

SOUTH AFRICAN

# LABOUR BULLETIN

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ATU Congress

## COSATU

### 6th NATIONAL CONGRESS



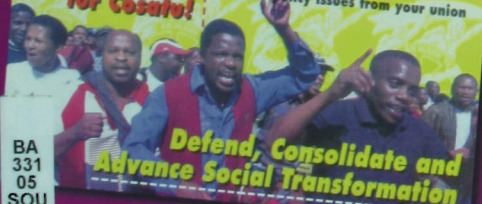
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discuss the  
way forward  
for Cosatu!**

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- Cosatu's role in collective bargaining
- The programme for the Alliance
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*"A country can never be free all the while its women are in chains"*



The chains that bind South African women are not merely metaphorical. They consist of beatings, rape, torture, abuse and the denial of the most basic of rights.

Above all, they consist of fear – fear to walk in the street during the day or the night, fear of standing up for one's rights at work in case one loses one's job, fear of saying no to a man because he will take what he wants anyway, and fear that one's children will become victim to the same kind of abuse.

The women of South Africa have benefited very little from 'the democratic miracle'. In many ways, their position is worse than before. South Africa is a very angry society. Dispossession and the fading hope for real redress have led to a spiral of violence. As has happened in so many other parts of the world, South African society has turned against those who occupy the weakest positions in its hierarchy – women and children.

The organisations which hold power in this society are controlled by men. While some have paid lip-service to the emancipation of women, they are, in fact, perpetuating their own power. Business threatens to employ only men if they are compelled to grant paid maternity leave. Trade unionists vote against a

quota system aimed at addressing gender imbalances in the labour movement. Government perpetuates ways of working that take no account of the needs of working mothers, thereby ensuring that women will never occupy positions of real authority in state structures.

In the 'old' South Africa, we had a name for this kind of discrimination. We called it 'apartheid'. In the new South Africa, we are practising women hate. We fought a prolonged war against racial hatred. We need to declare war against women hatred. Just as white people contributed to the war against apartheid, men have a role to play in this new war. But it is a war that must be led by women.

The *Labour Bulletin* editorial board and staff wish our readers a 1998 in which we see the real emancipation of women.

Deanne Collins  
Managing editor

**Our subscription rates will increase in 1998. The new rates appear on the subscription form in this issue. The overseas rates will be reviewed during the course of next year once we have a better idea of the postal rate increases.**

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# Crashing

## WHAT LOGIC?

REDEYE is constantly told by friends and connections who have succumbed to the capitalist dream that it is the only logical and rational system REDEYE has one question, where is the logic in a system which cost South African investors billions and billions of rand in one day of crisis, and their counterparts around the world even more billions?

## ON THEIR BACKS

REDEYE has always been aware of that class of academics – often of the politically holier-than-thou variety – who view the working class as mere fools to further their own careers

Not even REDEYE, however, was prepared for the lengths to which some of this class are prepared to go

Australian academic, Tom Bramble, has been on an extended visit researching the South African working class. In pursuit of this noble ideal, he engaged in a number of dubious practices, the most appalling of which was to actually steal the research on union officials painstakingly collected by Wits academic Sakhela Buhlungu. He then went on to draw up a proposal for a textbook for universities – a lucrative business indeed – based on his association with the same Buhlungu

Fortunately, REDEYE can report that the whole business has been nipped in the bud and Bramble sent home with his tail firmly between his legs!

## BEYOND THEIR MEANS

Publishers themselves are not averse to a little of the same exploitation. Routledge have just published *Flaco, Class and the Changing*

*Division of Labour under Apartheid*. Written by academic, Owen Crankshaw, the book examines changes in the South African market over the last few years. It should be essential reading for trade unionists. Unfortunately, unless their local library is feeling flush, they will never see it. It costs R528,39 – more than the monthly salary of some of the workers who are the backbone of the book.

*Sunday Times* columnist, Hogarth, got the 'Mampara of the week' award to a publisher who has acted in a particularly silly or outrageous way REDEYE would like to nominate retail company, Scotts, and its advertising agency, Hunt Lascaris, for Mampara of the year award, for the following advertisement:

Layby means you've got 3 months to tell your husband about your shopping spree.

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## Inflation monitor: August and September 1997

Area	Consumer Price Index		Annual rate of Inflation (% Increase over 1 year)	
	August	September	August	September
Cape Peninsula	118,2	118,6	9,1%	7,6%
Port Elizabeth	117,5	117,9	8,3%	7,2%
East London	119,5	120,1	10,0%	9,2%
Kimberley	118,8	119,4	10,5%	9,8%
Pietermaritzburg	118,1	118,5	8,7%	7,8%
Durban	118,4	119,3	8,9%	8,4%
Pretoria	118,2	118,7	8,6%	8,1%
Witwatersrand	117,2	117,7	8,3%	8,2%
Klerksdorp	115,6	116,3	7,4%	7,3%
Free State Goldfields	114,8	115,3	6,9%	6,5%
Bloemfontein	118,3	118,6	9,3%	8,3%
<b>SOUTH AFRICA</b>	<b>117,7</b>	<b>118,2</b>	<b>8,7%</b>	<b>8,0%</b>

Source: Central Statistical Services

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# COSATU

*advancing, retreating or skipping in one step*

Gatherings such as congresses play different roles during the life of an organisation. While they can mark turning points, they have the potential to be sideshows or distractions to the real movement of a class. Congresses can take organisations forward, or they can quarantine and hide real issues. Then there is the ever-present pressure to present a united face to the outside world.

COSATU's 6<sup>th</sup> National Congress has come and gone. What did it reveal about the state of the federation?

## Assessment

The first impression of congress is one of unfinished business. Many of the issues on the agenda were either deferred or not dealt with. Congress issued a declaration on GEAR, but did not deal with many of the resolutions on socio-economic policy coming from affiliates. Also deferred was the federation's approach to the 1999 elections, demarcation of sectors and the proposals for a common bargaining strategy.

Congress also neglected to deal with many of the recommendations of the September Commission.

The agenda was clearly over-ambitious. Amongst other things, delegates were being asked to

- define COSATU's role in the international labour movement;
- relate current political practice to the federation's objective of building a socialist society;

*COSATU has given notice that it is not prepared to abandon its political and economic role as a class force; clear, however, that the federation is walking a precarious tightrope. Dinga Sikwebu analyses the decisions taken at the recent COSATU Congress.*

- map out a clear political program for the federation;
- justify as well as define COSATU's role within the Tripartite Alliance;
- outline steps to be taken in the light of the government's ongoing 'restructuring' of GEAR and what COSATU has to do as a "self-imposed structural adjustment programme";
- formulate an organisational restructuring strategy.

The mere fact that these issues were on the agenda and that affiliates submitted resolutions proposing solutions to these difficult questions, reflects a rich organisational vitality. It shows that COSATU is aware of what is happening around it and disproves the theory, so often repeated in the media, that, with departure of the experienced and skilled leadership, the federation is rudderless and unable to deal with issues.

While there may not have been time for sufficient debate, it is clear where COSATU unions stand

It is also clear that the federation has no intention of abandoning its economic and political role.

## Politics

The federation's alliance with the ANC and SACP was reaffirmed. A proposal to strengthen community organisations through building a popular movement for transformation was also endorsed. Congress went further, however, and adopted a number of resolutions aimed at moving the government in a pro-worker direction. It was agreed that COSATU should

- defend Nedlac as an institution through which labour can influence socio-economic policies;
- campaign for a change in the electoral system to achieve a mix between party lists and a constituency based system;
- make local government structures efficient and effective;
- beef up the federation's capacity to engage with legislative processes at all levels of government

In recent times, there have been strong calls from business and some quarters within government for labour to leave politics to 'politicians' and concentrate on bread-and-butter issues. Congress has clearly rejected such an option.

## Socialism

The commercial media has focused on a proposal for COSATU to encourage affiliates and members to contribute to the coffers of the SACP. There has been little comment on the resolution that commits COSATU to the struggle for socialism.

