for carrying out certain activities.

Workers argued that they would be able to demonstrate the activity and explain it, but had difficulties in trying to write down the steps in an abstract context. Try writing down for somebody how to ride a bicycle - it is far easier demonstrating this and explaining the steps while you are doing it.

These questions highlight the problems that can occur if the assessment methods and tools are not fair, and there is no clear agreement as to how assessment should be undertaken. Principles that emerged from this are that assessment methods should:

- be accessible and appropriate for the learning which is being assessed,
- be appropriate for the ways that the learning is used,
- be appropriate for the level and context of the assessment;

- be transparent, valid, fair, reliable, relevant and developmental;
- be selected openly;
- not use language and written requirements unnecessarily,
- allow people to show their knowledge and skills and not put barriers in their way;
- not be biased against particular groups of people,
- be cost-effective (This must be regulated, through for example, using time frames. It should not be the overriding principle.);
- be linked with appropriate support for candidates

Language

Many workers felt that they were being assessed in a language that they were not most fluent in and that this biased the results. The following principles therefore emerged:

- Candidates must be assessed in the language of their choice
- Assessors must be able to communicate in the languages chosen by candidates.
- Equal status must be given to all languages at all levels
- RPL must be available to people who use sign language.

Unit standards

'The assessment did not assess me against what I knew but asked me about things I had not done before.' (Auto worker)

'The standards were schoolish and did not relate to the communication that we use in the mines.' (Miner)

A concern that emerged was that workers were not always assessed in terms of their experience, but were assessed against standards that had been developed in other contexts. In the case of the auto standards, these were standards that had

been adapted from the Australian standards and assumed that workers were multi-skilled. Workers also argued that the communication standards related to the school syllabus and did not assess the manner in which people communicate in their working life. Thus through using inappropriate standards, the RPL served to assess what people did not know rather than what they did know. This undermines the rationale for RPL, and highlights the importance of using relevant standards in the RPL process. Key principles that emerge are that the unit standards used for RPL must:

- validate workers' knowledge and skills;
- reflect how workers' knowledge and skills are gained;
- reflect how workers' knowledge and skills are used,
- be jointly agreed by the stakeholders;
- be relevant to workers' contexts and experiences,
- be approved by SAQA

However, the area of unit standards is a contentious one. While we agree that unit standards should be written to describe what we think people should know and be able to do, they should also be written to describe what we want for the future. This might be different to what people have had the opportunity to learn. The unit standards must be the same for both RPL and other forms of assessment and these competing requirements create a real tension. We therefore emphasise that candidates must be able to access further learning opportunities so that they can close any gaps that are identified through RPL.

The construction project, which was targeted at the unemployed, could not provide a list of candidates that were successful. Nor were there opportunities for these candidates to access further training to enable them to attain the



Unit standards must reflect how workers' knowledge and skills are used

standard or qualification. This is a crucial aspect of RPL if it is to play a developmental role. The sectoral and skills plans are important mechanisms to facilitate this in the future, and the appropriate linkages between these instruments need to be found.

Support systems

'We did not know what the RPL process was about or why we had to do it' (Mineworker)

In many cases workers were unclear about the purpose of RPL and what was expected of them. Workers were not clear as to which standards they would be assessed against, and there were concerns that RPL was racist in that, in the case of the mineworkers, it was primarily black workers that were involved in the RPL exercise. In the case of the mineworkers,

the RPL process involved an exam as well as a project.

Workers were not all aware that they were required to undertake the project, and expected that once they had completed the exam they could be assessed. There was also no support for workers to assist them in carrying out the project – this related both to assistance with the project as well as practical arrangements such as time off to carry out the project.

Principles that flowed out of these concerns include:

- ☐ RPL must include strong support mechanisms for all involved (candidates, assessors, stakeholders),
- ☐ support includes transparent communication at all levels and all stakeholders must play a role in this communication strategy,

- RPL must be affirming and developmental;
- support services should be available during paid time off work

Assessors

'Where there were shopstewards involved we could trust the process and it was fairer' (Worker)

Generally workers argued that the process was fairer when shopstewards were present during the assessment process. They also felt that it was important that the assessors understood the context in which the assessment took place. Key principles that emerged include:

- assessors must be well-trained and affirming of candidates;
- assessors should include union representatives in their capacity as accredited assessors;
- assessors should come from all levels;
- assessors and any assessment agency must be accredited by SAQA;
- a monitor should be present at every assessment to make sure that the process is fair,
- assessors should be trained within a context, in order to build capacity in that context;
- the selection of assessors should happen by the joint structures

Managing an RPL process

RPL must involve the union to ensure that the labour movement's objectives are pursued and met.

The following principles should guide an RPL process:

- RPL should be jointly managed by the employer and the union;
- there must be joint control of budgets for RPL;
- joint management should happen through powerful joint structures at all

levels;

- real power and decision-making must lie with joint structures;
- representatives on joint structures must be properly trained and supported to fulfil their role;
- joint structures for RPL processes should have clear relationships to national, industry and local education and training structures;
- RPL must be designed and implemented to meet mass demand. This could mean on-going provision of a quality service.

RPL agreement

RPL agreements between unions and companies should be guided by the following principles:

- RPL should be available to all;
- participation in an RPL process must be voluntary and individuals must be given the appropriate support to choose whether or not they want to participate;
- RPL must not be used to downgrade a worker;
- there must be no loss of benefits as a result of RPL. (RPL should not be used to negatively affect any individual's work position, grading or pay. The trade union must monitor RPL to make sure there are no negative effects on candidates);
- an individual person can be assessed through RPL for certain purposes. If he/she is found competent in the skills assessed, he/she should not have to be reassessed;
- RPL should be available all the time for people who want to be RPL-ed.

Finance for RPL

RPL will have several costs associated which will require funding, including:

- various support services;

- assessment processes,
- suitable and accessible venues for preparation and assessment,
- transport for candidates,
- time for workers to attend RPL processes,
- training of assessors

There must also be sufficient resources to meet RPL demand over time.

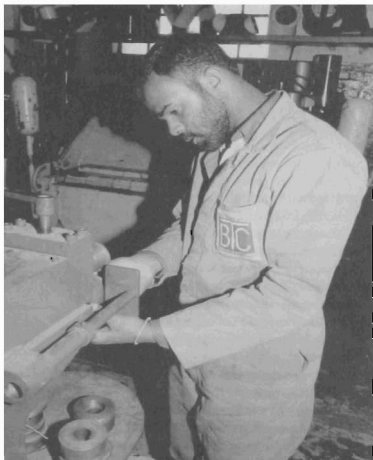
RPL linked to education and training could contribute to significant increases in productivity, from which the employers will benefit. RPL can enable training to be more cost-effective because it helps avoid unnecessary re-training.

It can also provide a cost-effective skills audit and training needs analysis for employers. For all of these reasons, employers must provide significant proportions of the funds for RPL.

Much of this funding will be drawn from the monies paid to the skills levy. However, there may need to be other monies allocated to this activity. In addition, government (through the National Skills Fund) could contribute towards RPL for the unemployed and those people participating in employment creation projects. State provision of RPL services could add to those provided by the employers.

National validation for RPL processes must be gained through

- link to SAQA and relevant Education and Training Quality Assurers,



RPL could contribute to increases in productivity.

- using standards that are registered with the NQF.

Government support could include creating, financing and maintaining this enabling environment.

Conclusion

There are still many issues that need to be confronted relating to RPL processes. However, we must attempt to implement the above model and continue to evaluate its impact and the extent to which it meets workers' needs. ★

Carmel Marock is COSATU's national educational and training co-ordinator

Strategic planning

contributing to skills development

The public and the media have tended to focus on the new levy that employers have to pay from 1 April for skills development. This is to some extent appropriate, as government is taking money from employers and returning some of this money, via the Sector Education and Training Authorities (SETAs), to be used for skills development in enterprises.

The levy/grant system raises important issues of efficiency, transparency and accountability of government and the SETAs. But there are a number of other key dimensions to the new skills development strategy contained in the Skills Development Act, 97 of 1998 and the Skills Development Levies Act, 9 of 1999. One of these is skills planning or strategic planning for skills development.

The Skills Development Act introduces strategic planning in four ways.

National Skills Development Strategy

The Skills Development Act refers to a National Skills Development Strategy (NSDS). One of the functions of the National Skills Authority (NSA) is advising the Minister of Labour on a national strategy. The role of the NSDS is to provide a broad framework within which skills development is to take place. It is likely that this strategy will identify a series of objectives which are intended to guide strategic planning for skills development.

Ian Macun examines what kind of planning will be most appropriate for skills development in South Africa.

Sector Skills Plans

The Act refers to the Sector Skills Plans (SSPs). SETAs are responsible for SSPs. SETAs must draw up their plans, submit them to the Department of Labour and receive grant payments partly on the basis of their plans.

Approving workplace skills plans

The Act makes a passing reference to SETAs having to approve workplace skills plans. This aspect has been further elaborated in a recent regulation dealing with the way in which grants are to be disbursed back to individual enterprises.

Skills Development Planning Unit

Lastly, the Act requires the establishment of a Skills Development Planning Unit within the Department of Labour. The Unit has to, among other things, assist in developing a NSDS and liaise with SETAs regarding their SSPs. The Skills Development Planning Unit was established in June 1999 and is now playing an active role in supporting the

above three dimensions of strategic planning for skills development

What is skills planning?

The traditional notion of planning is that of manpower planning which was used after World War II to guide public sector training expenditure.

Manpower planning remains popular in many developing and in some developed countries and has, until recently, been promoted by the World Bank. The technique most commonly associated with manpower planning is that of manpower requirements forecasting. This is a quantitative technique for determining labour requirements and educational outputs of an economy.

In its crudest form, manpower planning based on forecasting would translate into a situation where, say, 1 000 electrical engineers would be produced in the year 2002 and would somehow be made to fill 1 000 electrical engineering slots and stay in those jobs until 2042 or until the end of their productive life.

The problems of manpower planning are well established. It operates on the assumption of a relatively static labour market and fixed relationships between economic output, labour demand and the level of education. Forecasting also runs into problems in relation to the educational requirements of occupations. These requirements are often complex and dynamic and do not correspond in a straightforward way to educational qualifications.

In response to these problems, new methods of planning have been developed that place more emphasis on 'policy', 'labour market analysis' or 'labour market signalling'. These techniques are more modest. They:

- focus more on short-term and medium-term changes while keeping the long-

term in mind,

- monitor a broader range of 'signals' indicating change in demand and supply of skill, for example, movements in wages and employment,
- analyse the returns to investments in education and training.

The new methods have also dropped the term 'manpower'. This is not only in response to feminist critique, but also for the tendency in traditional manpower planning to focus narrowly on 'higher level manpower'. The view was that persons with less than a university education were in abundant supply and there was therefore no need to plan for them. Current planning techniques focus on the labour force as a whole, including the unemployed.

In short, skills planning has evolved from manpower planning to a broader range of techniques that focus on labour market trends and their implications for education and training. The focus on information remains important, although the sources and techniques have changed. The focus on planning remains relevant, although still contested. Some would place more emphasis on monitoring the reactions and trends in the labour market, while others would recognise the importance of interventions that anticipate changes in the market.

What's appropriate for SA?

The new skills development strategy is only beginning to be implemented in South Africa. Exactly what kind of planning will be most successful in furthering the aims of the Skills Development Act will be an evolving process that will require refinement over time.

Given its newness, the key functions of strategic planning may be viewed in relation to the following areas.

Management tool

Formulating a national strategy, a sector plan or a workplace skills plan can provide an organisation and its stakeholders with a sense of direction. It sets objectives and outcomes that an organisation can pursue. It also sets measures against which people and organisations can account.

An important element of planning as a management tool is the way in which plans intersect with broader policies and/or business plans. If pursued successfully, skills development should contribute to improved national, sectoral and enterprise performance by placing people and their development at the centre of macro policy and enterprise strategy. This is recognised in national policy, for example, in the RDP and in the Minister of Labour's 15 point plan.

A business plan should be the starting point for a workplace skills plan at enterprise level. In other words, good planning moves from the position of where the organisation wants to be in the future, to addressing the kinds of skill development initiatives needed to achieve those goals.

Tool for co-ordination

Planning for skills development provides a tool for co-ordinating initiatives at different levels of the system.

Co-ordination becomes increasingly important as the different institutions involved in skills development become operational and begin to impact on skills development. Co-ordination will be necessary between:

- government departments;
- SETAs' plans and government policies;
- SETAs themselves;
- SETAs and other industry and professional associations

In this context, planning provides a

mechanism for signalling priorities, but also for allocating resources effectively and in a way that avoids duplication or wasteful expenditure.

The role of the SSPs that SETAs have to develop will be particularly important for allocating resources and ensuring improved national co-ordination in skills development.

Future focus

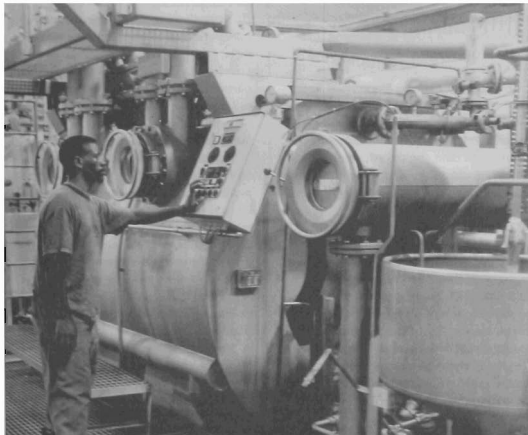
Skills planning should ensure that all those involved in skills development, whether an enterprise or an education and training provider, think ahead and make decisions based on information about likely market trends. In many areas of skill, for example, motor mechanics, clerical work or plumbing, the training process has a relatively short cycle.

In these cases, market forces should provide an adequate solution to issues of demand and supply. But in other areas of skill, forward planning is essential.

As de Moura Castro points out: 'It takes ten years to prepare a nuclear engineer, on top of the time required to create and develop the teaching programmes that provide the training. A country that has to wait for the salaries of nuclear engineers to shoot up before deciding on the creation of training facilities would be in trouble. Occupations with long training cycles need decisions taken ahead of time.' (1991, 471-2)

Similarly, skills development initiatives that attempt to enhance the opportunities of the more vulnerable, such as, domestic workers and the unemployed, also require forward planning.

In short, the future focus in skills planning remains important for different segments of the labour force, to anticipate market trends and to target interventions that maximise opportunities for the more vulnerable.



Traditional manpower planning did not focus on the labour force as a whole.

A source of information

Strategic planning clearly requires information of the best quality possible. Information will be required to establish strategic learning priorities in particular sectors of the economy and regions of the country. Information will be necessary to monitor and evaluate investments in training and education. But planning will also generate information, from enterprises to sectors and from sectors to government and other national institutions.

One of the principles underlying the new skills development strategy is that it should be demand led - that is, training should (as far as possible) be driven by

demand for particular skills across the economy. In this way, the prospects of job security and access to jobs is maximised. For this principle to be borne out in practice, information about what skills are required at the local and sectoral level will be crucial. So will information about growth opportunities. Given the difficulty of obtaining such information from existing sources, planning will have to contribute to generating information through various techniques and from various sources.

In terms of the above areas, it is possible to view strategic planning as being implemented with a number of limited goals. Strategic planning should be

used to focus an organisation on key priorities and ways in which skills development can assist in achieving these priorities (ie planning as a management tool).

Government, national institutions, such as the NSA and SETAs, are likely to use planning to ensure greater co-ordination, at least in relation to the allocation of resources. In time, the co-ordination dimension will undoubtedly become more important as the priorities of sectors and enterprises become clearer.

The future focus of planning and the information aspects of planning are very likely to develop over time. Initially some emphasis on these areas is appropriate, but building a solid information base and the ability to forecast trajectories for skill development will take time. In the early life of the skill development strategy, these areas are likely to be treated with flexibility and with a reasonable dose of pragmatism.

Implications for trade unions

Trade unions are affected by the introduction of strategic planning as employers and as stakeholders in enterprises, SETAs and national institutions.

As employers, trade unions will be expected to pay the levy, to appoint a skills development facilitator and to undertake a skills plan for their staff. In this way, unions will not only be able to claim their grants, but will have to plan for staff development like any other organisation.