This silence probably reflects a broader scepticism. Those on the right are opposed to any mention of socialism, while those on the left feel that they have heard it all before

and that 'ritualistic confirmations' are not worth commenting on

A close reading of the resolution reveals, however, not only political innovation, but real movement in relation to previous congress resolutions

The federation realises the need to move beyond rhetoric and translate its commitment to socialism into a "practical and understandable programme". It also knows that this is "no easy task".

Congress agreed on a number of building blocks towards socialism

- fighting for a powerful role for the public sector;
- experimenting with non-capitalist forms of ownership and notions of social capital;
- introducing new socialist forms of work organisation and management;
- moving beyond traditional notions of capitalist democracy and introducing participatory forms of democracy;
- strengthening working class organisations

These are all measures that the federation can fight for and campaign around. The resolution goes on to state that, to be real building blocks towards socialism, they need to be located in and form part of a "broader socialist programme". Such a programme would outline in detail:

- the nature and type of socialism;
- strategy and tactics to be pursued;
- the social forces that will play a leading role in the struggle for socialism.

It is in relation to the task of formulating such a programme that the federation agreed to "increase the depth of our relationship with the SACP". This will be achieved through internal education and mobilisation

While COSATU will prioritise its relationship with the SACP, this does not exclude other socialist forces within the country and throughout the world

## Co-determination

No union sponsored a resolution promoting co-determination. In the 130-page document containing resolutions from affiliates, not a single sentence speaks in support of co-determination.

This is significant because the September Commission report is full of proposals on worker participation and co-determination. For example, the Commission puts forward the idea of worker directors on company boards. It claims this would assist in transforming the private sector into a 'stakeholder society'. For the Commission, this is a building block towards socialism.

## Realignment

What was striking about the political resolutions from affiliates was the convergence in approach. With the exception of the issue of COSATU national office bearers standing for election to the ANC NEC, there was unanimity on political policies and programmes.

On the one hand, this is the sign of a maturing organisation. On the other, it could indicate the difficulty the federation is having in making political choices. When faced with difficult options, it is sometimes easier to opt for the most obvious route.

Whatever the reason, two things are clear:

- political re-alignment has taken place within affiliates and within the federation;
- although there are no clear political blocs within COSATU, the politics of the ANC-SACP continue to be hegemonic within the federation.

While past congresses were dominated by two distinct blocs - the NUMSA/CWU/TGWU/SACTWU axis arguing for an independent worker politics and the NUM/FAWU/SARHUWU/NEHAWU axis with their politics firmly behind the ANC and SACP - it was much more difficult to make sense of alliances at this congress. Unions like

NEHAWU, FAWU and SAMWU were fervent on issues related to the struggle for socialism. Criticism of the government and the ANC from unions like NUMSA, CMTU and SACTWU was more muted than ever.

In fact, NUMSA and CWU called for the continuation of the Tripartite Alliance as a sign of possible realignment within unions. How deep this realignment is something that will only be revealed in the future.

It is also clear that the school of thought that associates public sector unionism with conservatism is misguided. Public sector unions like NEHAWU, SADTU and others have led the debates on socialism, GEAR and a political alignment.

On the other hand, it is clear that COSATU opens its doors to unions such as SASBO, which do not share the federal militant tradition, ways will have to be found to properly integrate these new affiliates. The deafening silence that followed SASBO's disassociation with the political resolution is an indication of problems to come, particularly if more unions like SASBO affiliate.

## Tightrope

The congress also provided clear evidence of the political tightrope COSATU is treading. The songs composed for the congress and the resolutions put forward by affiliates show that workers are very unhappy about the government's politics. With the ANC leading the government, COSATU will find it difficult to justify remaining in the alliance, unless there is a major change in the direction in which the government is headed.

For the moment, the ANC's concessions that "GEAR is not cast in stone" as well as the admission that there was a lack of consultation have provided a justification for the continuation of the alliance. It is doubtful, however, whether the actual



*There was unanimity on political policies and programmes*

content of macro-economic strategy is up for renegotiation. In his address to the congress, President Nelson Mandela made it abundantly clear that the ANC and the government firmly believe that GEAR is the right way to go.

It is unfortunate that throughout the discussion on the alliance (except in the submission by NEHAWU), there was no analysis of what has happened to the ANC as an organisation, the forces at play within it and an assessment of the policies adopted by it over the last few years.

This was particularly obvious during the discussion on COSATU office bearers standing for election to the ANC NEC. What is at stake here is not the federation's independence, but whether this will make any difference to the direction the ANC is taking.

One is left with the feeling that some of the political decisions taken at congress are based less on an analysis of class forces within the ANC than on a mere desire for things to be different.

### **Building organisation**

In redefining COSATU's organisational tasks, the congress really rose to the occasion.

There are clear attempts to deal with organisational problems without losing the character of the federation. The biggest innovation is the decision to establish a policy-making Central Committee (CC) that will be made up of about 400 workers, represented according to affiliate size. Such a structure will broaden policy making between congresses. It also provides a constitutional forum that can bring together ongoing campaigns and struggles.

Another important decision was to make COSATU national office bearers full time. This was agreed to with the clear understanding that such office bearers will be workers.

The federation will campaign for an amendment to the LRA to ensure that workers holding such positions are guaranteed job security.

## Worker control

In debate after debate, delegates re-affirmed their commitment to worker control. A proposal from the NUM which would have eliminated the distinction between elected worker office bearers and officials was rejected. A recommendation from the September Commission to accept general secretaries or full-time presidents as representatives to the Executive Committee was also thrown out. Also rejected was a proposal to give the CEC the power to amend the constitution and to extend the period between national congresses from three to four years.

## Rights

The debate on women's leadership served to emphasise the need for COSATU to deepen its understanding of how to deal with all forms of capitalist oppression. This point was driven home in another form by a SACP speaker during the debate on international relations. He reminded delegates that it is not enough for COSATU to champion trade union rights in Africa and be silent on the violation of individual rights by undemocratic regimes.

## International relations

Congress has reasserted COSATU's place in the international labour movement. The resolutions adopted reflect a federation that appreciates its international responsibilities. They include:

- affiliating to the International Confederation of Free Trade Unions (ICFTU);
- a solidarity fund to assist unions fighting repression in Indonesia, Swaziland, Western Australia, Nigeria and Sierra Leone;
- solidarity action with the people of East Timor and Cuba;
- education and a day of action on the disastrous effects of globalisation

## Tasks ahead

The biggest task facing COSATU now is implementation. Resolutions, however good they may be, do not determine the march of the executive. The task of the executive is to ensure that the decisions of congress are implemented.

COSATU also has to tackle a number of important issues in the coming months. While it is clear that there has been a discernable retreat in the political and organisational orientation of the federation, it would be an exaggeration to talk of great leaps forward. Many issues have been deferred. COSATU has come out of congress with no common strategy on the core union business – collective bargaining. A decision has been taken on demarcating the 1999 elections. The failure to adopt resolutions on socio-economic issues has been the federation of an opportunity to continue ongoing struggles and campaigns – negotiations around the restructuring of assets and the public sector.

In the coming months the federation will have to find a methodical way of dealing with these issues. It needs to focus on practical campaigns, such as the struggle for a living wage. The action around basic conditions of employment has shown the federation-wide campaigns weld the organisation together. The CC has the responsibility to identify such campaigns.

There is also rising pressure for COSATU to come up with an alternative macro-economic framework. The federation needs to guard against being drawn into a policy debate where the search for an alternative to GEAR is an academic exercise and replaces the focus on action and campaigns. The task at hand is to defend the interests of the working class and the poor against the policies which GEAR represents. The course of this defence that ultimately will emerge and have real meaning.

*Dinga Sikwevu is the NUMSA National Education Officer*



# The September Commission

*shaping congress debates, stimulating activism*

COSATU general secretary Mbhazima Shilowa argues that federation congresses have two purposes "To affirm long-standing positions or chart new ones, and to mobilise the worker leadership." They have therefore "both ceremonial and substantive content." Measured against these two purposes, what did the recent COSATU Congress achieve? What was affirmed, and what was newly charted?