As stakeholders in enterprises and SETAs, trade union members and representatives will play an important role in influencing the Workplace Skills Plans and Sector Skills Plan and the priorities for skills development in both plans. As already indicated, these priorities should

flow from the challenges facing a particular sector (or enterprise) and the education and training required to meet these challenges.

Priorities should not be shaped by the particular interests of either management or labour, but by their joint interest in economic growth, job creation and improved performance.

The major union federations are represented in the NSA and have been participating in formulating the first NSDS. Once the strategy is launched, it will be up to the federations and their affiliates to use it to promote creative initiatives and debate around skills development.

Conclusion

Planning for skills development should not be a top down exercise. Although national policy and strategy is necessary to signal priorities and to ensure alignment with other policies, it is only part of a process.

An effective planning cycle will base itself on inputs 'from below' - from the workplace skills plans which influence SSPs, which in turn shape national strategies. The national strategy in turn influences the sector and the workplace - the 'top down' element. It will clearly take time for this cycle to work effectively and fulfil the functions identified. It will also require the active participation of all stakeholders in the enterprise, including management, full-time workers and those on short-term contracts and in flexible work arrangements. ★

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Ian Macin is the Director of the Skills Development Planning Unit, Department of Labour

Wits 2001

restructuring and retrenchments

The ongoing restructuring of state assets has its echo in the tertiary sector, which employs about 60 000 people. The trend over the last five years has been for universities and technikons to commercialise their operations, sub-contract out 'non-core' activities, and downsize workers and academics.

The latest university affected is the University of the Witwatersrand (Wits), where the university council decided, in February 2000, to outsource departments dealing with building care, catering, cleaning, grounds, maintenance, and transport. This has put over 600 jobs on the line. This is part of the 'Wits 2001' restructuring plan.

Downsizing education

Working conditions in the affected departments will plummet as outsourcing companies bring in non-unionised replacement workers on a low-wage, minimal-benefits basis. Wits management hopes to complete the process of turning secure public sector jobs into flexible cheap labour employment by June 2000. It aims to save over R30-million in five years through outsourcing.

But the drive to outsource is also about changing the balance of forces in the university. Outsourcing is a direct threat to the militant local branch of NEHAWU, whose membership is most affected. Wits 2001 also affects academics.

by Lucien van der Walt

Negotiations over academic retrenchments will follow in September.

The market university

Wits' restructuring is often presented as a desperate attempt to restructure in the face of declining revenue due to falling state subsidies and declining student numbers.

But Wits 2001 is not just a cost-cutting exercise. It is also about redefining the nature of tertiary education away from public education towards a market-driven university centred on profit generation, and an orientation towards serving the needs of business and government elites. The victims are scores of working people and students from working class backgrounds.

Wits 2001 cannot be understood outside of the context of the ANC-led government's neo-liberal GEAR strategy.

It pushes for 'reductions in subsidisation' for and 'greater private sector involvement' in higher education. (Wits' income from government has fallen by 30% in the last five years.) However, whether Wits 2001 will succeed in the face of determined opposition by organised labour and sections of the academics and students remains to be seen. ★

Practising in parallel

not the best practice

Education and training around HIV and AIDS are becoming buzz concepts in major corporate boardrooms around South Africa. Speak to many human resource or employee assistance managers about priorities for the coming years and there is little doubt HIV/AIDS will at least be on the agenda, if not at the top of the list.

Different companies have varying strategies for HIV/AIDS intervention within their particular environments. Some focus on awareness campaigns, including factual workshops or seminars and dispensing condoms; others go further and incorporate peer education and training, and aggressive prevention campaigns into their human resource and health and safety plans.

So what makes a good HIV/AIDS workplace intervention programme? One company that believes it has some answers to that question is the electricity utility Eskom, one of the five largest electricity supply companies in the world, and employer to over 37 500 people across South Africa.

In late 1999 Eskom's strategic initiatives around AIDS were highlighted in the HIV/AIDS Best Practice Series published by the Department of Health and the Department for International

Andrea Meeson and Tanya van Meelis explore how HIV/AIDS is being tackled at Eskom.

Development-southern Africa. The best practice series provides examples and guidelines for intervention and response to the growing problem of HIV/AIDS in the South African workplace.

The series highlights the work of a number of organisations. Taken at face value, the series suggests that positive initiatives are running in both the non-governmental (NGO) and corporate sectors with high rates of success.

In the case of Eskom, the company's successes have received international attention. The International Labour Organisation has commissioned a report on Eskom's HIV/AIDS programme, to assist other companies around the world to get workplace initiatives on HIV/AIDS up and running.

History

According to Boitshoko Makhooane, AIDS co-ordinator within the Employee Assistance Programme at Eskom, the

A joint project between SA Labour Bulletin and the American Center for International Labor Solidarity (ACILS) and sponsored by ACILS

company's strategy has been developed over more than a decade. 'HIV/AIDS has been a strategic priority of human resource development at Eskom since the late 1980s. By 1989, almost 100% of staff had been exposed to some form of AIDS education'

The company's commitment to education, surveillance, counselling and protection against discrimination was certainly apparent in policy documents at the time. However, controversial clauses on pre-employment testing and not hiring HIV-positive people were obvious contradictions that, in the eyes of the unions, made a mockery of Eskom's policy.

The company was forced to review its approach. It had spent R200 000 for 10 000 tests over three years and only 14 positive cases had been identified. Compulsory pre-employment testing was found to be 'self-defeating, costly and irrational'. The obvious discriminatory aspects of pre-employment testing were not cited, but the practice was formally dropped in 1993.

Not long afterward, Eskom commissioned a study to 'quantify the seriousness of the epidemic by estimating the number of employees that could be infected with HIV'.

AIDS specialist Dr Clive Evian carried out the study and on completion in 1995, estimated that Eskom employed almost 1 000 HIV-positive employees - 2,5% of its total workforce. The study concluded that by 2005 the company could expect 10 500 employees, or 26% of its total workforce to be infected with the virus.

These statistics, and Evian's predictions of how they would affect employees and levels of production within Eskom caught the attention of senior management. Personal pledges of commitment to addressing HIV came thick and fast from CEO on downward.

Addressing the cost vs benefits of such commitment was the next task. Implications for the Eskom Pension Fund and the various benefits and medical schemes were assessed. Predictions were that the overall direct cost to Eskom would reach '15% of payroll from 2005 onwards'. By the same year ill health retirements would amount to 'almost 10% of the salary bill'. In 1998, 36% of people who took ill-health retirement took it because of HIV/AIDS.

Making AIDS a strategic priority and well meaning pledges of support were no longer sufficient to address the growing problem. An education programme that would reach employees at all levels of Eskom's four business units was urgently needed. This involved reaching over 37 500 people working in environments ranging from upmarket office blocks to isolated construction camps around the country.

New study

At the same time, and with the blessing of unions and management, a follow-up surveillance study had to be undertaken to determine how serious the epidemic was within the organisation. More than 5 000 employees participated in the voluntary and anonymous study, which was the first of its kind to be conducted in South Africa.

Boitshoko Makhoane believes that this 'act in favour of the company's AIDS policy' is a clear indication that the variety of fears associated with HIV/AIDS are decreasing and more employees are committed to acknowledging and understanding the issues.

Moreover, according to Eskom's 1999 annual report on HIV/AIDS activities, 'the results (of the study) provided a baseline against which future progress could be measured as the overall results of the

study were lower than the figures initially projected in 1995 and also lower than the national AIDS statistics'.

Education programme

At the core of the education programme is peer education methodology. Makhooane says that the training and deployment of peer educators in all business units have also contributed to the success of the campaign at Eskom. 'More than 800 people have been trained as peer educators. Our campaign is now a very aggressive one and everyone from managers to employees at lower levels has benefited from the work that peer educators do. We have AIDS co-ordinators in every province and they meet every six weeks to discuss issues and to deal with any problems.'

Makhooane adds that peer educators do much of their work on company time. 'Up to 10% of their monthly work time can be devoted to education and training.'

She believes that the majority of people at Eskom are no longer in denial about HIV/AIDS. 'People are regularly exposed to information. The induction programme for managers, for example, includes workshops on HIV/AIDS covering strategic issues relating to company policy and general education about the virus.'

Makhooane also explains the more creative attempts that Eskom is making to dispense both condoms and positive AIDS messages to its employees. 'We are currently running a pilot project at one of our power plants using a juke box to dispense condoms to employees. Another project with Conlog - a manufacturer and supplier of electronics - involves selling standard electricity tokens that have an AIDS message printed on them.'

Gipa project

Eskom's attempts to bring the reality of HIV/AIDS into the lives of its employees

does not stop at condom distribution and educational workshops. The company has linked up with the United Nations AIDS programme (UNAIDS) to co-manage a project called Greater Involvement for People with AIDS (Gipa).

The Gipa project aims to employ people living with HIV/AIDS and place them in partner organisations to help drive home the reality of AIDS'. Eskom employs two Gipa fieldworkers, Musa Njoka and Martin Vosloo.

Vosloo is a former artisan turned community worker who has seen more than his share of the rough side of life. Diagnosed HIV-positive in 1991, Vosloo considered suicide but opted to put his life experience to good use. He has been a Gipa fieldworker at Eskom for more than 18 months.

Vosloo is passionate about his work with the company but is less enthusiastic about the achievements thus far. 'Look, I worked in construction for many years, so I know what the conditions are like for the average worker out there. It is a rough life and most people do not have access to basic education, let alone information about HIV/AIDS.'

I have spoken to 15 000 people since I began working for Eskom and the response has been, for the most part, excellent. There is of course the initial disbelief when I sit down and tell people I am HIV-positive. But I use examples of my own life and I find they can really relate to that.

Vosloo recalls a meeting with a group of Eskom supervisors in Bloemfontein recently: 'I sat down with these people - all white and predominantly male supervisors - and I started to reminisce about going to watch the rugby. I would tell my wife that me and the boys were off to watch the rugby in Pretoria and meanwhile we were off to play a bit of

couch rugby at the brothel

I could honestly see signs of recognition in many of their faces as I told that story - even the women could relate. Being open about my status and my lifestyle helped them to make the link, which they otherwise could continue to deny. It's all about getting them to realise how easily we can be exposed to HIV.

This was a positive session for Vosloo who often encounters bigotry, denial and blatant discrimination, particularly from white Eskom employees. 'White people in the main are the culprits when it comes to denial and discrimination,' says Vosloo.

Many of them still believe that AIDS is common only to black people. 'I have met white people in my work who make comments like, "they [blacks] wanted it so let them have it" or "there are too many blacks anyway so let them get AIDS and die".

I have encountered managers at many power stations who believe that they have the right to know the status of all their employees, regardless of the company policy which is quite clear on the issue of confidentiality.

These people associate HIV with all things bad and display such tunnel vision when it comes to confronting the realities of the disease.

Among black Eskom workers the levels of acceptance are better says Vosloo. However, he can also recite a number of disturbing incidents that took place at



Workers get information from peer educators.

meetings, including not being allowed to finish his talk because of antagonism.

Management's response to employees who have negative attitudes or discriminate in contravention of the stated company policy is decidedly vague. Boitshoko Makhooane says that there are still some people within the company who do not yet accept that HIV/AIDS is a reality.

'We do get the odd person with a negative attitude. In this case we would remind that person of the company policy and possibly get them to speak to a Gipa fieldworker in hopes of changing their attitude.'

The incidents of discrimination may be underplayed at management level, but Vosloo is quite clear about the consequences of such a response: 'There is a real contradiction when management supports policy verbally but not in practice. Policy means nothing if you are not prepared to back it up with action.'

NUM's assessment

Vosloo is not alone in his criticism. Some members of NUM, which is the majority union in Eskom, representing 15 000 workers, give less than glowing reports of management's response to discrimination and the epidemic as a whole.

Job Matsepe, a full-time NUM shopsteward complains that discrimination within Eskom is rife: 'I have declared a dispute with the company over the treatment of one of our members who is HIV-positive. She was booked off sick by the doctor and stayed at home. Eskom refused to accept the doctor's note and never paid her for three months.

'She was alone at home, sick, with no food because she wasn't paid. The most shocking part was that she was then asked to take ill-health retirement despite the fact that she never applied for such'

Matsepe is adamant that the human resources department at Eskom needs to act more decisively and swiftly in cases of blatant discrimination: 'I've spoken to corporate to say we are experiencing problems. They are preaching to the world about what they are doing around HIV, but the problems continue. And these are the ones that we know about - what about the problems that people will not tell us about because they are afraid to disclose their status?'

Matsepe was even more critical of Eskom's peer education programmes: 'Eskom is lying when they say they are doing so much training. Peer educators

should be in all structures doing their work but many managers are resistant. We are aware of those big banquets at Megawatt Park where some people are exposed to education but those in real need are our members at the grassroots level I am yet to see employees at lower bands at any workshop.'

Another shopsteward and a peer educator who wishes to remain anonymous spoke of the lack of management support: 'To get peer education in Eskom you really have to fight. Management is more concerned about production than the health of employees. The company expects you to do your duty, do your work, and peer education is voluntary. In my experience it is rare to be given company time to do peer education.'

Challenge

Encouraging a culture of openness and acceptance about HIV/AIDS in an environment where silence and denial still lurk menacingly in the background, is surely one of the biggest challenges in managing the epidemic in any environment.

The reams of policy documents and the millions of rands invested in aggressive workplace campaigns guarantee nothing if there is not a consistent and co-ordinated response by all stakeholders.

Eskom has been praised within the business community and by government over the past several years for taking the bull by the horns and setting the trend in AIDS workplace intervention and management.

It could be suggested that their position at the 'top of the heap' is in some ways a given, considering that until recently, the collective response of South African business to the epidemic has been narrow and slow to get off the ground.



Divisions between management and unions make managing HIV/AIDS more complex.

Conclusion

The obvious schisms between Eskom corporate and the unions on some of the most critical issues highlight the reality that progressive AIDS workplace management is a labour relations minefield.

Attempts to work together on an AIDS programme are made more difficult when the industrial relations climate in a company is fraught with tension, as is the case with Eskom as Matsepe explains 'Our relationship with the company is not good. The company is still suing the union, saying we damaged property in our industrial action in 1998. We see Eskom trying to roll back union gains - for example, the position of a full-time shop steward

'We're starting right from the beginning again - and it's like the wars that we fought in the 1980s. The relationship is so tense and it's going to be very difficult to repair. The situation is so bad I don't know how we are even going to get

around a table to negotiate wages this year'

Labour has thrown its weight behind the HIV/AIDS campaign in principle, yet experiences difficulty in translating that support into action due to what it sees as management's intransigence and indifference. It also encounters the age-old problem of capacity to reach its own membership with consistent and up-to-date information.

Corporate on the other hand is sailing ahead with its grand plans to counter the epidemic and is clearly taking an enormous amount of the credit for the success of the AIDS programme to date. It acknowledges the importance of union support on paper but in practice may work around labour rather than in partnership with it.

The lights may be on the AIDS programme at Eskom but not every one is sitting in the same room. ★

Andrea Meeson is a freelance journalist



Pension fund surplus issue

needing a speedy resolution

If a pension fund shows a surplus, who does that surplus belong to? The employer, the workers, or some combination of the two? This is the thorny question that the Department of Finance has been trying to tie down in legislation for some time. The policy discussion has now come to Nedlac, in the hope that business, government and labour, under the auspices of the Public Finance and Monetary Policy Chamber, will be able to come to an agreement.

Case law

The Financial Services Board (FSB), which is the body that administers various parts of the Pension Funds Act, is currently faced with mounting applications for the repatriation of surpluses. This follows a case involving the Paarl Municipal Widows and Orphans Pension Fund, where the Financial Services Board appeal board overruled the registrar of the Pension Fund's decision to refuse to allow surplus assets to be repatriated to the employer on the fund's liquidation. The appeal board ruled that as the Pension Funds Act was silent on the question of distributing surpluses of liquidated funds, there was nothing to prevent a change in the rules giving employers access to them.

Pension Funds Amendment Bill

The Department of Finance tabled a Pension Funds Amendment Bill in parliament last

year, but trade union opposition was so strong that the bill was withdrawn for further negotiation (The bill would have granted employers the right to the negotiated repatriation of surpluses)

After the withdrawal of the bill, Finance Minister Trevor Manuel facilitated meetings between the FSB, which had drawn up the draft legislation in its capacity as technical adviser on the Pension Fund Act, and COSATU. But the issue remained unresolved between the two parties.

There were two draft bills under discussion:

- A draft proposed by COSATU which prohibits repatriation altogether.
- The FSB's draft bill which would allow pension fund trustees, acting on the advice of an independent actuary, to split a surplus in an equitable manner between members and employer. Each party would have the right to use the surplus as they wished. The employer surplus could also be used for a contribution holiday (that is they could have a break from paying over monthly contributions).

Referral to Nedlac

Government has now referred the issue to Nedlac in the hope of reaching a speedy solution acceptable to all parties. The Department of Finance has indicated that the matter needs to be resolved urgently, in



that pending applications before the FSB involve hundreds of millions of rands of surplus. It is estimated that the total amount of surplus in South African retirement funds is in the order of R80-billion.

Positions

Presently, the FSB and labour agree that:

- surplus should first be applied in addressing any inequities of past practice before anything is distributed to current members or the employer,
- there is an unequal bargaining position between member-elected trustees and employer-appointed trustees, because of a general lack of training for trustees and an employment situation weighted in favour of the employer,
- safeguards need to be put in place to protect members and pensioners

COSATU

COSATU's view has been that the assets of pension funds should be used for the benefit of members only. Once the employer has contributed to the fund, the employer has no right to repatriation of any of these monies. Their concerns arise partly from the fact that, in the past, industrial action led to mass exits of employees with less than their actuarial reserves or inequitable transfer values, either or both of which might have boosted surplus.

FSB

The FSB has argued that in some cases surplus has arisen because actuaries have been conservative in their assumptions and the employer has paid more than would have been necessary to maintain the value of assets in excess of the value of the liabilities. They have said that to deny employer participation would be inequitable for the employers concerned in this instance.

In February, the Minister of Finance announced in his budget speech that any

surplus repatriated would be taxable in the hands of the employer. This disappointed labour, which was hoping for a different kind of signal.

Business

Up until now, organised business has not been involved in the debate. When labour tabled the issue at Nedlac at the end of January, it called for a moratorium on business taking any action on any precedent that might have been set by the FSB's ruling in the case of the Paarl Widows and Orphans Fund. Business did not agree to the moratorium, but agreed that there should be a process in Nedlac to discuss pension fund surplus policy.

Meetings began at Nedlac on 9 March with a second meeting on 24 March. Once business has formulated its mandated position on the issue, it is hoped that speedy progress will be made towards a viable solution to this important issue.

Review

In December 1998, Nedlac constituencies and the Department of Constitutional Development commissioned a review of infrastructure delivery in South Africa. The review took two parts:

- Over 60 interviews with public officials involved in infrastructure delivery
- A survey of 2 600 households in the provinces of KwaZulu-Natal, the Northern Province and Gauteng. The report covers areas of housing delivery, social security/welfare delivery, health services, telephone, electricity and refuse removal services as well as education delivery.

The research report will be launched on 24 May 2000 at Nedlac. Full copies of the report will be available on Nedlac's website: www.nedlac.org.za, or a summarised version will be available from the Nedlac secretariat.

Labour brokers

a case study of Transman

Over the last few years the *Bulletin* has published a number of articles dealing with flexibility, subcontracting and outsourcing and the problems they pose for unions and workers. (See for example, Ulicki's and Mantashe's articles in *SA Labour Bulletin* vol 23 No 4, and Kenny and Bezuidenhouts article in vol 23 no 3).

The general thrust of the arguments raised has been that subcontracting weakens unions because.

- permanent jobs are often lost and with that union members;
- through a decrease in membership, unions can lose their majority status or sufficiently representative status and thus may not be able to exercise certain organisational and collective bargaining rights;
- workers lose faith in the union which they do not regard as protecting their interests,
- subcontracted workers brought in at lower cost undermine the bargaining position of permanent workers,
- divisions between workers' increase because of real and/or perceptions of undercutting and scabbing

Furthermore, outsourcing and subcontracting does not benefit subcontracted workers because they often:

- get lower wages than permanent workers;

Tanya van Meelis outlines how Transman, a leading labour broker, operates and identifies implications for its employees.

-
- get fewer benefits than permanent workers;
 - often have deductions made that are questionable;
 - are not represented by trade unions.
- For the above reasons, unions have regarded subcontracting as something that should be fought and prevented, or, if prevention is not possible, regulated and controlled Mechanisms that are or could be used by unions to control subcontracting include:
- companies giving unions information on subcontracting that is taking place or that they wish to implement;
 - negotiating/consulting on the use of subcontractors;
 - ensuring that the labour brokers being used are registered;
 - ensuring the same rate of pay for permanent and subcontracted workers;
 - ensuring that the subcontractors comply with all applicable legislation;
 - getting proof from the subcontracting company that all the necessary deductions are being made;

- getting a commitment from the company to only hire subcontractors that use sound employment practices

The other side

While much has been written on the above, very little has been written on how subcontractors work. I was therefore pleased to accept an invitation to conduct interviews at Transman – a large labour broking company that has 14 branches around South Africa and supplies labour to 24 industries including government, industrial cleaning, transport, construction, steel and engineering, chemicals, motor manufacturing and health. I thought that the interviews and visits to sites would provide me with an opportunity to see the belly of the 'enemy'. What I found was not what I expected.

Recruitment

Transman's 14 branches advertise on a weekly basis for people with skills they want. Branches receive a high number of applicants.

Bethuel Mabiletsa, manager of the Industria branch, estimates that about 800 to 1 000 people come to the office each week looking for work. 'People have expectations, but we can't always help out.' Applicants fill out an application form and are then tested on their level of skill.

Angela Dick, managing director of Transman explains: 'We then find a job for the person at the level at which they are operating. Transman, together with some clients, offers upgrading possibilities for people – for example, some people have been trained as data capturers.'

Employment contracts

Transman's employees are employed on an indefinite employment contract or a fixed-term contract (temporary contract). The company then tries to find work for employees on a temporary contract. 'The company's intention is to keep you fully employed. But you can refuse to work.' (Dick) Transman operates on a 'no work no pay' basis – employees are paid when Transman finds them work and they

accept and do the work. Some employees are placed with a client for a long-term contract.

As employees of Transman, workers are protected by the LRA and the BCEA. This would not happen if they were employed as independent contractors who by law are not regarded as employees. Dick does not support ducking and diving around the law by using independent contractors. 'We don't have any independent contractors.

Independent contractors could the issues and are open to abuse.'

Wages and working conditions

The minimum that Transman pays is the minimum set by a bargaining council for the industry to which Transman is supplying labour. Dick explains: 'We wanted to take the permanent staff scenario and put it into the temporary staff scenario. We thus voluntarily registered with every bargaining council we supply labour to. We asked for the main agreement to ensure that we adhered to it. We registered in about 1988. It took until about 1993 before the bargaining councils managed to collar other people in our industry.' Registering with the bargaining councils also made good business sense. 'Employers could

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undercut us by going to other labour brokers who were paying less than us. We wanted other labour brokers to register so that we could level the playing field' (Dick)

While Transman does not pay below the minimum set by a bargaining council, it sometimes pays more than the minimum when it has had fruitful negotiations with the client it is supplying labour to. An employee's pay is therefore variable and depends which company they are sent to, as Esau Mokwena, a driver, told me: 'Transman negotiates with the company they send me to. Sometimes they get more money for me, sometimes less money. It depends on what the client will pay. But I am happy with what I get from Transman - they pay overtime and pay double on a Sunday.'

When asked if they would accept less than industry set rates, Mabiletsa replied: 'If I was offered less money by a client I would not accept the contract - that's labour abuse. We therefore do lose clients to fly-by-night operators who are not checked by government. I know of an operator that loads workers into trucks like animals and pays them nothing. We won't do that. I can't rip my people off - they must earn what is due to them.'

Employees received paid public holidays, provident fund contributions, sick leave pay, annual holiday pay, holiday bonus pay and an incentive bonus. They are also entitled to be covered by the Compensation Commission and UIF.

Transman therefore makes all the statutory deductions it is required to: it deducts for union dues (where an employee is a union member), PAYE, UIF, and the levy for the bargaining council with whom it is registered.

Unique benefit for casuals

Transman claims to be the only labour broker in the country that offers its

employees a provident fund. Dick explains: 'In about 1990 we wanted to offer our employees more in terms of long-term financial security.'

We went to eight insurance companies looking for a provident fund that could handle monthly premiums of differing amounts from one employee.

For example, an employee will contribute more when he has worked for the whole month than when he only worked for four days a month. It took us about 18 months to set up the Transman Provident Fund, and it's the only one of its kind today.'

For Dick, the provident fund shows that Transman looks after the welfare of its employees: 'We fight for employers to pay their contribution to the provident fund which is not a statutory obligation. In this way, people getting jobs through us get a better deal than if they were just waiting at the gate for a job.'

What clients want

According to Dick clients want:

- flexibility in terms of numbers required for an operation;
- to be sure that the person they are sent matches their skill requirement;
- productive workers who meet performance criteria;
- a reputable credible broker.

Because clients pay bargaining council rates or above, using Transman does not necessarily translate into a direct wage saving. However, clients save money on overheads and administration.

Transman sells itself on the fact that it offers a 'managed workforce solution' - that is, it:

- operates fairly and ethically towards its employees;
- delivers skilled and reliable employees;
- handles grievance and disciplinary issues;

- ensures compliance with labour legislation

This approach can be contrasted to other labour brokers, such as one found advertising on the World Wide Web which sells itself on its ability to handle 'troublesome workers' and cumbersome labour laws: '[We can] protect you as far as is possible, from disruptive union problems, unfair dismissal claims, time-consuming, legally complex and costly CCMA/labour court disputes, protracted substantive negotiations; time-consuming disciplinary/appeal hearings; stringent labour laws, staff non-performance frustrations, destabilising and costly retrenchment exercises'

Beyond the facts

Given that the above information provides a unique insight into how Transman works, the following explores issues on Transman's employment practices and implications for its employees only. Given this narrow focus, broader issues such as subcontracting's deunionisation effect and unions' engagement around subcontracting, are not covered here.

Labour market flexibility

Transman's operations lubricate access into the labour market. A Transman employee has a better chance of getting a temporary or permanent job than a person who waits hopefully at a factory gate. However, this labour market access may favour those workers with more resources – for example, having access to a telephone and transport means that Transman can contact someone more easily if a job comes up and that person can get to the job in a few hours if need be.

Transman also offers new recruits a chance to get experience, as Mabilietsa explains: 'We introduce young people to

the market and give them experience. Where else will they get it from – employers want experienced workers or workers they know they can rely on. We can offer them this'

Through using Transman, employers are still able to enjoy numerical flexibility – they are able to bring in more workers when needed and have fewer workers when needed. Companies using Transman's services do not have to deal with hiring and firing of employees since the workers are contracted to Transman. This means that Transman employees on fixed-term contracts will not always have work.

Temporary vs permanent

For employees, placement in indefinite employment contracts remains preferable to temporary work. For example,

- fixed term contract employees do not get retrenchment packages when the contract ends at the termination date – permanent employees get retrenchment packages,
- permanent employees have guaranteed income whereas temporary and fixed-term contract workers at Transman rely on Transman finding them work (which may not always be available)

Dick agrees that permanent employment is first prize: 'We try to place people into permanent jobs whenever we can. This is the best option for them'

Power relations

Transman employees remain in a less powerful position relative to Transman. They have individual employment contracts, unionisation levels are low (estimated to be 25%), and there is always the potential for Transman not to place them (which could act as a disciplinary device since the company works on the 'no work, no pay' policy)

However, the alternative cited above for

a casual non-unionised worker seems to be worse – standing at a factory gate hoping to get a job no matter what money is offered and maybe even having to bribe a supervisor or offer sexual favours to get the job. Transman, therefore alters the power relationship between the subcontracted worker and the company using them, by negotiating wages and benefits

As Dick says: 'The worker would not have the opportunity to negotiate with a manager or director – we do.' But, this alteration of the power relationship is limited, since the user company could effectively 'fire' the worker at any stage by telling Transman they don't want to use that particular worker.

As experience has shown, the best way to alter power relations between employers and employees is to join unions

Unitarism

In terms of ideology, Transman managers display some strong elements of a unitarist ideology. Unitarist ideology includes beliefs that:

- employers and employees share the same goals and vision for the organisation;
- conflict is unnatural and results from poor communication or the work of agitators;
- trade unions are not always necessary;
- the employer will look after its employees (paternalism).

Transman managers do not oppose unions 'We recognise unions and will speak to them, but we do not have a recognition agreement with them.' (Mabiletsa) But, in line with unitarist ideology, Mabiletsa questions whether having a union is really necessary: 'Why do they need to join a union. Whatever the union does, I do it. I go there and negotiate good wages and benefits. If there is a

problem with the client, I go there and sort it out. I negotiate on the employee's behalf with the client.'

Dick puts forward a similar argument when explaining one of the reasons why Transman was set up. 'We saw that there were a lot of casuals hoping for employment. The disadvantages they faced was that they had no means to negotiate a wage, benefits and job security. If they were sick they would not be paid. Some even had to pay bribes to get a job. We realised that there was extensive abuse and exploitation of these people.'

Some employees buy into this unitarist ideology. For example, Mokwena stated. 'No one here belongs to a union – no union came here. I don't know if management would be cross if I joined a union, but I do not want to join a union I was a member before I came to Transman. I paid for three years and when I was retrenched the union did nothing. Transman negotiates a good salary for me and every year management gives an increase... Everything is OK at Transman for me. Transman has also paid for my child's education last year. I'm happy with them, they help me out.'

Geraldine Jurie, also employed by Transman, expressed her satisfaction: 'Transman is a good employer because they look after their staff. I'm happy with my salary and benefits and I've been here for six years.'

From the people we interviewed, 'Transman does seem to act for the employee in relation to the client by negotiating wages and benefits and intervening in disputes and grievances to the satisfaction of employees. However, as in any paternal relationship, while your father may protect you from others, who protects you from your father if he is abusive? ★

The Hospitality Industry Provident Fund (HIPF)

The Hospitality Industry Insurance Fund (HIIF) is a working class institution operating in the finance sector providing retirement, insurance and housing benefits. It serves mainly low paid workers in the catering and allied sectors.

With assets of R120 million its objective is to maintain independence as an autonomous organisation controlled by its members in their interests as opposed to the interests of external organisations such as the mainstream insurance industry, contributing companies or trade unions.

The HIPF dates back to 1966 when it was an industrial council pension fund for the liquor and catering trades in Johannesburg and served only white, coloured and Indian workers. In 1982 the Industrial Council broadened its scope to include African workers. The Hotel and Restaurant Workers Union (HARWU) initiated a process of change which resulted in major improvements to benefits and greater worker input. However, the industrial council dissolved in 1989 and membership of the fund became voluntary. The administration, insurance and investment aspects of the fund were taken over by Fedsure which had represented itself as an 'expert' in the field of industry funds. In 1994, after a prolonged legal battle, the fund moved to Southern Life. (Court action by the trustees forced Fedsure to accept the validity of the trustee decision to transfer;

by Allan Horwitz

Fedsure was forced to pay the fund damages as compensation for maladministration.) Significant improvements were achieved under Southern Life – in particular, the fund changed its status from 'underwritten' to 'private' meaning that it appointed an independent auditor, actuary and principal officer. However, members and trustees alike realised that in the long run, meaningful control and maximisation of service and benefits would only be possible under self administration and self insurance. This was achieved in 1998 when the fund established its own offices, purchased the necessary systems and employed its own staff.

Self-administered fund

HIPF is currently self administered and self-insured thereby guaranteeing its autonomy on behalf of members. It has successfully challenged established vested interests in retirement funds in the catering sector. A provident fund in the Pietermaritzburg area has recently merged with the HIPF.

Worker control

While the history of retirement funds has been one of little direct member control, the HIPF has set up a special member

forum consisting of one worker representative from each participating workplace. It meets once a year at national level and twice a year at regional level. All major trustee decisions must be ratified by the member forum; recommendations by the forum often form the basis for trustee decisions.

The result has been the implementation of superior benefits and the evolution of an investment strategy that favours working class priorities such as housing and venture capital investments for job creation and black economic advancement

Today at least six trade unions participate actively in the running of the fund. Each union participates on equal terms, although HIPF worker trustees are elected directly by the membership.