Preparations for congress focused on four areas, with the following outcomes:

- *organisational reform:* congress adopted significant resolutions on organisational reform of the federation and affiliates;
- *socio-economic strategies:* because of time constraints, these debates were deferred to a mini-congress to be held in June next year;
- *political vision and strategies:* for the most part, congress reaffirmed historically evolved political strategies and its commitment to socialism.
- *international policy and strategies:* in a major breakthrough for COSATU, congress confirmed the federation's affiliation to the ICFTU, and on this basis was able to adopt practical and imaginative strategies for engaging in trade union struggles in the global arena.

The September Commission report (see SA Labour Bulletin Vol 21 No 5, October 1997) had been circulated and debated within the affiliates before congress. The report proposes comprehensive strategies for

*The September Commission report provides an in-depth assessment of COSATU strategies and organisational capacity.*

*Karl von Holdt examines the COSATU Congress' response to these proposals.*

social and economic transformation in which COSATU could play a central role. It also puts forward detailed recommendations for organisational renewal to enable the federation to play this role. To what extent does the Commission itself propose new directions, and to what extent does it affirm long-standing positions?

The significance of the report is

- It does not propose radical new departures for COSATU's vision and strategies. The report puts forward a coherent whole, drawing on elements of existing union practice and thinking, and adding new elements. In doing this it gives shape and direction to practices and ideas that are currently fragmented, and hopes to overcome the ambivalence in some affiliates about strategies of engagement and socio-economic reform.
- The report constitutes a coherent programme for political and economic transformation through democratisation.

and redistribution.

- It links this programme to a longer term vision of socialism
- It proposes concrete transformations with numerous leverage areas (the workplace, the sector, Nedlac, government, the Alliance).
- It proposes a consistent strategy of engagement with the Alliance, government, business and organisations in civil society.
- It makes numerous far-reaching recommendations for reorganising the federation and developing the organisational capacity of the unions

Disappointingly, the report was not discussed as a comprehensive whole by congress. However, Commission chairperson, Connie September, believes the report had a major influence on the congress. "It was discussed in affiliates prior to congress, and was woven into all the congress debates. Many of the resolutions coming from affiliates were based on Commission recommendations." The report was adopted as a guide to debate in the unions over the next few years.

### Organisational reform

This was the first congress since COSATU was launched in 1985 that made debate over organisational reforms a priority. The previous three congresses focused on political policy and strategies for the transition. Shilowa says "organisational questions could no longer be postponed, the September Commission contributed to this recognition."

Virtually all of the Commission's organisational recommendations were adopted. Chapter 10 of the report, *Building the engines of COSATU*, makes a number of proposals for strengthening the structures of COSATU, and strengthening the centre vs a vs the affiliates. This, argues the report, is essential if COSATU is to coordinate its

activities effectively, shape transformation, strengthen weak affiliates, organise vulnerable sectors, and make collective bargaining breakthroughs.

### Empowering the federation

A resolution was adopted which grants greater executive powers to, and concentrates resources in COSATU. COSATU leaders will be able to intervene in the internal affairs of affiliates "where it has its own problems, where problems have been brought to its attention and/or it has been requested to do so." However, "such intervention should not undermine affiliates' autonomy."

Congress also resolved that affiliates should comply with COSATU decision: demarcation by handing over members outside their sectors within six months to face expulsion from the federation.

### Full-time national office

The Commission recommended that all national office bearers should become time leaders of the federation. Congress agreed, but stipulated that the worker-bearers should remain full-time shop stewards at their workplaces, rather than full-time employees of the federation. The NUM's Gwede Mantashe said "that this was like going to the beach for swim, "but only going as far as to stick your toes in the sea."

### Smaller Exco with more frequent meetings

The Commission recommended that Exco consist of one delegate per affiliate (or two), meeting monthly rather than once a second month. This would transform Exco from a 'talkshop' into an engine for developing and implementing strategy. Congress rejected a slimmer Exco on the grounds that it would weaken worker control, but agreed that Exco will meet every month. This is a boost to the



The report proposes strategies for workplace transformation

Commission's project for strengthening the strategic and implementation capacity of COSATU, and the effective participation of the affiliates in driving the centre

### Central Committee

The Commission also recommended a new structure – the Central Committee (CC) – to meet annually as a sort of mini-congress. This was agreed to by congress. The CC will discuss policy matters and will be composed of the COSATU secretariat and large worker delegations from affiliated unions. This decision should significantly enhance affiliate and worker involvement in policy formulation within the federation.

### Local shopsteward councils

The Commission put forward two options for revitalising shopsteward locals. The first is to establish a local executive and strengthen the local office bearers as engines for giving new life to these structures. The second option is basically to maintain the *status quo*. Congress adopted the first option, with similar modifications

to the regional structures. This should help empower and revitalise the local and regional structures of COSATU.

### Smaller number of super-unions

The Commission argued that both the federation and the affiliates would be strengthened by a process of unification and eventual merger between affiliates in broadly defined economic sectors. Congress agreed to the formation of 'cartels' in broadly defined sectors of the economy. These include manufacturing, mining and energy, public sector, private sector services and agriculture. The cartels "should take responsibility for defining sector policy and collective bargaining", and should become the basis for mergers into super-unions.

### Organisational renewal

Congress also adopted chapter 9 of the Commission report, *Transforming ourselves to transform society*, as the basis for budding organisational effectiveness in COSATU and its affiliates. It endorsed the Commission's recommendation that "COSATU

and affiliates should commit themselves to a campaign for organisational renewal".

### Women's leadership

Congress rejected the proposal by the September Commission for a quota system to ensure women are elected to all structures of the federation and affiliates. Delegates argued that the federation is already making progress towards gender representivity with current policies. They ignored the evidence gathered by the Commission which shows that the federation has in fact made no progress, and significant structures now have fewer women delegates than they did three years ago. However, congress did resolve to set targets for the election of women leadership and for employing women organisers (see p 17). Congress adopted most of the other recommendations of the Commission on advancing women's leadership, and for building a national women's movement.

### New divisions

The congress also adopted the recommendations for organising new layers of vulnerable workers and white-collar workers, proposed in chapter 7 of the Commission report, *New workers, new members*. The Commission warned that the federation would have to find ways to accommodate different cultures and interests if it is serious about organising white-collar and skilled workers.

This issue was manifested at congress by SASBO's response to the political and demarcation debates. SASBO organises white-collar workers in the financial sector, and has a more conservative history than other COSATU affiliates. SASBO abstained from the political debates about the Tripartite Alliance. On demarcation, it argued that the financial industry is a distinct sector, and should not be merged with the broader retail and services sector. This is an

indication of some of the difficulties COSATU may experience in trying to accommodate the interests and culture of white-collar workers within its traditional constituency of blue-collar workers.

### Socio-economic issues

The lengthy congress agenda meant that, inevitably, not everything could be covered. The entire range of social and economic issues facing COSATU - except for a statement on GEAR - was deferred to the first meeting of the new CC, to be held in June next year. This includes the three chapters of the Commission report on economic vision and strategies, transformation of the public sector, and democracy at the workplace. This is not necessarily a bad thing, as it may have focused debate on transformation rather than rhetorical posturing.

Although these chapters of the Commission report were not discussed, some pointers towards the likely response of the affiliates were provided by the resolution on socialism. The Commission did not develop a socialist programme. But it argued that its proposed strategies for transformation have a *socialist orientation* through increased public and social ownership of productive resources, social regulation of market forces, and building a culture of community and solidarity. They constitute *links* to a socialist future.

The congress resolution on socialism outlined a similar process for building concrete links between present struggles and a socialist future. Several of the building blocks described in the resolution are based on Commission proposals (for example, roll back the domination of the market in basic needs, experimenting with non-capital forms of ownership and communally owned companies, introducing new socialist forms of work organisation and management, and advancing worker control).