This has worked because the unions concerned have respected their members' independence regarding their choice of retirement fund and understood that the HIPF is a parallel worker organisation operating in an area in which most trade unions do not have competency

The HIPF is registered with the Financial Services Board as an administrator and is therefore legally able to administer other funds. We plan to launch an independent administration and insurance entity which will operate on a non-profit, cost recovery basis enabling workers in other sectors to benefit from the HIPF experience. We will offer a superior service within the framework of an organisation that is efficient and cost effective but which maintains a worker driven ethos as opposed to corporate culture

We hope trade unions will see the advantages for their members of such an institution in terms of its competency and ideological affinity; whilst respecting its independence and thereby safeguarding

workers' direct economic interests as long- and short-term savers

Current legislation

The HIPF views itself as a new type of working class organisation - one that ideally should be able to provide a wide range of financial options and services that are appropriate to the current needs of the majority of workers. However, in order to play such a role, certain legal and structural elements have to be put in place. These elements are as follows:

- provision of both housing and education loans (up to a maximum of 75% of a member's savings);
- provision of micro loans (for all purposes) secured by the member's retirement savings;
- an interest return that is as close to the overall fund return as possible;
- regular distribution of surpluses;
- transparency in respect of contribution and loan statements (reflecting the breakdown of monies received and insurance and administration costs);
- issuing of statements on a six monthly basis;
- issuing of statements for paid up members (that is, members who cease contributing on a monthly basis but still have savings in a fund);
- a legal obligation on employers to provide stop order facilities to repay loans;
- abolishing vesting scales so that a withdrawing member receives the full employer contribution (less insurance and admin costs);
- freedom to transfer without penalties - transfers to include a fair share of any surplus or reserve;
- a single tax regime for both pension and provident funds;
- abolishing 'underwritten' funds as such arrangements give too much power to

the underwriter and lead to administration, insurance and investment being concentrated in one company,

- all funds to have an independent auditor, actuary and principal officer;
- election of trustees by the members;
- for large funds (in excess of 1 000 members), establishing a fund structure that is broader than the board of trustees,
- establishing industry funds (across the trade union spectrum) to maximise the benefits of the economy of scale with respect to the lowering of insurance and administration costs

All these elements have been put in place by the HIPF, except tax equality between pension and provident funds and the granting of education and micro loans as such practices are currently illegal and will not be sanctioned by the Financial Services Board despite repeated applications by the HIPF for permission. Indeed, the major stumbling block to implementing these aims is the current legal framework (the Pension Funds Act and certain aspects of the tax regime) as well as the nature of the Financial Services Board, an institution still in the grip of conservative forces largely loyal to the interests of big business and the insurance industry.

The retirement fund industry is the single most important reserve of savings in our economy. As such the investment of its monies performs a vital function. Given the massive inequalities and social problems facing South Africa, there exists a profound need for these monies to be invested in ways which enhance the standard of living of the majority of people and job creation. The average wage level in the formal sector is approximately R1 400 per month – a level which forces workers to depend on credit in order to survive.

However, such a wage level does not meet the lending requirements of banks, and workers are pushed into the arms of micro loan institutions that have a history of charging enormously inflated interest rates and use highly questionable methods for debt collection. For the vast majority of workers their retirement fund (because it is a condition of employment) is the only source of savings.

The central legal point is that retirement fund monies are deferred payment (that is money that will be paid at a later date) and as such should come under the direct control of the wage earner. Modern labour mobility makes it extremely unlikely that a worker will spend most of his/her working life employed by one or even two or three companies. The pattern is towards frequent moves as the economy is deregulated and liberalised and casual, temporary and subcontracted jobs become a new norm.

The usefulness of final benefit funds is therefore suspect (as most workers do not retire with many years of service with one employer). The widespread practice of vesting scales on company contributions also robs short service workers.

Many funds have also built up significant reserves and surpluses. These have largely been used to prop up insurance companies guaranteed portfolios or enable companies to take 'contribution holidays' (that is, not pay contributions for a while).

We therefore welcome the current plan to redraft the Pension Funds Act. However, it remains to be seen how far the changes will go in making the law reflect the needs of the majority of retirement fund members. ★

Allan Horwitz is the principal officer at HIPF



The new union vision

reconstruction in a democratic South Africa

The early 1990s was a period of political change in South Africa, of transition from apartheid to democracy

The organisations of the liberation movement – the ANC, the SACP and the PAC – had been unbanned, and were involved in negotiations with the apartheid regime over the shape of a new, non-racial democratic South Africa. Organisations were beginning to discuss their hopes and strategies for a post-apartheid society.

NUMSA, the union which represented the workers at Highveld Steel, was also debating its responses to these changes. It developed a new strategic vision of union-driven reconstruction in the economy and the workplace.

The shopstewards at Highveld Steel were deeply involved in the union debates, research and study groups that the new strategic vision emerged from. This article describes the Highveld shopstewards' vision of workplace change as they explained it in the mid-1990s.

New strategic vision

The shopstewards argued that there were three reasons why it was necessary to forge a new strategic vision:

- The transition to democracy meant that the trade union movement should play a central role in reconstruction – In

Highveld Steel is a massive steelworks outside Witbank. It was a centre of militant struggle in the 1980s. During the 1990s, the NUMSA shopstewards at Highveld Steel tried to implement a new strategic vision of reconstruction in the workplace. Over the next few issues Labour Bulletin will run a series of articles by Karl von Holdt describing their attempts to transform the workplace.

other words, in rebuilding the economy so it could meet the needs of a new democratic government and of the people.

- The transition to democracy created an opportunity for the union to shape a new democratic order in the workplace and eradicate the legacy of apartheid.
- Globalisation was increasing the competitive pressure on South African industry in general, and on Highveld Steel in particular. The union should

play a proactive role in increasing productivity and quality and thus prevent management from implementing anti worker strategies

Rebuilding the economy

In the view of the shopstewards, the changing political conditions in South Africa meant that the union should play an active role in economic reconstruction. Meshack Malinga, the chair of the joint shopstewards committee, explained this 'In the 1980s we embarked solely on resistance, we never wanted to concern ourselves with production, as part of the struggle to bring down the system of apartheid, economically and otherwise. When we resisted the system of apartheid we wanted it to be replaced with a democratic order, a democratic government

Now that we have a democratic government, we want it to succeed, and of course no political power can be maintained if there is no economic power. Our economy has been devastated by the system of apartheid, and we need to rebuild it now. So I therefore believe that the culture definitely has to change from the culture of resistance and ungovernability to the culture of productivity.'

New workplace

Over the years of colonialism and apartheid in South Africa, a racially-oppressive system of workplace relations and practices had evolved. Together these formed what may be called the apartheid workplace regime. The apartheid workplace regime was based on a racial division of labour in which black workers performed unskilled tasks, and skilled and managerial jobs were reserved for whites. It was also based on a racial distribution of power. Most supervisors and virtually all

other managers were white. They exercised power not only as managers, but also as whites empowered by apartheid. They maintained this system of white power - of white *baasskap* - through racial insults and racial assault. According to one worker 'it was the apartheid system that was working at Highveld. Management were not listening to black workers, they were always supporting white workers. If a black guy hit a white guy, he's fired. If the white guy beats the black guy, the white guy is not fired. It was not fair. Whites, they liked to beat workers at any time.'

The apartheid workplace regime was not only racist - it was also inefficient. Racism and the authoritarian and hierarchical relations between managers and workers meant there was poor communication in the workplace. Black workers, with limited access to education and training, tended to have low levels of skill.

Those who had developed their skills were not recognised and their skills were wasted. White workers and supervisors

Highveld Steel

Highveld Steel is owned by Anglo American, and was established in the mid-1960s. The steelworks produces about one million tons of steel a year, mostly as rolled sheets of strip and rolled rails and bars. Apart from the steelworks, the Highveld Steel group consists of a cluster of other plants around Witbank which produce steel-related products (it is the biggest producer of vanadium in the world), as well as Rheem which manufactures aluminium cans. It also owns a one-third stake in Columbus Stainless, one of the world's biggest stainless steel plants. The Highveld Steel group employs 6-7 000 people. NUMSA has over 3 000 members at Highveld in Witbank.

were also often lacking in the necessary skills, because they were promoted as whites rather than because of their skill or ability

'If I may speak the truth, if a white man gave you a job, you were not supposed to know whether he was a foreman or where he worked, you just had to follow him, listen to what he was telling you... He had a right of just taking you and saying follow me to fix that machine while you were not working with him. If you refused, you had refused to obey that man's rules,' added another worker

The result was inefficiency, waste and poor quality production

'...we feel as workers that we should also be involved in deciding what we want our company to do. We don't want to live in the past, where management had to think and decide for us.'

The shopstewards at Highveld Steel wanted to replace this regime with a new workplace order based on workers' skill and participation. As one of them put it, 'The political structure outside is changing. We are now going to be involved in everything that is taking place in our country, and we feel as workers that we should also be involved in deciding what we want our company to do. We don't want to live in the past, where management had to think and decide for us.'

According to Mosi Nhlapo, chair of the steelworks shopsteward committee at the time, their goal was both to empower workers and to improve production:

'Firstly, our goal is to give more control, more power, to the workers in their activities. Secondly, to make work easier for workers. Thirdly, one of the most important points is to change the relationship between management and workers, so that there should be mutual understanding between them. Fourth, we want to make sure that at the end the workers benefit from the process of producing steel. Fifth, the end result will be more productivity and better quality goods. Finally, not to forget that whatever is happening within the factory or industry must benefit those outside as well!'

Globalisation and competitiveness

According to the shopstewards it was essential to improve production (in terms of both productivity and quality) because of the increasing competitive pressure on Highveld Steel.

Nhlapo described their concerns: 'It's either things must continue as they are, and eventually Highveld Steel could close because we cannot compete with other companies; or we say we want to be part of Highveld Steel truly, by committing ourselves to our responsibilities, and sharing part of the cake that will come out at the end.'

By improving skills, participation and motivation, Highveld Steel could become more competitive, thus building the South African economy and protecting jobs.

Practical transformation

The shopstewards at Highveld Steel had practical proposals for achieving the transformation of the apartheid workplace regime into a democratic workplace. There were four aspects to their proposals:

- implementing a skills-based grading and training system;
- implementing new forms of work organisation based on teamwork and



Leslie Nhlapo discussing the new strategy of reconstruction with fellow shopstewards.

- greater worker control of production,
- trade union participation in the highest level of company decision making,
- profit sharing

New skills-based system

The shopstewards identified the lack of skills in the workplace - including managerial skills - as the major obstacle to improving the efficiency and quality of production. At the same time, apartheid's legacy of low levels of education and skill among black workers was the major obstacle to their advancement in the workplace. A skills-based grading system, together with a massive training programme, would provide new opportunities for black workers, eradicate the legacy of apartheid, and improve productivity.

Ezekiel Nkosi, then the secretary of the shopstewards committee, described the importance of these policies: 'The people

are not educated because of apartheid. Multi-skilling and the reorganisation of the company is the only way for us to earn a living wage and get the rights we deserve as workers. The company must develop the worker and give him training so that he can get promotions and do better jobs and earn a living wage. Multi-skilling will also improve productivity. The more workers gain skills, the better quality will be. The company will gain because production will be better. Both sides will benefit.'

New work organisation

The shopstewards' proposals for skills and training went hand in hand with their proposals for a new form of work organisation based on independent teams, multi skilled workers, and the removal of supervision. Bunny Mahlangu, a former chair of the shopstewards committee at Highveld Steel during the 1980s, and then

regional NUMSA organiser, described this vision of a new South Africa in the workplace: 'Our idea is that you take planning of work out of the offices and into the people. You set up workteams that are able to set their own targets, that can produce quality, that can run the show without the superintendent, the foreman, the assistant foreman standing there and telling them what the manager in the office said they must do. There is a line of about ten people who are conveying messages to those who must do the work. We're saying that the office must give the production order to the people, and they should set their own priorities, their targets and everything. There should be no supervisor within them. If they want a supervisor they can elect someone from amongst themselves. People must not feel a painful responsibility. When they wake up in the morning they should feel that they want to go to work, that they will enjoy it.'

High-level participation

The shopstewards felt that if these practical transformations were implemented in the workplace, they and their members would be able to commit themselves to improving productivity. But there was one condition - that they should share in the benefits of improved productivity through some form of profit-sharing or bonus linked to production. To ensure that this happened, they argued that they, as trade union representatives, should have a role in the highest level of decision-making in the company. Only in this way could they influence the broader strategic decisions about company expansion, technological change, investment and the utilisation of profits.

Implications

This new strategic vision of NUMSA and of the shopstewards at Ilhgveld Steel, had

implications for:

- the relationship between union and management;
- the relationship between workers and 'experts' in the union;
- for the struggle for socialism.

Firstly, the shopstewards argued that the strategy of reconstruction could only be implemented if there was co-operation between management and the union. According to Ambrose Mthembu, one of the shopstewards, 'Management should co-operate for reconstruction to be a success. As the union we can initiate - but if management does not agree, at the end of the day there will be no reconstruction programme. Both sides will have to compromise in order to reach consensus.'

'But,' he added, 'the union would have to be a watchdog to make sure that management is doing what has been agreed upon.'

Some of the new policies were very complex and required a high level of expertise. Already, the process of developing the new policies had empowered some officials and shopstewards, and disempowered others, as Nhlapo pointed out: 'Information is concentrated in a few individuals. They might be complicated and say things you don't understand, but at the end of the day you are bound to agree with them because you don't understand. You don't have any way to say, "No, I will debate it". What are you saying about democracy if you want people to accept your views with no information? That is the change in the union. Everything will be concentrated in the head office unless we do something very drastic.'

The formulation of the new strategy had been highly controversial within NUMSA, and sparked heated debates. Did the new strategy mean abandoning



Highveld strike 1993: Militant workforce, new vision.

socialism and committing the union to managing capitalism? Was it a new strategy for achieving socialism? Or was it a strategy for strengthening workers' position within capitalism and postponing the struggle for a different system?

The shopstewards at Highveld Steel agreed that the new strategic vision aimed to achieve some of the goals of socialism, although they had different opinions about whether it was likely to be successful in this aim.

As Nkosi put it, 'We want to make decisions about profits, we want to make decisions how to run the factories. When we talk about worker involvement in restructuring, it disguises that we are talking about socialism.'

So, in spite of their concerns about some aspects of the new strategic vision, and particularly about the weakening of union democracy, the shopstewards at Highveld Steel were committed to the

new strategic vision of their union, and to taking up the struggle to implement it in their workplace. The rest of the articles in this series describe different aspects of this struggle. ★

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Karl von Holdt's articles are based on his PhD research, undertaken while he was based at the Sociology of Work Unit at Wits University. He currently heads the Workplace Transformation Programme at Naledi.



Implementing the vision *reconstruction through teamwork*

The Highveld Steel shopstewards made several attempts to implement the union strategy on the shopfloor in different departments, but managers mostly refused to co-operate.

For example, the manager of the flat products division wanted to combine the workers from the trimming and cutting machines on the two production lines - plate and strip - into one 'cut-to-length crew'.

Two of the shopstewards, Mosi Nhlapo and Ezekiel Nkosi, developed a proposal that the eight workers in the crew should all be trained to operate all the machines on both lines. They should all be upgraded to the level of the most skilled worker in the group, be paid accordingly, and operate as a team. The flat products manager agreed with this, but was 'frustrated' by senior management who insisted that new ways of organising work should not cost the company increased wages.

Management fashioned a counter-proposal in which the members of the crew would be graded at three different levels according to their most frequently performed tasks, but would still be required to fill in for workers on higher grades when necessary. The shopstewards rejected this, and the plan was abandoned.

But the shopstewards were able to

In the second article in his series on Highveld Steel, Karl von Holdt explores how shopstewards successfully implemented teamwork and transformed their workplace.

implement the union vision on the tap floors in Iron Plant One. At about the same time as the flat products proposal, Nhlapo heard that the tapping crews were initiating frequent stoppages in support of their demands for upgrading and better wages.

Working on the tap floor

The six tap floors are located beneath the six furnaces in the iron plant. The job of the tapping crew on each floor was to open the tap-hole when the smelt was ready (every three to four hours), so that the molten iron and slag could run out of the furnace.