## Co-determination

NUMSA, which was responsible for large parts of this resolution, welcomed the Commission's "approach of building blocks towards socialism" but questioned "the policy of co-determination and building a stakeholder society".

In fact, the Commission's final report (in contrast to the interim report) did *not* recommend co-determination. It recommended strategic engagement with workplace change, with the goal of extending worker control, participation and democracy in the workplace. Such a strategy is almost identical with the strategies and goals set out by NUMSA in its resolution (deferred to the CC) on workplace democracy.

What the Commission *does* recommend is that COSATU should discuss institutionalised participation such as worker representation on the board of directors, workplace forums etc. It makes the point that the rights linked to institutionalised participation may provide a more stable base for democratising the workplace. In contrast, collective bargaining forums may spend all their energy fighting for the *right* to participate, rather than *actually engaging* with workplace change. Hopefully these issues will be the subject of serious discussion at the CC.

## Stakeholder sector

The Commission does propose that the private sector be transformed, or *partially socialised*, into a stakeholder sector. This idea was rejected in the NUMSA resolution and not fully debated at congress.

It is not clear what such rejection means. Does it mean abstaining from engagement with industrial strategy, with Nedlac, or with democratising the workplace, and replacing these with alternative strategies? Does it mean employing the same strategies, but



*Increased public ownership is a strategy for transformation*

with a different meaning or different goals? Or is it simply political rhetoric - rejecting the term while continuing with the practice?

A number of other resolutions from NUMSA and other affiliates make it clear that COSATU is likely to continue to develop and implement such strategies, as is recommended by the Commission.

## Political vision and strategies

Congress endorsed the general direction of the Commission recommendations on political strategies: to revitalise the Alliance through developing a common programme for transformation, in which the transformation of the public sector is a central goal, to strengthen the SACP, to defend Nedlac and "ensure a dynamic and interactive relationship between parliament and Nedlac"; to campaign for an electoral system that combines proportional and constituency representation with the aim of

"making government accountable to the working people and the poor"; and to initiate a broad popular movement for transformation, starting with an "anti-poverty and equality campaign together with the NGO movement, communities, religious organisations, etc".

Two practical political recommendations of the Commission were rejected: firstly that specific seats should be set aside in ANC structures for COSATU representation, and secondly, that COSATU NOIs should not stand for election to national leadership positions in the ANC (such as the NEC) because it might lead to confusion over their role as COSATU leaders. Despite a spirited defence of the latter recommendations by TGWU and NUMSA, it was rejected by congress

### The way forward

COSATU's 6<sup>th</sup> National Congress adopted virtually the entire body of organisational recommendations in the September Commission report, with the exception of the gender quota. The broad political direction - together with numerous concrete recommendations - of the Commission report was also endorsed. Congress delegates showed some reservations in their attitudes to some of the conceptual innovations of the Commission report, such as the concept of a stakeholder sector. However, this debate was held over to the CC meeting.

This forum will be crucial for debating the chapters of the Commission report that set out a programme for redistribution and transformation of the economy, the public sector, and the workplace.

However, the report should not begin and end with congress debates and resolutions. Even more important is whether the federation and its affiliates engage with the analysis and proposals of the September Commission in their ongoing efforts to

renew and strengthen organisation, influence the democratic transition in Africa. It is only through active implementation that the Commission proposals can contribute to the transformation of the trade unions, ability to participate in the transformation of South African society.

Already the COSATU office bearers taken steps in this direction. The new national office-bearer team is frequently, and worker office bearers each been assigned specific areas of responsibility, including responsibility specific regions and affiliates. They are playing a more active role in negotiation such as over the BCEA. This confirms the Commission's view that full time office bearers will strengthen rather than weaken worker control in the federation.

Local and regional structures have been strengthened. This will be reinforced by implementing the Commission's recommendation that COSATU convene an annual policy conference, focusing on provincial issues, in order to provide more energy and dynamism to federation structures at those levels.

In addition, COSATU is planning to implement the Commission proposal for an annual 'organising offensive' to organise unorganised. April has been set aside to focus on this campaign. All locals are to identify unorganised sectors and organisational weaknesses, and develop strategies to recruit new members to the organisation. National and regional leadership will be mobilised to actively participate in this organising drive.

It seems that the work of the September Commission may well succeed in stimulating debate and activism in COSATU and its affiliates over the coming year.

*Karl von Holdt co-ordinated the work of the September Commission*

# Preserving privilege

## *the quota debate*

**A**fter a heated debate at COSATU's 6<sup>th</sup> National Congress, a potentially far-reaching proposal aimed at advancing women's leadership was turned down.

The introduction of a quota system would have significantly increased the presence of women at all levels of COSATU. The rejection of the quota reflects an avoidance of dealing with gender issues head on. COSATU has yet to seriously take up the issue of women's leadership and empowerment within its ranks.

### Background

Women are seriously under represented at all levels of leadership within COSATU. At the national level, women only represent 8% of the leadership, and at regional level, 15%. The national figures have remained constant since 1994.

There has been growing concern within the ranks of COSATU over the federation's failure to implement countless resolutions on women's leadership.

As the September Commission report puts it "Despite COSATU's progressive policies and resolutions on gender and women, there has been little or no progress in the federation."

This sentiment is echoed in the COSATU Secretariat's report to the congress: "COSATU's commitment in principle to build women's leadership is unquestionable. Since our inception, this matter has been on our agenda. We have taken countless

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*Liesl Orr, Jeremy Daphne, and Claire Horton argue that the vote against a quota system at the COSATU Congress was nothing less than a vote for male privilege.*

---

resolutions on this important question. We have held three national conferences on women. Despite all this, we have not been able to change the patriarchal mindset of many of our members and, to some extent, of our leaders. Just as some whites do not understand why we are so vociferous in arguing for affirmative action as an instrument of addressing racial oppression, some of our male comrades do not understand the need to put special corrective measures in place to address the oppression of women."

The September Commission recommended that:

- COSATU and its affiliates adopt a quota system for electing worker representatives and office bearers in all structures, with a target of 50% representation by the year 2000,
- COSATU should adopt a phased-in quota system for employing organisers and other staff,
- the federation and its affiliates should ensure that conditions under which

shopsteward elections take place are conducive to electing women shopstewards.

### International experience

A study of the factors mitigating against women's empowerment and leadership in trade unions globally points towards massive barriers having to be surmounted, with traditional trade union organisation and structures acting as severe impediments (Cockburn, 1996).

Since the early 1980s unions have been refining their strategies to strengthen women's participation in trade union leadership. Revisions to union constitutions, rules and traditional practices have occurred across the globe.

Experience has shown that improving women's participation in unions is almost impossible to achieve without structural change in the form of quota systems. Quotas are a positive action which recognises that special measures are needed to redress gender discrimination.

A significant number of labour federations and unions are now making use of quota systems. While this involves forms of arranged representation in union

decision-making structures, quotas are merely a number-driven process, but concern the emancipation of women.

International studies have shown that many benefits flow from this process. Women leaders contribute to a strengthening of their unions at every level. They also ensure that greater attention is given to the problems women workers

### Progress

While there have been problems, there have also been positive results. The number of women holding leadership positions is steadily increasing. By 1989, over one of the national affiliates of the International Confederation of Free Trade Unions (ICFTU) had reserved seats for women on its executive bodies. In trade unions, this is the case in Austria, Canada, Fiji, the Netherlands, New Zealand, Switzerland, the United States and the Scandinavian countries, where women are now represented on the governing bodies approximately in proportion to female membership (Trebilcock, 1991).

### Congress debate

The congress debate opened with the general secretary of COSATU, ...

### UNISON's programme

International studies have shown that a number of different types of quota systems have been used. The most common involve reserving seats for women on executive structures, reserving positions on candidate lists in union elections for women, and guarantees of proportional representation.

UNISON, a public sector union in Britain, has a detailed programme aimed at ensuring that women are represented according to the proportion of women belonging to the union by the year 2000.

The union has adopted a twin-track approach to breaking down the barriers to women's participation. Firstly, the electoral

process for some committees will be changed to ensure a minimum number of women are elected to the committees. At the same time, positive action through training and education aims to encourage greater participation. In addition, UNISON has recognised that it needs to change the way it operates so as to enable more women to participate.

Even at the most senior levels, UNISON has shown its commitment to the representation of women. The union constitution requires that women must be elected to two out of the three positions of President and the two Vice-Presidents.



Shilowa, appealing to delegates to accept a quota system as part of a broader strategy to strengthen women's leadership

It soon became clear that delegates were deeply divided over the issue, with strong support being expressed both for and against a quota

### **Support**

Affiliates which motivated for the quota included NEHAWU, SAMWU, CWU and SARHWU. These unions make up 21% of COSATU's membership

Speakers from these unions spoke of the progress their organisations have made in developing women's leadership and consciousness of gender issues through the use of a quota system. They linked the use of quotas to the "full and complete emancipation of women". They argued that quotas are part of the struggle against patriarchy and women's oppression, which is fundamental to socialist transformation

The dominant thrust in the arguments for the quota was that there is a need for concrete structural change if there is to be any progress. The ANC Women's League (ANCWL) and the SACP entered the debate in support of the quota system. The SACP motivated as follows: "The quota system deals with the structural inequalities and barriers that exist, creating the space for women to take up leadership." Both organisations pointed to the ANC's use of a quota system in the parliamentary elections and the positive results this has had

### **Opposition**

A dominant thread in the arguments against the quota system is that it amounts to tokenism and that women should be elected

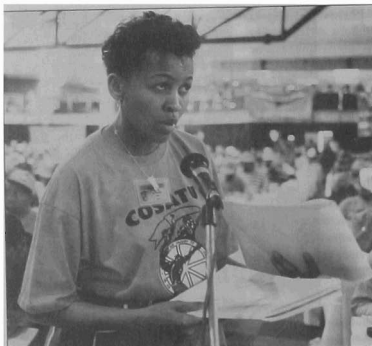


*Women leaders ensure that the problems women workers face are taken up*

on the basis of merit. On the one hand, delegates felt that the quota is insulting to women as it assumes they need special treatment, and, on the other, it was argued that women need training first (with the unspoken implication that they are not capable of taking up leadership positions)

A woman delegate from NUMSA argued that women's empowerment should start at the factory floor, requiring increased "dedication" from women to be elected to leadership positions. She went on to say that women workers do not want "comrade mamas" sitting in leadership positions unable to argue positions

Women delegates from FAWU and SACTWU argued that the quota is window dressing and that they had risen in the ranks



Some women delegates argued against a quota.

without quotas. Many delegates argued that women need to go through a process of education before they can take up leadership positions in the federation.

#### *Debate*

NEHAWU challenged delegates who rejected the quota to come up with alternative mechanisms to ensure that women take up leadership in the federation. The union pointed out that intrinsic to all arguments against the quota is the assumption that women are not capable.

In their motivation, SARHwu argued strongly against the view that education should be the first stage, followed by affirmation, since these processes could run parallel. The union raised the challenge of prioritising the employment of women in industries where they are under-represented, linking this to the development of women's leadership. SARHwu also strongly criticised the use of isolated individual achievement as a motivation

against the quota, 'COSATU prides ' collective approach empowerment.

#### *Resolution*

A compromise posi proposed by the Nu was adopted just as congress was about to a vote. This was t the COSATU CEC - develop a pro... ' building women's leadership within a political... ' measurable targets finalised by the '.

The debate is ' very much open. T form that the - ' and whether this c

include the use of quotas, will have to debated in the CEC.

#### **Preserving power**

The impression created in the co - media was that congress rejected a qu system outright. This is certainly not t case. It is clear that there is substantial support amongst both men and wom the federation for a quota system.

Most of the women who spoke du the congress debate were against q - This cannot, however, be taken as an indication of the views of all women ' federation. In the unions that were ag the quota, most gender co-ordinators women activists took a firm decision , speak, as this would imply that they personally supported the union's po. They consciously decided to avoid be 'used' as women leaders to put forward union's position.

The women who were put forward argue against the quota system rece

rousing (and paternalistic) applause from the male-dominated congress. It is interesting that most unions did not put women forward to speak on other issues debated during the congress.

A disturbing feature of the debate was the lack of political content and understanding of the nature of gender relations. The debate did not elaborate sufficiently on the oppression women face under patriarchal power relations.

In reality, South African society is a giant affirmative action programme for men.

Women are structurally excluded from leadership as a group, not as individuals. South African society is organised in such a way that women are disempowered. There is a patriarchal culture in our society and in the unions which sees women as inferior and incapable of leadership. Women are primarily responsible for childcare and domestic duties. This makes it difficult for them to take on union work. As a result, few women are elected as shopstewards. The position of shopsteward is extremely important in the process of leadership development and forms the basis of election to higher positions and employment as union officials.

The empowerment of women is a collective responsibility which cannot be dealt with through mechanisms like training alone. Even with extensive education programmes it is unlikely that women will be elected to leadership positions.

The notions of 'merit' and 'tokenism' which formed the basis of the arguments against the quota at the congress show a lack of understanding of

these factors. Arguments about 'merit' would be strongly opposed if applied to race and class discrimination. Such arguments run dangerously close to the notion that in a capitalist society anyone from the working class can become a millionaire (with enough hard work).

The fact that there are women in leadership positions cannot be used as an argument against the need for quotas. These women are a small minority. Is it then to be assumed that women who are not elected are not capable? If a man is found wanting this is not attributed to his gender. Why, then, should this be the case with women?

COSATU supports affirmative action in the workplace, yet unions do not want to apply the same principle in their own structures. This point is clearly articulated in the September Commission report: "Although COSATU has a policy on affirmative action, it seems that the policy applies to everyone except COSATU."

### Where to now?

COSATU vice president, Connie September, summed up the debate as follows: "The



*Women are primarily responsible for childcare and domestic duties.*

congress has not taken a firm decision but has rather lumped the positions together in a way that emphasises a programme with targets to be set by the CEC, which may or may not include quotas. The debate was depressing and disheartening because people have not dealt with the actual issue. It is a contradiction to say that there was agreement because the only agreement was on the need for women's empowerment. When it came to the issue of mechanisms, which was the core of the debate, there was no real agreement

It was very disappointing to see women themselves articulating positions against the quota. The process from here needs to involve meaningful engagement whereby the CEC adopts a decisive position rather than by the avoidance that we had in congress."

What was at play at congress were the issues of power, control and domination. The quota system posed a challenge to the privileged position of power and control men hold over women in COSATU. There is a layer of men who are prepared to share power, but they are in the minority.

The struggle for real women's empowerment in COSATU continues. The

debate is far from over. It is up to and men who support meaningful - : pursue this issue further. ★

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# The BCEB: cast in GEAR

The Basic Conditions of Employment Bill (BCEB) finally passed through parliament late in October, amidst much controversy over how much consensus existed between labour, business and the government. While the parties agreed on many aspects of the Bill (roughly 80% of its content), serious divisions remain

## Agreement

In its submission to the Parliamentary Portfolio Committee in October, COSATU tabled a number of amendments which have been integrated into the Bill

The conflict over labour's demand for six months paid maternity leave is believed to have been resolved in bilateral negotiations between COSATU and the ANC. The Bill provides for four months maternity leave, with payment being provided for by the UIF. Employers will not be required to pay women who take maternity leave.

Working hours and the downward variation of standards remain a sticking point and will be the subject of investigation by a parliamentary commission. In the interim, COSATU has accepted the 45-hour week provided for in the Bill, on condition that a 40-hour week is phased in through collective agreements. Industries with irregular production cycles will be allowed to average out hours of work over a four month period.