The slag was dumped and the molten iron was transported to the steel plant for processing into steel. The tapping crew drilled the tap-hole open, monitored the separation of iron and slag, released the flow of separated iron into the iron-pot at the right moment, and tried to prevent

spills After the tap, their job was to clean the tap floor and prepare it for the next tap

Conditions of work on the tap floor were tough and dangerous Workers had to work in thick protective suits because of the heat of the molten iron and the danger of spills Dehydration and heat exhaustion sometimes caused workers to collapse, and workers were injured and sometimes died in spills

Leaking carbon monoxide gas had also caused fatalities One of the tap floor workers described these conditions 'Conditions on the tap floor are very dangerous I am used to the place so I can work there with ease, but for a new person it is a very dangerous place Whenever you are on the tap floor you should always do what the people who work there do, not run away or take the wrong direction'

The tap floor was a harsh working environment, not only because of the physical conditions, but also because of the treatment by supervisors 'It was tough on the tap floor If they regarded you as cheeky they would send you there If you complained about wages you were sent there as well It was a white-dominated working site, it was an apartheid workplace The treatment there was not fair

Most of the tappers were illiterate migrant workers Many had worked on the tap floors for long periods of their working lives Each tapping crew was led by a *baas-boy* or *induma* When the furnace operator decided that the smelt was ready for tapping, he informed the foreman, who then instructed the *baas-boy* to start tapping The *baas-boy* then instructed the members of his crew to get ready, while he drilled open the tap-hole. The tapping team members were graded as labourers on grade 1-4, while the *baas-*

boy was on grade 13 Absenteeism was high on the tap floors, and, after they had finished tapping their furnace, tappers in one crew were frequently instructed to join another crew and assist with tapping a second furnace This was a sore point with workers, who felt entitled to rest between taps because their work was so hard

Tappers' demands

The tappers felt that they should earn higher wages because of the harsh conditions of their work During 1990 they launched a series of small stoppages demanding to discuss their problems with their manager

Eventually they were promoted – the tappers by one grade, and the *baas-boy* by three This angered the tappers even more They demanded to also be promoted three grades Although the *baas-boy* was supposed to open the tap-hole, all the tappers knew how to perform this task It had long been a custom on the tap floor that if the *baas-boy* was not present, the foreman would instruct another member of the team to do this

'Management would come and just point at anyone and tell them to do the job. So we realised that we have the same knowledge, but we are not paid for the work.'

Now they refused, on the grounds that they were not paid to perform this task 'Management would come and just point at anyone and tell them to do the job So we realised that we have the same knowledge, but we are not paid for the work That is why we came up with this

grievance, after realising that we knew the same thing'

Management bent company policy and offered to pay the tapper who filled in for the induna an acting allowance at the higher rate. This worked for three months, and then the tappers again refused to co-operate: 'If the baas-boy was absent no-one would open the tap-hole. The operator could not move from his furnace and come down to the tap floor. So he would phone the superintendent.

The superintendent, not knowing the skills of opening the tap-hole, would phone the manager, and he would come and start begging the guys to open the hole. But they would just sit down and say, "You do it. Once the tap-hole is open we will work. But now the tap-hole is closed and there is no-one to open it." If the manager called another baas-boy to come and do it the guys would threaten to walk off the floor. If management called a worker to a disciplinary hearing for refusing to open the tap-hole or refusing

If management called a worker to a disciplinary bearing for refusing to open the tap-hole or refusing to assist another team, all of the workers on the tap floors would leave their work and go to the inquiry.

to assist another team, all of the workers on the tap floors would leave their work and go to the inquiry, and say, "We are going to witness this inquiry."

Union proposals

It was at this point that Nhlapo intervened. The tap floors occupied a key place in the production process. Any delay here

brought the entire steel plant to a standstill, so management was under intense pressure to resolve the workers' grievances. The iron plant manager agreed that the tappers could be upgraded to grade 12, but insisted that it should be paid for by reducing the number of workers per crew.

The numbers per crew had been reduced from nine to seven in retrenchments the previous year, during a downturn in the steel market. At the same time a mechanical grab had been introduced to help clean the workplace after tapping.

Management proposed that the size of the crews be frozen at their new level of seven members, and justified this by arguing that the grabs had reduced the workload. Since this would not entail any fresh reduction, workers 'were ready to fall for it' until Nhlapo pointed out that it could intensify work because the grabs were subject to frequent breakdowns. It would also be more difficult to have their former comrades who had been retrenched, re-employed

Nhlapo proposed to the tappers that, instead, work should be transformed so that they worked as a self-directed work team. Their job descriptions should be expanded to include:

- drilling open the tap-hole for tapping;
- using a special gun for shooting open the tap-hole when it was blocked;
- repairing brickwork;
- minor welding work;
- checking and replacing the safety screens.

All tappers should be trained in these tasks and in leadership and team skills, and upgraded to grade 10. There should no longer be a baas-boy, but each team should elect its own leader and this position should be rotated

The workers on the tap floors agreed

with Nhlapo's proposals. It seemed that these proposals would not only satisfy their demand for more money, but also alter the racial and skill hierarchies of the apartheid workplace. This was attractive to migrants who were located at the bottom of the apartheid hierarchy, as one of them commented: 'Mosi came to our rescue with the suggestion that since there were jobs that whites were doing that we could do, why don't those jobs get done by us, so that our wages can also be equal to theirs.'

The proposal was put to management. At the same time, workers applied their work-to-rule tactics to the grab. Whenever the grab broke down – which was often – the entire team would stop working until two extra workers were found or the grab was repaired.

At about this time a more liberal and innovative manager was shifted to the iron plant. He was more open to co-operating with the shopstewards, and welcomed innovative suggestions. He agreed to get rid of the grabs and expand the teams again. He also motivated to senior management why they should accept the shopstewards' proposals. Agreement was reached on a two-month training programme. While one shift was attending this programme, the other two shifts each worked a 12-hour shift.

What was won

The new organisation of work on the tap floor was a radical break with the work organisation of the apartheid workplace regime. For most of the unskilled migrants on the tap floors this was the first training they had received. This was the case for Albert Makagula, a migrant shopsteward who had worked there for ten years: 'We only realised how well we do the job after we had been for training. The job is the same, nothing changed, but what has

improved now is the sense that we all have equal knowledge about the job and everyone knows what to do, and there are no conflicting ideas on the job that we are doing. That is the fulfilling thing, that everyone knows exactly what to do and why, and that's why it's better now. Throughout the years we were paid in a discriminatory way. Now for the first time we succeeded in forcing management to pay us equally with the whites.'

The training, upgrading and increased pay for tappers implied that management

'Mosi came to our rescue with the suggestion that since there were jobs that whites were doing that we could do, why don't those jobs get done by us, so that our wages can also be equal to theirs.'

recognised the skills, experience and importance of a group of black workers who had been least acknowledged in the apartheid workplace.

The tappers had also won the right to 'job ownership' defined by a job in a particular team on a specific tap floor. Tappers could no longer be instructed to assist in another team whose members were absent. Instead, workers from the preceding and following shifts would be requested to work overtime – 12-hour shifts rather than 8-hour shifts – to cover absenteeism. This meant increased overtime pay.

Removing the foreman

The creation of self-directed teams was a direct challenge to the racial structure of power centred on the foremen. Management resistance to removing the

foremen suggests how important they were to the apartheid workplace regime

Nhlapo described these negotiations: 'We said, OK, remove this foreman, because when there are problems, when there is spillage, this foreman just stands there and says, "Werk! Werk! Werk!" - but he has got no idea how to do this work himself. The furnace operator, let it be his responsibility to tell the tappers that it is time to tap. So when there are problems the operator and the tapping team can communicate, unlike the foreman who just gives instructions and goes away - when there are problems there is no one to talk to. It was a tough battle.

Management said, "No, this foreman is important" "We said, "He has got no role

'We said, OK, remove this foreman, because when there are problems, when there is spillage, this foreman just stands there and says, "Werk! Werk! Werk!" - but he has got no idea how to do this work himself.'

here." Eventually management agreed and the foreman was removed.'

The importance of the new way of working, in Makagula's view, was that workers could control their work and protect each other from the racism and victimisation of management: 'Before, the manager would come to tell us to start tapping and would interfere with our work in many ways - even though we knew what we were supposed to do. The way we now work at the Iron plant is one of the ways I hope to see democracy in the workplace, because I find myself feeling happy with the way we work.

There is no harassment from white people.'

Instead of being oppressed by the foreman, workers could develop their own leadership skills 'If workers are scattered and there is a job that needs to be done, the leader is the person who organises everyone and calls them together and tells them what to do. If management comes about a problem in the plant, or wants to know why a particular worker is absent, then he knows who to speak to. That is why there has to be a leader at all times.'

Another tap floor shopsteward, Hendrik Nkosi, commented on how workers' attitude to work had changed with the change in the structure of power: 'Before, the baas-boy was part and parcel of the foreman. The foreman had to assist the baas-boy because the people didn't do the job properly - not to say they didn't know the job, but the baas-boy was driving the people and the people were fighting the bosses. Now people are doing the job properly, the people are happy about this system. They assist the team leader, whereas they never helped the baas-boy. I don't see the foreman's job at the tap floor now, he's got nothing to do.'

Nkosi described the collective resolution of disciplinary problems: 'The leader calls the whole team to say, "Let's talk with this gentleman," because it's many times he has come late, or maybe when he's present he is not doing the job properly. "Let's get from him what is his problem." So the team sits down and talks to him.'

If that didn't solve the problem the leader would call some members from another team to assist, or even involve a shopsteward. This was a process of trying to solve the problem through discussion rather than punishment. Management's disciplinary procedures remained in place if the problem could not be solved by the workers. Nkosi stressed that this approach

also protected workers from managerial discipline. 'It is important to understand that if the man is absent but he reports to the team, the team can defend him from management's disciplinary inquiry because they can explain why he is absent'

Limitations

There were limitations to the tap floor experiment. According to Nhlapo, there had not been a shift to real multi-skilling. He would have liked to see the tappers trained to operate the furnace as well, thus abolishing the distinction between tappers and operators. But the tappers' lack of formal education made this impossible.

Several of the tappers confirmed that they had not learnt new work skills on the training course, since they already had the skills to do their job. What was new was the training in leadership skills, and information about how the furnace worked.

Other than that, the chief contribution of the training course was that it gave formal recognition to the informal skills of the workers.

The new organisation of work on the tap floors was not based on a reorganisation of work and production in the entire plant, but was rather like a 'liberated zone' of workers' control carved out of the apartheid workplace regime. This made it vulnerable to erosion over time.

New SA in workplace

Despite these limitations, the union was able to combine the traditional militancy and solidarity of the tap floor workers with its new vision to transform work on the tap floors. There were three critical factors in the success of this project.

- The strength of worker solidarity and militancy in a strategic location in production.
- The presence of innovative shopstewards empowered by the union

vision of reconstruction and policies for implementing this vision.

- The presence of an innovative and liberal manager prepared to co-operate with workers and the union and to take risks in doing this.

As one of the iron plant shopstewards put it: 'We have taken the workers out of their Egypt, now they are in Jerusalem.' The racial hierarchy of skill, income and power inherited from apartheid, was dismantled and replaced with the collective control by black workers of their work. The

'We have taken the workers out of their Egypt, now they are in Jerusalem.' The racial hierarchy of skill, income and power inherited from apartheid, was dismantled and replaced with the collective control by black workers of their work.

transformation of work nurtured workers' solidarity, democracy and leadership skills. Workteams elected and rotated their own leaders, removing the racist and authoritarian power of the foreman. Workers endeavoured to resolve problems of discipline and performance collectively, building their collective solidarity and protecting each other against managerial discipline. As another tapper put it, 'We have established the new South Africa in the workplace' ★

Karl von Holdt's articles are based on his PhD research, undertaken while he was based at the Sociology of Work Unit at Wits University. He currently heads the Workplace Transformation Programme at Naledi.

Galloway and Stephens

In 1855-6 construction workers in Melbourne, Australia under the leadership of James Galloway and James Stephens won the struggle for an eight hour working day. These songs are in memory of these two great leaders

Galloway and Stephens

by Alan Parkinson

*Who were the men who led the fight that
won the eight hour day?*

*The men to whom we owe a debt we
never can repay*

*Their names will live forever though they
lie beneath the clay*

*It was no one else but Galloway and
Stephens*

Chorus

*It was Galloway and Stephens who
pioneered the trail*

*Who lead the band of working men
determined to prevail*

*And so we stand together as their names
we proudly hail*

*And shout 'burrab' for Galloway and
Stephens*

*Back in the dark Satanic days, a time
when life was bleak*

*The workers toiled from dawn to dusk
for sixty hours a week*

*Until they said we'll make a stand no
time for being meek*

*We'll put our trust in Galloway and
Stephens*

Chorus

compiled by *Etienne Vlok*

*They were the honest working men the
history books ignore
To tell instead of emperors and jingoistic
war*

*And crooked politicians worthless
monarchs by the score*

*We trade them all for Galloway and
Stephens*

Chorus

We are on the same boat

by Paul Robson

Chorus

*We are on the same boat, Ob' brother
If you tip one end, you gonna rock the
other*

On the same boat, Ob' brother

Chorus again

*Ob! Lord look down
from thy holy place*

*Ob! Lord bear me, what a sea of space
What a place to launch thy human race*

*So he build him a boat
with a mixed up crew*

*With the eyes of black and brown and blue
That's the reason you and I*

*Have just one world
And just one sky*

Chorus again

'Not a woof-woof union'

Bulletin: *When was NACTU formed?*

Ngcukana: NACTU was formed on 5 and 6 October 1986 as a result of the merger between the Council of Unions of SA (CUSA) and the Azanian Congress of Trade Unions (AZACTU)

Bulletin: *How many members do you have and who are they?*

Ngcukana: We currently have 392 000 members. We have a great diversity of members mostly in the lower end of the labour market. Our agricultural union has about 47 000 members and we also have a large public sector membership. There our union is the National Public Sector Workers Union (NPSWU), formed in 1964. Some of our members in the public sector are in management.

Our membership is located throughout the country but we are especially strong in KwaZulu-Natal, Gauteng, Northern Province and Mpumalanga. We are also growing in the Eastern Cape.

Bulletin: *How many affiliates do you have?*

Ngcukana: We have 19 affiliates. We merged unions in the metal sector and expelled two affiliates last year. Sometimes you have to decline to grow. If people are not part of the vision and principles of the

Etienne Vlok and Rugaya Rees interview Cunningham Ngcukana, general secretary of the National Council of Trade Unions (NACTU).

federation then they have to leave. Our strongest affiliates are the SA Chemical Workers Union (SACWU), the largest agriculture union - the National Union of Farmworkers (NUF), the Building, Construction and Allied Workers Union (BCAWU) and the National Union of Food, Beverages, Spirit and Wine (NUFBSAW). We have the largest furniture union, the National Union of Furniture and Allied Workers (NUFAW), in Africa.

We think that our construction union can do better as the industry has a low percentage of organisation. A federation is nothing else but its affiliates.

We had to restructure our affiliates and get them into a new way of thinking and doing. We have to go back to the basics to realise what we are here for. Trade unions are about numbers and the type of members that you are organising. You can only survive if you organise.

Bulletin: *Why should a union join NACTU instead of another federation?*

Ngcukana: The reality is that unions are just going to join NACTU. We have a constitution, policies and principles which they have to accept. You have to accept our policies or you are out. In 1997 we expelled the Media Workers Association of SA (MWASA), the largest local media union with 26 000 members.

Our main policy is the independence of the labour movement - not to affiliate to a political party Individuals can. Look at what COSATU is experiencing If you are linked to a political party that is governing, you are going to have a lot of divisions Some will believe that the union must follow the government's policies while others will want to follow union policies. Another policy is democratic principles. We want to see unions have an executive, executive meetings, constitution and congresses. They must hold regular elections and their structures must work. It is no use to have a big union that is undemocratic

NACTU believes in socialism and we are unapologetic about it. It is not the socialism of right-wing politics People are saying we should consider what is called 'the third way' by Anthony Giddens, the personal advisor to Tony Blair. It is rubbish Socialism is still valid. As the working class in this country, we should fight for the nationalisation of the commanding heights of this economy. We should fight that workers control their investments

Who is Old Mutual? It is ordinary workers' money. When Mike Levett speaks as a business person, who makes him a business person? The pension funds of workers and the insurance policies of ordinary people.