No changes were made to the provisions on overtime pay and Sunday work.

by Malcolm Ray

## Sufficient consensus?

At the time the Bill was placed before Parliament, Labour Minister, Tito Mboweni, declared that 'sufficient consensus' had been reached amongst the parties. Neither labour nor business agreed. At the COSATU Congress in September, COSATU President, John Gomomo, made it clear that the federation did not accept the Bill as it stood. Business also voiced serious misgivings.

Critics have accused the Minister of going for legislation while being fully aware that the parties were still deeply divided. This might not be far from reality. Commenting in *Finance Week* in July, Mboweni stressed the political costs of delaying the Bill's enactment. He stated that "the ANC's task is to govern", implying that the Bill would be enacted with or without an agreement. *Finance Week* noted that Mboweni's main concern was to "search for a compromise that would allow the government to save face and push the Bill through parliament." The COSATU amendments which were accepted do not address core differences.

## GEAR

The question many might well puzzle over is why, after vigorous public protest by COSATU, did such a compromise win out?

Underlying the conflict is a contradiction



*COSATU members protest against the BCEB, Johannesburg, June 1997.*

between the Bill's proposed purpose and GEAR. In many ways, the Bill has the potential to contradict GEAR's intentions.

Put crudely, GEAR favours a wide range of deregulatory measures which, it is hoped, would enable business to adjust to an internationally competitive market. It supports labour market policy which embraces:

- flexibility
- lower wages
- productivity improvements

GEAR also calls for minimal state interference in setting wages and employment conditions.

## Debate

The controversy surrounding the Bill was precisely over the relative degree of freedom or constraints conferred on employers to restructure their enterprises.

Employers fear that the Bill will introduce 'rigidities' into the labour market. The South African Chamber of Business

(SACOB) has warned that the Bill would have "dire consequences for small business and would lead to losses. According to the Chamber's submission to the Portfolio Committee, any conditions of employment or restrictions on the flexible use of labour will "increase labour costs, blunt the competitive edge of business and force many to close down or shed jobs."

For its part, COSATU is concerned about the impact of greater market flexibility on workers. Unorganised and vulnerable workers are already exposed to the "vagaries of the market". According to the federation, "if employers have their way, workers who already earn little and work long hours by international standards, would work longer hours with very little or no protection."

## Balancing act

Mboweni's decision to take the Bill to parliament was an attempt to strike a balance between the parties without significant movement on the outstanding clauses. According to the Minister, the debate will continue until the Bill finally becomes law next year.

This is a severe blow for labour's efforts of successfully pushing through significant changes. Without complete agreement, the parliamentary process leading to the enactment threatens to weaken labour's bargaining position. Action in support demands will be restricted to parliamentary lobbying. ANC MPs have already been told to "stick to the spirit of the agreement, not rock the boat. This could neutralise lobbying attempts."

The Bill was passed by the National Council of Provinces on 19 November

# Pepsi

*profit or principles?*

**"If profits do not come quickly in a given market, you pick up your marbles and go somewhere else."**  
**Roger Enrico, PepsiCo chairperson**

The collapse of New Age Beverages (NAB) - the South African bottlers and distributors of Pepsi - has been lamented as a blow to black economic empowerment.

NAB was launched in 1991 with \$20-million in equity. American parent company PepsiCo held a 25% stake, with the remaining capital being supplied by South African and African American investors. Amongst the South African investors were the Mineworkers' Investment Company, the Southern African Clothing and Textile Workers' Union (SACTWU) and the Women's Investment Trust.

A further \$60-million was invested in 1995, the bulk of which also came from South Africa.

At the height of its activities, NAB employed 340 people in its bottling plants, warehouses and head office. In addition, it had 120 contract distributors, who employed a further 200 crew members to distribute the product. When the company was put under liquidation, 1 200 jobs were lost.

NAB chairperson, Kehla Mthembu, maintains that the company was a 'hands-on' black empowerment deal, both in terms of share holding and management. He says that

*Lephophotbo Mashike sets out to unravel the real story behind the collapse of NAB. The answers he finds raise serious questions for black economic empowerment ventures.*

PepsiCo's minority share barred it from exercising meaningful control. He cites the vendor system - in terms of which NAB assisted black South Africans to buy trucks by standing guarantor - as further evidence of black empowerment. "They related to NAB as businesspeople, not as employees," says Mthembu.

Is this an accurate assessment of the state of affairs? What were the reasons for the collapse of the venture?

## Recipe for success

Both supporters and critics of NAB point to the success of the company in its early days. Indeed, some analysts argue that it was too successful, too soon. An article in *Business Day* at the time of the company's demise noted that: "In some ways the failure of NAB is simply the story of a company which was too successful for its own good. The Pepsi launch was hugely successful, particularly in some of Gauteng's black townships. Sales volumes in 1995/1996 were running years ahead of original projections. Pepsi's share

## Social responsibility

Pule points to NAB's use of billboard advertising in the black townships as evidence of the company's commitment to social responsibility. The billboards were used to indicate to commuters that they were entering a certain area.

of certain markets peaked at well above 60% (*Business Day*, 20/5/97)

During its first year of operation, NAB reached targets projected for its third year. Other operators in the cola market felt the effects of the competition. Amalgamated Beverage Industries (ABI) - the South African bottlers and distributors of Coca-Cola, had its 1995 margins squeezed from 7,2% to 6,2%. Its turnover increased by only 7,1% that year. Smaller operators like Suncrush also felt the crunch.

Pule Pule, the former corporate affairs manager at NAB, attributes the company's success to innovative marketing strategies. The 'cola war' between Pepsi and Coke was not simply a street fight in which NAB targeted areas where Coke was weak.

NAB's market analysis revealed that the older generation of South Africans are committed to Coke. The company therefore took on the younger generation. Slogans such as "the choice of the new generation" and "the Pepsi tribe" appealed to the youth. Billboard advertising in new markets, such as squatter camps, attracted new customers.

More than anything else, the company's image as a black-owned South African company boosted sales. As Mthembu puts it: "The timing of Pepsi's arrival was just perfect - you could not beat anything that was black in 1994."

## Crisis

Last year, however, NAB's situation changed dramatically. In the nine months to the end of April 1996, it recorded an operating loss

of R133,5-million. Liabilities exceeded by R195-million. It could not meet its R1,8-million wage bill and could not pay any more money. The company, backed by the shareholders, decided for liquidation.

An article in *Tribute Magazine*, at the time of the collapse of the company, points out that "there could be a number of reasons why NAB did not last longer - mere three years, and these depend on who is speaking."

Two factors stand out, however: mismanagement and lack of financial discipline. Both of these factors also raise questions as to the degree of real black empowerment at NAB.

## Mismanagement

Some observers blame NAB for its own demise. They claim that the company's managers embarked on over-ambitious marketing plans and failed to exercise proper quality controls inside the company.

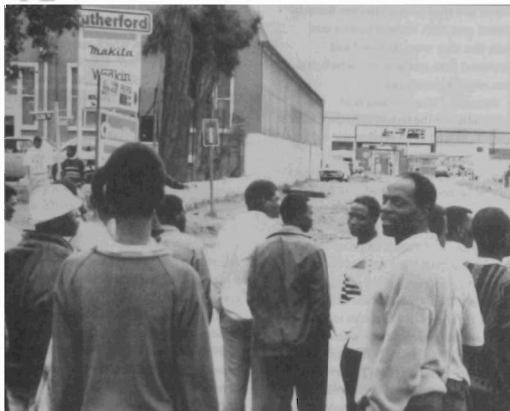
In 1996 NAB opened a second factory in Durban. This quickly proved to be a loss-making operation. The factory was set before distribution networks were set in place.

Pule defends the decision as "a necessary part of the politics of beverages in a competitive market... as we lambasted Coke in Gauteng, it positioned itself in other provinces. A delay could have caused a loss of market share."

He blasts his critics, saying that "the critics and analysts only get wise after the event: 'They had all the time to tell us our decision to expand into Durban was premature. Why are they only saying that after we have applied for voluntary liquidation?'"