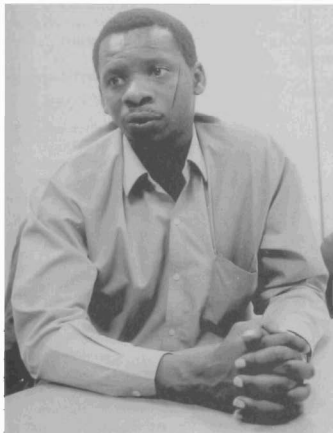
We don't control those investments. Pension fund and insurance companies use the monies of working people to attack us. These are the things that as the working class in this country we need to address.

Bulletin: How are you recruiting new members?

Ngcukana: The responsibility of organising lies with the affiliates. Last year we decided to adopt an organising programme or recruitment drive. It will run for a year and we are employing 40 organisers from 1 May. They will be attached to particular industries Our seven provincial offices along with ten organising offices will be involved in the project. We want one million members by the year 2005. What we want is to ensure that NACTU is strong and representative. We need to have an effective presence in various sectors if we are to be respected as an organisation. We are not looking to get members from COSATU affiliates, we are looking to recruit new people. Take KwaZulu-Natal - it has 90 unaffiliated unions. This shows that there is great dissatisfaction among workers.

We will focus on all the sectors in the recruitment drive, but especially, the agricultural sector. We have employed an administration secretary and organisers to concentrate on farmworkers. We will concentrate on the Northern Province, KwaZulu-Natal, Gauteng and Mpumalanga. The farmworkers' situation has not changed. They are still living in the past. They see a new president but what has actually changed for them?

We just had a strategic planning workshop where we trained the leadership of NACTU. One thing that emerged is that a great number of workers are looking for a new home. We need to see what kind of trade unions we are and what sets NACTU and its affiliates apart from others We need to address the concerns of workers, look at the quality of our service, organisers and staff. We need people that are committed to representing the workers.



Cunningham Ngcukana, NACTU general secretary.

Bulletin: *You want to grow by more than a 100% when many workers are moving to temporary, contract or casual work. Can you do it taking into account this trend?*

Ngcukana: Yes, we need to organise and change the trend. Look at the supermarkets. Probably only 10% of their staff are permanent. Even the merchandisers are employed by contractors. In various industries they are contracting out non-core business, even government and the mines. It's an ideological question that emerges and, as a class, we need to condemn it. We need to fight this trend and put pressure on the government. We have legislation in place

so that we do not have this kind of insecurity in the workplace like we did in the past. We need a strategic approach on how to organise and service casual workers. We are currently working on that.

Concerning globalisation, there is nothing wrong with a global economy but there is a lot wrong with globalisation. It is an ideological question of multinational corporations, the movement of capital, trade, cross-border transactions and the loss of power by countries. These are some of the difficult things that we are trying to address and work against.

Bulletin: *You have not received as much publicity as FEDUSA and COSATU. Why is this?*

Ngcukana: What we have been focusing on these past two or three years was

restructuring the federation. We are not seeking publicity just to make a name for ourselves. Comrade Bill Fletcher from America raised an important thing: there is this dog called 'woof-woof'. It barks too much with very little bite. It says 'Don't do this. If you do, I'll bite you.' Whilst the labour movement is under attack, people are just barking.

Let us take the tripartite alliance - actually 'the tripartite alliance plus one' as Inkatha is also part of it. Privatisation is taking place and unions in those sectors are not doing very much. People are just barking while thousands of workers are losing their jobs. If you don't fight those things it is to the detriment of the workers. We have massive retrenchments

by a government that lied to the people, that spoke about 'jobs for all'.

Take inflation targeting. It presupposes equality in terms of incomes. It presupposes that society has been transformed.

Inflation targeting means that you want to control prices including wages as it is the cost of labour. Inflation targeting will hinder reducing the wage gap. It will not help transformation. If you see a government pursuing such policies and mouthing transformation, it means there is no transformation. If you go to public hospitals today, they were better under apartheid. The public health system is going down, the educational system is going down. People are being lied to.

One of the reasons that governments in Africa and other countries are able to lie is because of the illiteracy of workers in terms of understanding economics. Economics determines politics. I don't agree with Sam [Mbhizima] Shilowa that the alliance is not formed on macro-economic policy. The basic difference between political parties throughout the world is on macro-economic policies. And if you differ economically you also differ politically. You should not lie to people and say 'Let us differ economically'.

You cannot separate economics and politics. You cannot say we support you politically but we differ from you on economic policies. If you are privatising, you are pursuing right-wing economics. And you still say 'I am a leftist in the alliance'. It is lying and deceit. People are being lied to and NACTU has a responsibility to correct this.

Bulletin: *What are the chances of merging with another federation?*

Ngcukana: We will not set any preconditions. The only condition is an independent labour movement with

working class policies. There is a difference in putting something on paper and following and believing in it.

Bulletin: *How is NACTU staffed and what structures do you have?*

Ngcukana: We have got seven provincial offices and 47 staff members. Our decision-making body is the national congress, the second structure is the national council, which meets twice a year, and the central committee, which meets ten times a year. Representation at the national congress is proportional: every union has ten delegates for the first 5 000 members and then two delegates for every thousand thereafter.

The congress elects leadership, decides on policies and can amend the constitution. It meets once every three years. At the national council every 5 000 members gives you three delegates. The central committee is the management structure. We have sub-committees such as the international, staffing and education committees. The education committee consists of the affiliates' educators. We are trying to establish a media department and a publication for shopstewards on economic developments particularly. Our regions and locals sit every month. One of our campaigns is to revive all our structures and make sure they all function.

Bulletin: *Are women represented on the structures?*

Ngcukana: The gender unit falls under the education sub-committee because we believe gender issues are education matters. There is nothing like a union for women. Women are union members, women issues are union issues. Part of the problem of the marginalisation of women is that you have women's committees.

List of NACTU affiliates

BCAWU	Building, Construction and Allied Workers Union
BIFAWU	Banking, Insurance, Finances and Assurance Workers Union
HIAWU	Hospitality Industries and Allied Workers Union
HOTELICCA	Hotel, Liquor, Catering, Commercial and Allied Workers of SA
MESHAWU	Municipality, Education, State, Health and Allied Workers Union
MEWUSA	Metal, Electrical and Allied Workers Union
NACTWUSA	National Clothing and Textile Workers Union of SA
NAMPSSWU	National Municipal, Public Service Workers Union
NASAWU	National Security Workers Union
NPSWU	National Public Sector Workers Union
NUF	National Union of Farmworkers
NUFAW	National Union of Furniture and Allied Workers
NUFBSAWU	National Union of Food, Beverages, Spirit and Wine
PSU	Parliamentary Staff Union
SACWU	South African Chemical Workers Union
TAWU	Transport and Allied Workers Union
TOWU	Transport and Omnibus Workers Union

People never do anything about gender issues because women are in that committee

We will have quotas at our congress. The congress elects the president, deputy president, three vice-presidents, treasurer, deputy treasurer, general secretary and assistant general secretary. At least three of them should be women. At the next congress we want to see improved representation and participation of women

People oppose quotas but if you don't have quotas then people don't do anything. We will have a quota system for

a particular time and then stop it

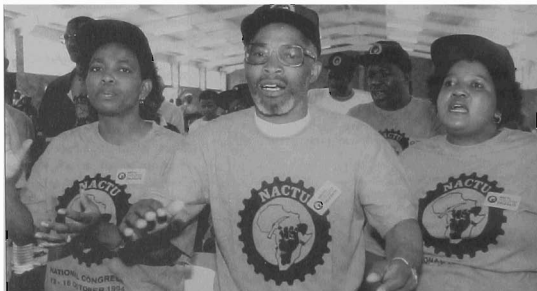
Bulletin: What major campaigns are you currently running?

Ngcukana: Our organising campaign is the major campaign. We are also busy with an HIV/AIDS campaign. We have an irresponsible government that has allocated only R75-million to HIV/AIDS.

If you are attacked by another country and it kills the number of people that HIV/AIDS is killing, would the government put away only R75 million to fight it? I don't think so. As NACTU, we take HIV/AIDS as a class issue. It affects those in poverty. The government is a bourgeois government and because it is bourgeois it is irresponsible. Even the president makes irresponsible statements on HIV/AIDS.

The question of education is another major class issue. The children of the working class are the ones that fail and struggle to get entrance and money to attend universities and other institutions. It is the children of the working class who are not assured of a future.

A key issue for us is education of the workers. Not the magic wand type. People must look at their class interest. "What is in it for me as a worker?" We want workers to understand economics and related issues such as inflation targeting. As NACTU we will organise, mobilise and create an awareness. SADTU and SAMWU workers



NACTU's national congress is its decision-making body.

have been retrenched, yet they will support the ANC again in the next elections. You march against job losses but you support the same government in the next elections. There has to be a public awareness and workers need to be educated. If we are able to remove ignorance we would have done a good job.

Bulletin: *What are your weaknesses?*

Ngcukana: Our major weaknesses are organisation and worker education. We need to improve them.

Bulletin: *What is your stance on the upcoming local elections?*

Ngcukana: NACTU says 'Look at the policies of your party. Are they in your class interest? Then vote.' At the moment we do not say people should vote for a specific party but it could change. We do encourage people to participate democratically.

Bulletin: *Are you involved with COSATU in the marches against job losses?*

Ngcukana: No, we are not because we need to understand the basis of their campaigns. They put people in power and then fight against the policies of those people. COSATU gave those who are implementing iGoli 2002 a mandate. They voted them into office, so COSATU must accept their decisions. The government privatises and then COSATU votes for them again. We are concerned with the stance of the SACP, a communist party, regarding government's economic policy. Dishonesty is the saddest part of South African politics.

Bulletin: *What message do you have for your members?*

Ngcukana: We have gained political freedom, now we must get economic freedom as well. The class war is still on. A black president does not mean economic freedom. ★

International privatisation

learning lessons from the Asia Pacific.

Privatisation is so widespread internationally that it is a global phenomenon. The international body of public sector trade unions, the Public Services International (PSI), has been monitoring the forms and effects of privatisation in the Asia Pacific to provide a basis for union strategies. The Asia Pacific monitoring has covered electricity and water utilities, health care services and local government.

There is a wide diversity of economies in this region which includes

- some of the poorest countries in the world, such as Pakistan,
- highly developed countries like Japan and Australia,
- the 'tiger' economies of south east Asia (including Korea, Malaysia, and Thailand)

These countries' governments have embraced privatisation with varying degrees of enthusiasm depending on:

- their level of development;
- the degree to which they have adopted neo-liberalism or had these imposed on them by the international funding agencies such as the International Monetary Fund (IMF)

What privatisation looks like

A range of forms of privatisation are being used in the Asia Pacific, including

- commercialisation making publicly owned facilities or agencies operate on

Mick Paddon identifies how unions in the Asia Pacific have fought privatisation using political, industrial and legal strategies.

commercial lines modelled on those of the private sector,

- selling existing facilities or assets;
- contracting out whole facilities, or more commonly, specific activities such as maintenance, cleaning or catering,
- de-regulation to allow greater access for the private sector,
- an increase in private funding of investment and development of 'joint ventures'

In some cases unions have managed to secure agreements with governments and/or the new employer to transfer workers and their existing employment conditions into the privatised company. However, privatisation has usually resulted in

- cuts in staffing levels and overall employment,
- casualisation and in health services de-professionalisation,
- cuts in wages and conditions of employment where contracting out takes place (In many cases, women workers are most affected)

Where trade unions are allowed to organise public sector workers (which have not historically been allowed in such countries as Korea), union organisation is often stronger and more developed in public utilities and enterprises. Privatisation becomes indirectly and in some cases directly and explicitly, an attack on trade union organisation.

All the significant privatisations have involved transnational corporations (TNCs) acquiring or taking over contracts for public facilities. The major actors in water privatisations have been the two French TNCs which dominate the water industry - Vivendi and Lyonnaise des Eaux - and the British-based companies which grew out of the privatisation of water in Britain in the 1980s, including Thames Water and United Utilities.

In electricity, six European-based and five US-based companies are involved in three or more privatisation projects in the region. Where local firms are involved it has been as junior partners in a consortium dominated by one or more of the TNCs. For example, this happened in the case with water privatisations in Adelaide, South Australia and in Manila, the Philippines. A number of US-based health care providers are also seeking investment opportunities in the health care systems of the Asia Pacific Region.

Where hospitals and health centres have contracted out clinical services (such as X-ray), or support services (such as cleaning) or the management of entire facilities, several TNCs, including the French-based company Sodexo and subsidiaries of the UK group P&O, have taken the opportunity to gain contracts.

Developing union strategies

Unions in Asia and the Pacific have developed a range and combination of strategies in responding to privatisation.

The initial focus of all strategies is to prevent privatisation from taking place or, at least, to slow down its progress. Where this has been impossible, the main concerns have been to.

- influence the terms on which it takes place;
- provide some protection to workers whose jobs are affected. (This is done through employment guarantees and maintaining existing conditions of employment.)

Unions have also found it important to try to influence and exert a role in the forms of regulation which often follow privatisation.

For the longer term, union strategies have focused on influencing the way privatisation is viewed politically and in the wider community. This has been done by providing a more comprehensive understanding of how it affects employment, services and overall social and economic well being. Unions internationally have devised and combined

- political strategies,
- industrial strategies,
- legal strategies,
- alternatives to privatisation.

Political strategies

Privatisation is always a political decision. Campaigns against privatisation are therefore always political campaigns requiring political strategies from unions. We have Australian examples from the past three where union-based political campaigns have:

- successfully resisted and slowed privatisation; or
- contributed to a change in government which has reversed a major state privatisation programme.

Electricity case study

In 1998, after a year-long campaign, the main



Hospitals and health centres contract out clinical and support services

electricity unions successfully opposed a proposal by the New South Wales Labour government (one of the states in Australia) to privatise the state's electricity industry. The Labour government argued that selling off the power stations, transmission system and energy distributors in one go would enable it to

- repay all the state's debt,
- leave a substantial fund from which it could pay for its social, health, education and other policies

The union campaign questioned the arithmetic on which these claims were based. It

- argued that there would be a longer-term financial loss because the state-owned industry provides a stream of income,
- pointed to the additional loss of jobs which would follow privatisation,
- used international evidence to prove that energy prices could rise for many users,
- used international evidence to prove that services, particularly in more remote areas, could become less reliable.

The community wide campaign was built on an alliance between the unions in the

industry, the major union federation in the state, and community groups. This alliance successfully defeated the Labour government's proposal at a State Labour Party conference and committed the government to retaining a publicly owned electricity industry. The government went to a state election in 1998 with this programme. It was a major contributor to the overwhelmingly defeat of the opposition parties which argued for privatisation.

Telecommunications case study

Political campaigns have not managed to prevent the creeping sale of Australia's national telecommunications company Telstra. But they have slowed its progress and may have prevented the sale going beyond 49% of the company. De-regulation of Australia's telecommunications industry has been underway since the late 1980s. When the conservative coalition parties were elected to government in the 1996 federal election, their policy was to privatise Telstra starting with an immediate sale of one third of the company. The two

principal Telstra Unions, the Communications Electrical and Plumbing Union (CEPU) and the Community and Public Sector Union (CPSU), argued against the privatisation of Telstra on the grounds it:

- was contrary to their members' interests;
- would not deliver any broad public benefits;
- would weaken local manufacturing industry;
- would put severe strains on Telstra's capacity to act as a vehicle for an egalitarian communications policy.

Their campaign had support from the Australian Labour Party and minority parties in parliament. A senate report also recommended that Telstra should not be privatised. However, all this could not prevent the sale of a third of Telstra in November 1997.

Unionists, community groups and Labour MPs again opposed conservative coalition parties government six months later when it wanted to sell the remaining 66% of Telstra. This pressure resulted in government having to promise a package of rural communications and environment measures worth Aus \$1-billion. It also promised to sell the shares in a number of stages.

The sale of the second lot of shares took place in October 1999, leaving the government 51% owners of Telstra. In early 2000, however, fears about further job losses in Telstra combined with doubts about the ability to maintain services to remote areas have produced another reaction against any further sales of the company. It now seems unlikely that government will sell more shares in this term of office.

Defeat in elections

Over the past few years, unions and community groups in Australia have

successfully communicated the reality of privatisation in lost jobs and declining services, particularly in rural areas. In late 1999, the coalition government in the state of Victoria, which had been the Australian government most aggressive in pursuing privatisation, was unexpectedly defeated.

The coalition lost seats in areas which had historically been the backbone of its support but which had suffered most from the privatisation programme. All of the Victorian unions contributed to the defeat, but none more so than the Australian Services Union (ASU) whose members had born the brunt of the privatisation of electricity and the contracting out of local government services.

All the state's electricity generating facilities had been sold off to British and American energy TNCs between 1996 and 1997, and local councils were obliged to put up more than 50% of their services to tender with the private sector from the mid-1990s.

The ASU's immediate political strategy was to remove the coalition government and then to press for the overturning of the legislation which obliged councils to competitively tender for, or contract out services. This was achieved before the end of the year.

Industrial strategies

In other parts of the Asia Pacific where unions do not have direct links to democratic parties or governments, unions have successfully used strikes and other industrial strategies together with political campaigns against privatisation.

In the Indian state of Uttar Pradesh, for example, electricity workers, including the Electricity Workers' Federation of India (HMS), have been taking strike action as part of a recent campaign against privatisation. The state government has now suspended plans to privatise the

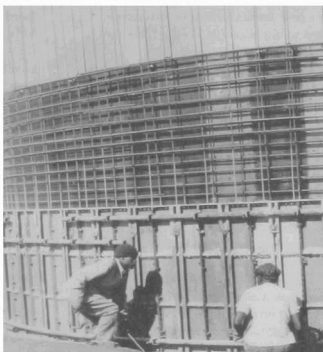
electricity industry in Uttar Pradesh. It has given assurances to workers that there will be no changes in jobs or job structures. It has also committed itself to investing in the pension trust and general provident fund. Government will release unconditionally workers who were jailed during the protest.

Even where industrial campaigns have not succeeded in halting privatisation, they have been fundamentally important in influencing how privatisation has taken place and, in particular, its impacts on workers.

The international evidence from around the Asia Pacific is that while privatisation always leads to job losses, and invariably puts pressure on wages and terms and conditions of employment, these effects are lessened when unions have some agreements which give protection to the jobs and conditions of existing workers who transfer to the new, private employer.

In some cases, governments have signed agreements giving employment protection to cover all workers affected by privatisation, as the Pakistani government did in 1991 in an agreement with the All Pakistan State Enterprises Workers' Action Committee.

More widespread in the Asia Pacific have been commitments or agreements covering specific privatisation initiatives such as those in the two largest water privatisations in the Asia Pacific, the contracting out of water in Adelaide in South Australia and Manila Water Services System (MWSS) in the Philippines. In each case, industrial organisation and campaigns have been essential to obtain the



The PSI monitor the effects of water utility privatisation.

agreements and protection, but continuing organisation has proved fundamental to ensuring that the employers or governments honour agreements once privatisation has occurred.

Legal strategies

Unions have also used legal strategies to protect members' jobs or conditions where services have been contracted out. However, developing such a strategy depends upon the existence of a legal framework of industrial relations which gives general union rights and specific rights of employment protection.

Public sector unions in Australia have looked with envy at the protection the law gives to workers in the European Union countries. The Acquired Rights Directive gives rights of continuation of employment, union recognition, and maintenance of terms and conditions

when an activity or enterprise is acquired by a new owner. British unions have successfully used the British version of this legislation, the Transfer of Undertakings Protection of Employment (TUPE) regulations, to protect members whose jobs have been contracted out. The ASU tried to achieve the same thing for its members in Victoria who were affected by the contracting out of local council services. It applied to the Industrial Relations Commission (the Australian court with jurisdiction over industrial relations matters) to amend the legally binding national Award which covered all employees in local government. The case was put on hold in 1996 because of a change in national government and resulting unsupportive amendments to the federal Industrial Relations Legislation. However, unions in health, financial services and telecommunications pursued three separate cases through the Australian courts. They argued that a specific clause in the new legislation required that where services were contracted out, the existing industrial agreements covering terms and conditions of employment and union rights were also 'transmitted' - that is carried over. In late 1999, each case reached the High Court. The High Court made three rulings in the unions' favour on the main issues, including the obligation to carry over employment and conditions.

Alternatives to privatisation

A recent example from Korea (with an anti-union government) shows how the development of an alternative detailed model for a company can be used successfully to oppose privatisation. The Korean government has been pushing for extensive privatisation as part of agreements signed with international financial agencies, including the IMF, in

return for financial support. Unions have been struggling with the effects of these Structural Adjustment Programmes and their active opposition has seen government imprison many union leaders. This is the context in which the Korean Heavy Industries Workers Union prepared its alternative to the government's plan to sell the state-owned Korean Heavy Industries. The enterprise manufactures heavy machinery for power generation and ships' engines. After the financial collapse of 1997, government's restructuring plan involved combining the heavy engineering sections of the two ailing Korean TNCs, Hyundai and Samsung, into Korean Heavy Industries. The combined company was to be completely privatised by sales of shares to Hyundai and Samsung plus overseas TNCs such as ABB and Siemens. The enterprise-based union prepared an alternative plan to:

- commit the government to retain 40% of the shares;
- give a further 20% to workers through an Employee Share Ownership Scheme;
- limit any potential foreign ownership to a minority.

After 48 days of strikes, government accepted the union alternative.

The union attributes its success to a combination of:

- strong union organisation in the workplace;
- strong leadership in the workplace;
- a campaign to build up community support in an area where the government has major concerns about its electoral support;
- the union's ability to come up with a viable alternative model. ★

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Trade unions in Swaziland

Swaziland is a monarchy with absolute power resting in the Dlamini aristocracy. This situation predates independence from British colonial rule. In 1944, the Native Administration Proclamation incorporated the monarchy into the British Colonial Administration and ever since then, the monarchy has been politically active in civil society.

The first signs of resistance emerged in the period between 1962 and 1963 when a small group of militant workers organised a series of industrial actions and demanded better working conditions. This pioneered the anti colonial struggle and resulted in the formation of a nationalist party – the Ngwane National Liberation Movement (NNLC) – based on the principles of Pan Africanism. The colonial administration, with the support of King Sobhuza II, suppressed the NNLC. It only re-emerged as a strong opposition in the lead up to the first post independence elections of 1972.

In response to this strong opposition movement the king suspended the constitution and closed parliament. This proclamation of 1973 has had a serious impact on the social and political life of Swaziland and to this day restricts political activity. Under international pressure, parliament reopened in 1978 under a new electoral system known as the Inkundla system. Within this system, political parties

Mobammed Motala reports on the labour movement in Swaziland.

are banned and the king appoints the cabinet and parliamentarians outside the electoral process. This history of political suppression has had a negative effect on the development of not only political organisations but also trade unions.

Swaziland and other southern African countries are currently undergoing political changes. Understanding the context and role of trade unions is important as they are an organised social force that plays a major role in transformation. This article briefly sketches the position of trade unions in Swaziland and the context in which they operate.

The economy

Swaziland is tied to the South African economy because of its size and proximity. Some 83% of its imports come from South Africa and South Africa buys 37% of its exports.

Swaziland is a small developing country with the majority of the population living in rural poverty. Sixty-six percent of the population received incomes below the poverty line. This has been set at E 48 per month for a family of six. Swaziland and

South Africa are members of a common monetary area and in terms of this agreement one Swazi emalangeni is equal to one South African rand. The rural population, comprising about 70% of the total population, is worse off than the urban population. Rural people have poorer access to basic necessities such as doctors, potable water, sanitation, transport, electricity, finance, markets, telephones and newspapers

Employment

Swaziland has a population of around one million people. Total employment including informal sector and subsistence farmers is more than 267 000 people which is almost half of all the people in the economically active age group which comprises 597 961. In 1995 there were 15 282 persons employed in the informal sector. During the same period there were 74 676 persons unemployed.

Only about 20% of the approximately 10 000 school leavers per year are absorbed into the formal labour market. In the age group 15 to 49, the unemployment rate is about 50%. Formal employment is predicted to grow at 0,7% per year with the informal sector marginally higher. The population growth rate for the same period is about 3%.

Of the 88 000 formally employed, there are 60 790 in the private sector and

27 392 in the public sector. The agricultural industry is the largest formal employer and constitutes about 28% of the total paid employment in the private sector. Manufacturing employs 27% of those working in the private sector and distribution employs 19%. Industry in Swaziland is highly dependent on agriculture with sugar and fruit processing being the major manufacturing industry. Thus, agriculture is the biggest job creator in the private sector of Swaziland. Although services are a major employer, its contribution is restricted to the public sector. The service sector only contributes about 8% of employment in the private sector.

The South African gold and coal mines continue to be an important source of employment for workers from Swaziland. However, the employment of Swazis on South African mines has declined by about one-third in the last decade. In 1991 there were 16 358 Swazi miners employed in South Africa but by 1998 the figure had reduced to 11 686 workers. This decline in employment is compounding the unemployment problems of Swaziland. As South Africa continues to address its own unemployment problems, fewer and fewer Swazi miners will be employed

Labour law

Although trade union rights are protected in the law, they are not always guaranteed

Formal employment by sector 1991-1997

(Department of Labour annual report 1999)

Year	Agric & Forestry	Mining & Quarry	Manuf.	Electr.	Constr.	Distr.	Trans.	Finance	Serv.	Total
1991	23 210	991	16 842	1 791	5 108	12 444	6 497	6 048	19 007	91 938
1992	23 506	599	16 787	1 188	5 985	11 937	4 891	5 094	21 148	91 135
1993	23 195	1 062	16 575	1 633	4 614	12 268	4 534	5 486	20 958	90 326
1994	20 940	1 246	16 237	1 128	4 238	10 942	4 268	5 920	22 371	87 290
1995	21 887	1 126	16 558	1 180	5 537	9 823	4 155	4 813	21 956	87 035
1996	22 437	1 138	16 170	1 189	5 001	11 889	2 703	6 168	23 169	89 864
1997	19 330	1 113	16 841	900	5 674	11 374	3 180	5 714	24 056	88 182

and workers cannot rely on the impartiality of the police during industrial disputes. The legislative framework allows workers to freely organise, but within a repressive state, with conservative employers and with union officials being arrested and harassed. Police have sided with employers in industrial disputes.

The Wages Act of 1961 fixed minimum wages and conditions of employment through the Wages Advisory Board and Wage Councils. Factories and work places are regulated under the Factories Machinery and Construction Works Act of 1972. Workers are protected under the

- Employment Act of 1980,
- Workman's Compensation Act of 1983,
- Occupational Health and Safety Bill of 1999.

Industrial relations are governed by the Industrial Relations Act of 1996 which has been reviewed under the Industrial Relations Bill of 1998.

Employers do not easily grant recognition and collective bargaining, although they are provided for in the law. Verification of union membership is the first obstacle that employers place in the path of trade unions. Once union membership figures are disputed then recognition of the union and shop stewards becomes a struggle.

Collective agreements are provided for. These agreements have to be signed by both parties before they are registered with the industrial court and should not



COSATU supported trade union struggle in Swaziland.

prejudice any conditions favourable to workers set out by legislation.

The right to strike exists with the exclusion of essential services. Strict procedures have to be followed before workers can legally go on strike. This complicates the right to strike in favour of the employers who have access to finances for legal representation and are able to draw out disputes to the extent that workers are unable to pursue

Wage regulation

The regulation of wages in manufacturing is very extensive and all encompassing.

Virtually all jobs are categorised and minimum wages set

There are 25 categories and over 200 job descriptions covered in the regulations covering minimum wages. The minimum weekly wage for the lowest job category as agreed to in the Wages Council effective from 1 October 1999 is E110,88.

All bargaining is at factory level. The extensive regulation of minimum wages and the lack of industry-wide bargaining reflects the weakness of worker organisations in bargaining. Employers tend to rely on legislated wages and often refuse to bargain

knowing that they are protected if workers are paid the minimum

The Swaziland National Provident Fund (SNPF) was established in 1974 as a mandatory employees' savings scheme to which employers must contribute 50% and workers to a maximum of E40 per month. It provides employee benefits for employed persons once they retire or become incapacitated. Swaziland does not have a national pension or any other form of social net for those who cannot work and the SNPF is an attempt to address this although it only applies to employed persons.

Table: Federation and trade union membership as of August 1999
(Labour Department Registry)

Union membership	
Swaziland Federation of Trade Unions (SFTU)	83 000
Swaziland Media Publishers and Allied Workers Union (SMEPAWU)	350
Workers Union of Swaziland Town Councils (WUSTC)	200
Swaziland Water Services and Allied Workers Union (SWASAWU)	
Swaziland Security Guards and Allied Workers Union	
Mining, Quarrying and Allied Workers Union of Swaziland	
Swaziland Agricultural and Plantation Workers Union	
Swaziland Engineering, Metal, Automobile and Allied Workers Union	
Union of Swaziland Conservation Workers	
Swaziland Electricity Supply Maintenance and Allied Workers Union	653
Association of Lecturers and Academic Personnel of the University of Swaziland	80
Swaziland Hotel and Catering Allied Workers Union (SHCAWU)	1 500
Swaziland Transport and Allied Workers Union	
Swaziland National Association of Civil Servants	
Swaziland Post and Telecommunication Services	600
Swaziland Nurses Association	
Swaziland Union of Non-Academic Staff for Higher Institutions	
Swaziland Manufacturing and Processing Industry Staff Association	50
Swaziland Federation of Labour (SFL)	11 656
Swaziland Union of Financial Institutions and Allied Workers Union (SUFIAWU)	1 156
Swaziland Commercial and Allied Workers Union (SCAWU)	1 500
Swaziland Manufacturing and Allied Workers Union (SMAWU)	9 000
Non-Affiliated Organisations	
National Electricity Supply Maintenance and Allied Staff Association	
Swaziland Staff Association for Financial Institutions	
Swaziland Posts and Telecommunications Co-operation Staff Association	48
Swaziland National Association of Teachers	9 000
Insurance and Allied Undertakings Workers Union	68

Where figures are not reflected, the department is still in the process of verifying union membership.



In 1997 COSATU marched to the Swaziland embassy in Pretoria.

Trade unions and federations

There are two federations, the Swaziland Federation of Labour (SFL) and the Swaziland Federation of Trade Unions (SFTU). The SFTU is aligned to emerging political organisations, which are calling for the transformation of Swazi political life into a multiparty democracy.

In 1988 three unions (Swaziland Manufacturing and Allied Workers Union (SMAWU), Swaziland Commercial and Allied Workers Union (SCAWU) and Swaziland Union of Financial Institutions and Allied Workers (SUFIAWU)) disaffiliated from the SFTU and formed the Swaziland Federation of Labour (SFL). The reasons cited by the current SFL leaders are that they felt some of the leaders of the then SFTU were not accountable. The SFTU remained the dominant federation in

terms of size and sectors, and organises workers in rural as well as urban work places.

In contrast, the SFL is totally urban-based, organising manufacturing, commercial and generally skilled workers.

The two federations organise in different sectors and do not compete for membership currently. There are however differences between the two federations.

The extent to which these could be worked out will determine the extent to which the organised working class can unite.

Most of the paid workers in Swaziland are agriculturally based either on plantations or in the processing of agriculturally based products. Workers in these sectors are difficult to organise as they are spread out geographically; their

skill levels are low and they are poorly paid. Employers can easily replace workers and this insecurity does not give workers much strength at the bargaining table.

Conclusion

In 1996 the country had a general strike where all organised workers were involved. Their demands were contained in what was popularly called the 27 demands, which included both political as well as work-related demands.

Work-related demands covered industrial relations issues, job security, affirmative action, employee benefits, minimum wages and working conditions. General demands extended to privatisation, taxation and the poor treatment of street vendors by the government. Prior to that, in 1994 workers also went out on strike in solidarity with Coca-Cola workers.

These two forms of action indicate that the unions are involved in broader issues apart from their own members' wages and working conditions. The strikes also reflect a level of militancy that workers are prepared to engage in to win their demands.

Swaziland is in the process of reviewing its labour relations with new legislation recently being passed. This presents an opportunity for workers to get involved in tripartite discussions with both government and business. Business is well organised in the Swaziland Federation of Labour and government is becoming more open to interacting with unions.

The proposed Industrial Relations Bill of 1998 allows more than one union to be recognised in any establishment. This is going to be a serious challenge to the union movement, as it could have a divisive influence as unions compete for members in the same workplace.