When NAB was liquidated, among its assets were warehouses piled to the ceiling with bottles and crates, unusable, because they did not meet specifications. C.A.





*Job seekers at NAB in November 1994 at its height, the company provided 1 200 jobs*

again. Pule jumps to the defence of management "If bottles and crates did not meet specifications, they would be returned to the suppliers. If we applied for liquidation while the bottles were still in the plant, is this a sign of mismanagement?" He claims that NAB was a world class operation with the best quality controls. His words are echoed by Kupon Pillay, the director of the Mineworkers' Investment Company. Pillay says that the NAB plant was "state of the art."

Media reports have also claimed that there were insufficient financial controls at NAB. There have been accusations that management consistently failed to reach operating targets. The company helped contract distributors to buy trucks without setting any minimum delivery targets. This resulted in a significant increase in delivery costs.

NAB insiders have laid the blame for the company's demise squarely with managers seconded from Pepsico International. They claim that South African management had no real control at NAB. Key positions, including the chief financial officer, the plant's chief operating officer and, later, NAB's chief operating officer, were occupied by people seconded from the American company.

The spotlight has fallen on two individuals - Ian Wilson, the former General Manager of Coke in southern Africa and George Haas, who had formerly played a major role in Pepsi's bid to take on Coke in Argentina and Brazil. Both men were employed by Pepsico to organise its relaunch in South Africa.

Through a series of complicated manoeuvres, including securing voting rights on behalf of South African investors,

Wilson and Haas gained effective financial control over NAB. These investors now claim that they were deceived and prevented from taking action which might have saved the company.

Wilson and Haas are also held responsible for the lack of effective financial controls, as well as misreading the market. Wilson, particularly, is blamed for the premature expansion to Durban. Investors say that he boasted that he knew how to capture the KwaZulu-Natal market because "I am almost a Zulu myself".

How much of a black empowerment venture was NAB if the reins of control were being held by PepsiCo managers? Pule is adamant that South Africans held the real power. He argues that "the cola industry is an American concept. If one wants to make a meaningful business of Cola, one must bring Americans on board." He says that power in NAB was held by Mthembu (the chairperson) and Monwabisi Fandeso (the chief operating officer). He downplays the fact that Fandeso was replaced with someone from PepsiCo after he left for training in New York.

### Financial back-up

Pule blames NAB's collapse on three factors:

- PepsiCo's reluctance to inject more capital when competition intensified.
- NAB's failure to open up new markets (also due to lack of capital)
- PepsiCo's failure to understand the emerging South African market.

Richard Evens, PepsiCo vice president for southern Africa, concedes that "the only thing NAB lacked was funding".

When NAB entered the cola war, Coca-Cola pulled out all the stops. It took NAB's marketing strategies and used them against it. It intensified its billboard advertising and launched a special campaign to attract younger consumers. It copied NAB's language. It even went to the extent of using

its financial muscle to prevent Pepsi from buying bottles locally. NAB had to buy in Mexico for supplies, which may explain why the bottles did not meet specifications.

Pule says that Coke was able to pull off this strategy because it had strong financial backing from its parent company. "I can't say these guys are right, we need to make them wrong".

In February last year Coca-Cola CEO Doug Ivester, announced Coke would invest R1,25-billion in South Africa over the five years.

Just before NAB was liquidated, Pule committed itself to a further investment of R100-million – hardly a match for the commitment.

NAB's demise can not be separated from PepsiCo's failure in other parts of the world. In 1996 the company reported worldwide losses of R850-million in its beverage division.

NAB's collapse coincided with PepsiCo losing market share in China, Brazil and Argentina. In Venezuela, the Pepsi bottle franchise was brought out by Coca-Cola \$500-million, after suffering losses of the same amount.

While mismanagement and the lack of sufficient financial back-up are undoubtedly reasons for the collapse of NAB, Coca-Cola's entrenched position and its ability to take high risks exacerbated these factors.

### Implications

The collapse of NAB could have serious consequences for black economic empowerment in South Africa. Two trends are emerging on black economic empowerment which ensure that it remains concentrated in a few hands. First is that black investors, even trade unions, are forced to buy into established companies. The second is the tendency of firm partnerships with foreign companies.



*NAB November 1997. no signs of life.*

In both cases, real black empowerment is not on the cards. PepsiCo may well have only owned 25% of NAB, but they sent in managers who effectively controlled the company.

Foreign companies do not enter deals out of charity. They are only interested in black empowerment as long as it is profitable for them. Roger Enco, the chairperson of PepsiCo, sums this up succinctly: "If profits do not come quickly in a given market, you pick up your marbles and you go somewhere else."

The NAB experience should be a lesson to other black empowerment players. Before entering into deals with foreign investors, they should find out how committed that investor is to the local market. PepsiCo's commitment was determined by its international experience. It never engaged seriously with NAB.

While local managers may try to temper economic with political objectives (such as building up a group of black distributors), management seconded from overseas is driven purely by economic considerations. While all managers have to be aware of

economic imperatives, an insistence on local control may help to ensure more of a balance with broader objectives. ★

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## *Gay and lesbian rights*

**G**ay and lesbian equality is a new phenomenon in South Africa, which the general public, employers, trade unions and political parties still have to come to terms with.

Last year, the National Coalition for Gay and Lesbian Equality conducted a survey amongst 200 employers to establish their attitude towards the recognition of gay and lesbian relationships for the purpose of employment benefits.

Only 25 employers responded. Forty percent showed a positive attitude. These were mainly universities. The rest were hostile and defensive. The Coalition also surveyed all 55 affiliates of COSATU, FEDUSA and NACTU. Not a single union responded! Subsequent meetings with the federations have yet to bear fruit.

### **Action**

Nonetheless, gay and lesbian workers are determined to fight for their rights. In September and October the Gay and Lesbian Legal Advice Centre (GLLAC) dealt with four cases of victimisation. In October the Johannesburg Labour Court heard a case where a worker was dismissed simply because he is gay. The matter was settled out of court.

Employers such as ESKOM, the SAPS and Diners Club have refused to register employees' same sex partners on their medical aid schemes. The Coalition has taken up these cases, which are now before the Labour Court. Trade unions have,

*by Mazibuko Jara*

unfortunately, not supported these cases.

### **Code of employment**

The Coalition has also developed policy proposals on a Code of Good Employment Practice on sexual orientation and the workplace.

The Code will assist in dealing with workplace discrimination and harassment based on sexual orientation and marital status and in the development of education on sexual diversity.

The policy proposals stress the need for employers and employees to implement appropriate employment policies in consultation with lesbian employees and organisations. This will long way towards eliminating discrimination on the grounds of sexual orientation.

The Coalition is currently holding discussions with the relevant stakeholders (the gay and lesbian community, trade unions, government and employers)

### **Legislation**

Discrimination against gay and lesbian people is against the law. Schedule 7 of the LRA outlaws discrimination on the basis of sexual orientation and marital status. Section 28(5) of the highly disputed Basic Conditions of Employment Bill defines 'immediate family' of an employee as:

- "the employee's spouse or any other person who cohabits with the employee, and
- the employee's parent, adoptive parent, grandparent, child adopted child, grandchild or sibling"

This provides legal recognition for various forms of families, including gay and lesbian couples.

The Department of Labour is taking further steps towards redressing discrimination at the workplace. The Department's policy proposals for a new Employment and Occupational Equity Statute emphasise the notion of employment equity. The proposals locate employment equity in the eradication of unfair discrimination of any kind in hiring, promotion, training, pay, benefits, and retrenchment in line with Constitutional requirements.

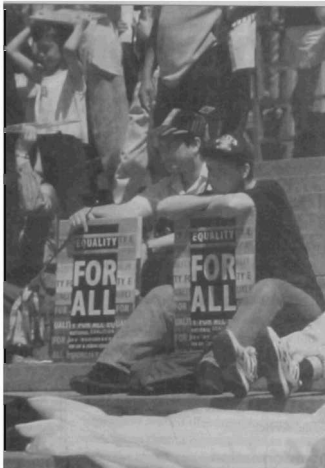
These are positive developments. If the proposals become law, then black people, women, the disabled and gays and lesbians will be legally protected against discrimination.