Countries in the region and internationally are all trying to attract

investors and cutting labour costs will surely be on their agenda. There is relative peace in the sub-region with the political situation in Mozambique and South Africa being conducive to foreign capital taking advantage of investment opportunities in all the countries of southern Africa. Swaziland has lost its comparative advantage in this regard as it used to be regarded as a safe haven for investors in southern Africa with investors avoiding the sanctions imposed on South Africa and the war in Mozambique.

As the government is forced to look for ways in which to attract job-creating investment in the country, workers will have to be more vigilant. The incentives offered will definitely affect the lives of workers either collectively or individually as employers get tax and other concessions that could possibly erode workers' rights.

The trade union movement besides having to be vigilant about external pressures, also needs to assess its alliances and political affiliations. There are many lessons to be learnt from neighbouring southern African countries where trade unions have aligned themselves with political parties during periods of transformation.

The most glaring examples are in Namibia and South Africa where trade union federations have directly affiliated or entered into alliances with ruling political parties. Besides having done this, worker leaders have also taken up senior positions in the political and administrative arms of government.

This has had the result of workers losing valuable skills and experience. This close relationship with government has not always led to worker-friendly policies and programmes being implemented. ★

Mohammed Motata is a researcher at Fafo

Building a nation at work: transformation at the NPI

By Dr Yvonne Dladla, Executive Director of the NPI

Internationally, productivity movements have played a crucial role in the development of their national economies. National productivity organisations have ensured that the imperatives of social justice and social development are linked to economic development. In South Africa, the NPI has been undergoing a process of transformation to ensure that it can play precisely such a role.

Historical context

Formed in 1968, the NPI of the time focused on workplace-based productivity improvement programmes, trying to ensure the profitability of particular enterprises or sectors. The labour movement correctly perceived these management-led interventions as being of no benefit to workers, not only because of the manner in which they were conducted, but also because of the impact on employees at enterprise level.

In an era of isolation, with sanctions and monopolistic control of the apartheid economy, the role of the NPI was clear – to bolster profitability in the absence of foreign competition and investment. Experts, mainly engineers, from Europe were brought in to the country to look at re-engineering systems, processes and improving technology.

With such a mandate, the old era NPI clearly did not fit the mould of the international productivity movement that, already in the 1970s, was beginning to develop tripartite approaches to the issue of productivity. Neither was the NPI able to develop any support or legitimacy amongst

the majority of South Africans. For most South Africans therefore, productivity was not a progressive concept, but a concept that sought to perpetuate black inequality and poverty while entrenching white prosperity and privilege.

The challenge for the NPI in the current context is to turn a discredited concept of productivity into an acceptable and progressive concept in theory and in practice – to make it an issue of public policy.

Transformation at the NPI

Since 1999, a critical process of transformation has been under way at the NPI:

- the first truly tripartite (labour, business and government) Board of Directors is in place,
- a Social Plan and Productivity Advisory Council (SPPAC) governance structure has been set up,
- a new executive director heads up a more representative management team than in the past,
- a new, dynamic vision and mission has been finalised,
- the brief of the NPI has been expanded to include a specific role in the outcomes of the Presidential Jobs Summit, including the Social Plan and Workplace Challenge.

Shift in strategic direction

But more important is the shift in strategic direction that the NPI has made. The new vision, mission and structure of the organisation reflect this change in direction.

A series of articles written and sponsored by the National Productivity Institute (NPI)

Vision

To be the irrefutable champion of the holistic, innovative and sustained development of South Africa's productive capacity for the equitable benefit of all in a socially responsible manner.

Mission

The NPI is a tripartite body dedicated to the development and enhancement of South Africa's productive capacity by articulating the spirit of tripartism through research, information dissemination, training, facilitation, consultation, auditing and monitoring on all productivity issues and challenges in order to improve the quality of life of all South Africans.

In essence the shift is the recognition:

- that the tripartite approach is central;
- that productivity is not only about operating an enterprise more efficiently and effectively, but about social and political factors;
- that productivity should be understood rather in terms of the productive capacity of individuals, organisations (public and private sector), communities and other civil society organisations;
- that such productive capacity entails access to knowledge, skills, resources and technology;
- that previously neglected emerging sectors need to be specifically targeted to develop their productive capacity;
- that the ultimate objective of enhancing and developing the country's productive capacity is the improvement of the quality of life of all South Africans.

This is why the NPI has chosen as its central theme 'Building a nation at work', which was developed from the speech by President Thabo Mbeki at the Opening of Parliament on 25 June last year: 'At the dawn of a new life,

our practical actions must ensure that none can challenge us when we say – we are a nation at work to build a better life.'

Productivity accord

Apart from supporting the African Renaissance and its commitment to the Productivity Declaration signed by the Heads of State of the Southern African Development Community (SADC) countries in August last year, the NPI fully supports the urgent need for a productivity accord among our social partners.

With such a productivity accord in place the NPI will be able to execute its mandate and realise its vision.

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Dr Yvonne Dladla

'We're different but still equal'

I come from a family that was very involved in the struggle. My father was a teacher who was very involved with sports. Their slogan used to be, 'no normal sport in an abnormal society' because of apartheid and because of government's position that, for example, coloured schools could only play with coloured schools, and white schools could only play with white schools.

I learnt a lot from my father who believed that all people are equal, and that all deserve an equal chance, to progress in education, sport and jobs. My father was very influential in my life - he used to say to me that life is about choices, and when you choose you have to live with the choices you have made. Politically my father raised me. He used to tell me that there are no grey areas - everything is either black or white, you have to make a choice, you cannot just sit on the fence.

Education

I went to Wits University where I studied law and political science. I then received a scholarship to study at Alazar University in Cairo, Egypt. Cairo is a beautiful place, after the initial culture shock. I studied Arabic at Alazar University for a year.

I wanted to major in commercial law and went to the different employment agencies. One of the agencies sent me on assignments to different companies, and one of these assignments was at SASBO -

Rugaya Rees and William Mattala interview Shabieda Sallie, FEDUSA's gender co-ordinator

the Finance Union. That was how I started working in a union.

Gender awareness

When I talk about gender, I am referring to the role that men and women play in their daily life, at work and in society. Gender awareness means being aware that peoples' different needs and wants depend on their sex, their social class, their culture, their religion and their age.

Gender should not and does not focus on women as an isolated group. It focuses on the roles and needs of men and women respectively. Inputs from both sides are required to enable changes towards a greater equality between men and women.

For unions to survive it becomes imperative for them to attract and keep women in membership, since many workers are women. This can only be achieved once unions make women's issues a union's priority. At FEDUSA we are glad to say that we do.

Examples include a Gender Awareness Training programme specifically for



women and a congress resolution that all meetings, training etc should have 25% women.

Women in unions

Women's participation in trade unions has been lacking, since many female members are unaware of what the union can do for them. They often do not make themselves available to participate in structures because of family responsibilities, unfriendly times and the attitude of leadership. Lack of encouragement and support are also contributing factors for not being involved in decision-making bodies.

Women should be urged not only to participate in trade unionism, but also to be involved in the activities and management of their unions - especially on collective bargaining councils where

they can have a say on their future.

Trade unions are there to represent the interests of all members. Women are in a more disadvantaged position when compared to men at the same socio-economic level. Therefore, the promotion of gender equality means that we must pay explicit attention to women's needs, women's interests and women's perspectives.

In the face of privatisation, and the globalisation of the economy, trade unions can no longer afford to ignore the other half of the working population - female workers.

Gender programme

I'm busy facilitating a gender programme. One of the

questions asked was, 'why all this gender talk now?' A lot of them feel that South Africa was excluded from the international world, however, as the co-ordinator I don't have any problems. I say, engender your organisation, cater to the needs of women. Don't have late meetings, have them during the day, as you all know that women have to pick up children after work.

Don't put wage negotiations above maternity benefits. We don't come with a feminist approach. We're not here to remove men from the earth. We're saying men and women are equal, we're different, but still equal. I have no problem if a man opens a door for me.

What should be changed?

With regards to legislation, a lot was done for women. Not all the laws are in place -

they need fine tuning as we go along The Maintenance Act is also good The main obstacle is attitude, especially culture and tradition

Women's work

A woman always works, so her work is never done Men who work and leave the woman at home may think its easy, but I feel she works more and it's unpaid He should involve her in his work, there should be co-operation

Sexual harassment

We define sexual harassment as the court has defined it - behaviour that makes the recipient feel uncomfortable We make use of the facilitator training workshops from the Sexual Harassment Education Project (SHEP) We encourage men to attend these workshops as well and actually hope for a 50/50 representation However, we do get more men than women

Men are sometimes honest - they ask how far they can go before it's considered sexual harassment. So we're saying, any unwanted advances that makes a co-worker, be it male or female, uncomfortable, is considered sexual harassment. And with regards to women's clothes, I don't believe that the type of clothes women wear invite sexual harassment or any form of violence against women

HIV/AIDS

FEDUSA is hoping to do an awareness programme on HIV/AIDS, once we have the funding. We have slotted HIV/AIDS in our occupational health and safety structure.

We have a draft workplace policy which we give out in our training sessions FEDUSA, in conjunction with COSATU and NACTU, we have formed a labour task team on HIV/AIDS. We feel HIV/AIDS does

not have a membership - it doesn't discriminate. We must therefore have a labour response to HIV/AIDS FEDUSA is also thinking of setting up an AIDS clinic - mainly to give advice and counselling

Goals

I'm hoping to see constant gender awareness We go out to educate people on gender and I hope to see our training programme advance Sometimes women themselves encourage women to put a woman's view on the budget - we need to take gender awareness further

We need to 'engender' our brothers in the union movement to realise the gross inequalities that still exist between men and women workers

Message to women members

I'd encourage women to actively participate in their unions Don't just come when you need us, go to shopsteward meetings and elections Partake actively

Scarf

A lot of people say to me, hey you're a gender co-ordinator, don't you think its a form of oppression to wear your scarf? In the union I have not met anyone else who wears a scarf I am the only one.

If a man had given it to me, I would say that it's a form of oppression and I would probably resist the order But for me it's not oppression - my religion says that I should dress modestly to protect the honour of a woman.

Since I've been in the trade union movement, my scarf has worked to my benefit - people are put off guard But people's perceptions are how they were socialised and they're careful what they say Some think I'm religious and that I will faint if they slip up on a word so they speak very politely to me' ★

glossary

UCEA	Basic Conditions of Employment Act
CCMA	Commission for Conciliation, Mediation and Arbitration
COSATU	Congress of South African Trade Unions
FEDUSA	Federation of Unions of South Africa
GEAR	Growth, Employment and Redistribution strategy
LRA	Labour Relations Act
NALEDI	National Labour and Economic Development Institute
NACTU	National Council of Trade Unions
NEDLAC	National Economic Development and Labour Council
SMME	Small, Medium and Micro Enterprise

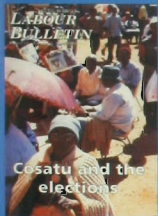
COSATU-affiliated unions

CAWU	Construction and Allied Workers' Union
CEPPWAWU	Chemical, Energy, Paper, Printing, Wood and Allied Workers' Union
CWU	Communication Workers' Union
FAWU	Food and Allied Workers' Union
IPS	Institute of Public Servants
NEHAWU	National Education, Health and Allied Workers' Union
NUM	National Union of Mineworkers
NUMSA	National Union of Metalworkers of South Africa
POPCRU	Police and Prisons Civil Rights Union
SAAPAWU	South African Agricultural, Plantation and Allied Workers' Union
SACCAWU	South African Commercial, Catering and Allied Workers' Union
SACTWU	South African Clothing and Textile Workers' Union
SADTU	South African Democratic Teachers' Union
SAMWU	South African Municipal Workers' Union
SARHAWU	South African Railway and Harbour

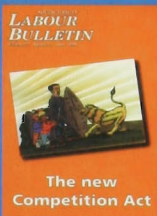
	Workers' Union
SATAWU	South African Transport and Allied Workers Union
SASBO	The Finance Union
TGWU	Transport and General Workers' Union

FEDUSA-affiliated unions

ALPA-SA	Airline Pilot's Association of South Africa
GATCCA	Guild of Air Traffic Controllers
FGWU	Food and General Workers Union
HACTU	Hairdressers & Cosmetologists Trade Union
HOSPERSA	Hospital Personnel Trade Union of SA
IBSA	Insurance & Banking Staff Association
IMATU	Independent Municipal and Allied Trade Union
IPATU	Independent Performing Arts Trade Union
MISA	Motor and Industry Staff Association
MTWU	Motor Transport Workers Union
NULAW	National Union of Leather and Allied Workers
NUPSA	National Union of Prosecutors of South Africa
SACU	South African Communication Union
SADWU	South African Diamond Workers' Union
SAMRI	Staff Association for the Motor and Related Industries
SAL&AWU	South African Independent & Allied Workers Union
SAPTU SA	Parastatal and Tertiary Institutions Union
SATU	South African Typographical Union
P&T	Post and Telkom Association of SA
PAWUSA	Public and Allied Workers Union of SA
PHOSA	Professional Health Organisation of SA
PSA	Public Servants Association of SA
SAAFEA	South African Airways Flight English Association
SAFSA	SA Footplate Staff Association
SAOU	Suid Afrikaanse Onderwysers Unie
TWU	Technical Workers Union
UASA	United Association of South Africa
WUSA	Werknemers Unie van Suid Afrika



Whether you are a worker or student, an academic or a manager, a political leader or a worker leader, you should be reading the **South African Labour Bulletin**. Published since 1974, we believe we are still the most important labour journal in the country. But don't take our word for it. Read what other people have to say about the **Bulletin**.

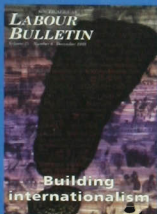


"A very useful publication for employers, as it reflects different perspectives from other role-players in our society, which assists balanced decision-making."
Fanie Ernst, Sasol

"It is a publication which contains information about South Africa's labour market and makes a valuable contribution to our understanding of the needs of the labour movement." - **Membathisi Mdladlana Minister of Labour**



"I have a very high regard for the **Labour Bulletin** because of its incisive analysis, comments and reports about the trade union situation, both within Africa and internationally." - **Hassan Sunmonu, Secretary General, Organisation of African Trade Union Unity (OATUU)**



"The **Labour Bulletin** is a great publication. It is very interesting and I look forward to reading every copy." - **Muzi Buthelezi, General Secretary, CEPWAWU**



"The **Labour Bulletin** is the only journal that covers the issues affecting workers in depth without sensationalism. We are really glad as NUMSA that the labour issues are covered in a manner that ordinary workers can understand them..."
**Mtutuzeli Tom
NUMSA President**

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**Clem Sulner
Anglo American**

"The **Labour Bulletin** remains an important booklet for union members and officials to keep in touch with developments and trends in the economy generally and the labour market more specifically. This is crucial in the context of the effects of globalisation in our economy and the working class as a whole." - **Randall Howard, General Secretary, TGWU**

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The HIPF is a non-profit, independent worker organisation that provides retirement, insurance and housing benefits. The HIPF is self-administered and self-insured; it is a national fund that historically covered workers in the hospitality and allied industries but has recently opened up membership to workers in all industries.

Mission

To provide superior benefits at the lowest possible cost to workers; to create new financial services for workers by using retirement monies for social as well as capital investment; maintaining appropriate structures for worker input on benefit levels and investment policies.

Benefits

Death and Disability: 4 times annual earnings; **Funeral:** R 7,000 for member and spouse, R 6,000 for dependent children below the age of 22 years; **Parent Funeral:** R 3,000

Housing Loans: up to 75% of member's Share of Fund; **Compound Interest accruing to members:** 18% per annum. Benefit statements showing all contributions, costs and interest are issued every six months. **Withdrawal (for any reason):** full member and employer contributions less costs plus interest. **Badiri Housing Association:** section 21 organisation which assists in providing subsidised rental accommodation and houses for ownership

Partners

All trade unions that have members in the Fund; there are currently nine trade unions with whom the HIPF has a working relationship.

Structures

Trustees: 50% member elected; 50% employer elected; meets every three months.

Member Forum: advisory structure consisting of one delegate per workplace; meets every six months.

Auditors

Deloitte and Touche.

Asset Base

R120m

Registration as an Administrator

The HIPF is registered as an administrator with the Financial Services Board and is in a position to administer other private funds.

Offices

Head Office in Johannesburg; sub offices in Cape Town and Durban.