### Role of the unions

Legal changes are all very well, but very few gay and lesbian employees know their rights. At work, they keep their sexual orientation a secret for fear of victimisation. Their trade unions are not supportive. How many trade union federations have clear policies on sexual orientation and the workplace? Which trade union related institution (Ditsela, Naledi) includes sexual orientation and the workplace in its work?

### The way ahead

Employers, trade unions and the government must give concrete support to gay and



Gay and lesbian pride march, Johannesburg

lesbian equality in the workplace. The Coalition has mooted the idea that the Code of Good Employment Practice be attached to the new labour legislation. This will offer unambiguous legal protection for all gay and lesbian employees. Institutions such as Ditsela and Naledi should do research as well as education and training work which addresses the interests of gay and lesbian employees. Litigation must also continue, as it can establish important legal precedents. ★

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# Centre or sector?

*collective bargaining in the public service*

Public sector workers bore the brunt of apartheid discrimination. While white workers occupied the upper echelons of the service and participated in negotiations through their staff associations, black workers' unions were not recognised. Wages and working conditions were unilaterally imposed by the state.

But a new era is dawning. The establishment of the Public Service Co-ordinating Bargaining Council (CBC) in October marks a watershed in the struggle by progressive unions to transform the public service.

## Transformation

The CBC is the product of a long and complex legislative process. In 1994, the newly elected government undertook to overhaul public service labour relations as part of a broader transformation agenda.

A White Paper on Transformation was produced. It identifies the following priorities:

- restructuring and rationalisation (rightsizing) to ensure the efficient utilisation of resources;
- development-oriented institutions and accountable management;
- impartial and equitable service delivery;
- affirmative action to ensure representivity;
- democratisation;
- human resource development and training;
- closing the apartheid wage gap;

*The setting up of a new collective bargaining structure for the public service holds out the promise of the real transformation of the crucial sector. The project could, however, be derailed by narrow sectoral interests. Malcolm reports.*

- the promotion of equitable employment conditions and an inclusive system of labour relations

## Obstacles

Major obstacles stood in the way of its goals. The apartheid government left a legacy of structural and administrative problems. These include:

### *Over-regulation and centralisation*

The old public service consisted of 11 provincial and administrative levels, combined with a highly centralised management structure. This system created inequality between different provincial structures and the self-governing municipalities, and over-regulation at the centre.

### *Bureaucracy*

After 1994 a more participatory process of collective bargaining was introduced.

Progressive unions like NEHAWU and SADTU were brought in to wage negotiations. However, the apartheid culture continued to wreck bargaining initiatives. Workers belonging to the progressive unions occupied jobs at the lowest end of the scale. They were invariably at the receiving end of fixed budgetary allocations, the terms of which could not be meaningfully negotiated.

Meaningful change would require an overhaul of the entire institutional framework of the service.

### Bargaining constraints

The geographical spread of public sector workers and the volume of structural constraints has had serious implications for collective bargaining.

Unlike the private sector where bargaining is defined by bargaining units and employers within an industry, the composition of the public service is a lot more complex. Different sectors, levels of government and occupational groups are lumped together in a single industry, the scope of which is defined by an employment relationship with the state.

More than 20 unions negotiate with the state over a prescribed budget at sectoral and provincial government levels. The money available is set by the Ministry of Finance, which uses an arbitrary formula to allocate money to the different sectors. This allocation is more often than not determined by the power wielded by management in these sectors. Workers have little chance of exerting any influence.

The racial milieu and bureaucratic culture of public service management, which, to a certain extent, persists to this day, also circumscribes fair collective bargaining.

### Bargaining arrangements

The problem was made worse by the absence of a joint bargaining forum where

all parties could hammer out conflicts of interest. The 1994 Public Sector Labour Relations Act (PSLRA), set up three separate bargaining chambers - for police, educators and public service personnel. NEHAWU general secretary, Makgane Thobejane, recalls that during the 1995 negotiations conflict erupted between the different unions, which were all clamouring for a bigger share of the budget vote. This was repeated last year, when the settlement reached by NEHAWU in its bargaining council - the largest in the public service - was automatically extended to teachers and the police. This led to accusations from SADTU and POPCRU that the integrity of sectoral bargaining was being undermined.

### Challenges

NEHAWU, POPCRU and SADTU demanded that government address collective bargaining problems. They went further than this, however. Says Thobejane, "We repeatedly argued that wage increases and conditions cannot be negotiated in isolation from the broader transformation agenda."

A mechanism to drive transformation was an urgent requirement. For NEHAWU, POPCRU and SADTU, talk of transformation was not enough. "We needed the concrete transformation of the state machinery in the public service," says POPCRU general secretary, Jacob Tsumane.

On bargaining issues, the unions were caught between two positions. On the one hand, the different sectors had to be given the authority to agree on wages and conditions. However, if there was no co-operation at the central level, there would be continual conflict between the unions. "The trick," says Thobejane, "was to find a way of loosening up the over-centralised system of management and control under the old system without fragmenting the unitary bargaining structure of the public service."

## New structure

With the passage of the new LRA in 1996, the PSLRA fell away. The LRA was a major breakthrough. It extended fully-fledged collective bargaining rights to state workers. It also provided for the setting up of a single bargaining council (the CBC) which comprises of representatives of the state as employer and the different unions which sit in the three sectoral bargaining forums.

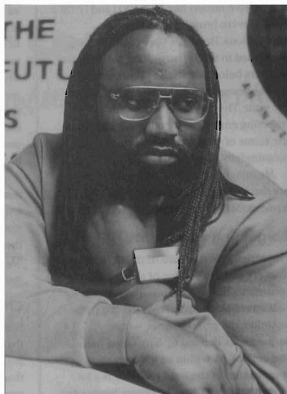
The CBC's function is to lay down uniform rules, standards and conditions of service across sectors. The ELRC, NNF and departmental and provincial chambers of the PSBC are granted the autonomy to bargain over specific sectional matters.

Measures are also provided to reduce the number of unions presently taking part in negotiations. To sit at the CBC, a union has to have at least 20 000 members. It is expected that there will now only be three or five unions bargaining in each forum.

## Issues

The constitution of the CBC does not sufficiently spell out what issues will be negotiated where. This has been left to negotiations between the parties.

The new bargaining arrangement is still in its infancy. A question mark hangs over its capacity to generate greater, structured, involvement by unions on a range of bargaining and transformation issues. In a forthcoming paper on the CBC, former Naledi researcher, Imraan Patel, argues that to develop and grow, the CBC will need to ensure control of the sectoral bargaining process without undertaking detailed bargaining. He writes: "This could be done by adopting framework bargaining agreements – for example, the basic shape



NEHAWU general secretary, Makgane T. M. M. M.

of the grading system – while leaving detailed discussion of the placing of occupational groups within this system to industrial councils. The CBC would also be open to industrial councils in the private sector, or, as Patel puts it, "a giant workplace forum". Principles, procedures and the parameters for bargaining would be set at the central level, leaving the parties to haggle over bread and butter issues in the sectoral bargaining forums.

## Framework bargaining

Whether or not such an arrangement will work for the public service remains to be seen. Recent experience points to the problems which might arise.

In April last year, the government unions and staff associations signed a year framework agreement in the ...



agreement, which was extended to police and educators, set overall conditions within which sectors could bargain. The aim was to "temper sectoral demands, harmonise the grading structure and stabilise the public service".

- *Service delivery*: Because the public service is a community concern, the need to link wages to improved productivity for the provision of an efficient delivery of services was recognised as a priority in the coming years.
- *Closing the wage gap*: The huge gap between the highest and lowest paid workers will be addressed by focusing on improving the minimum wage. Actual increases will be set at sectoral bargaining. It was agreed that an increase in the minimum wage by 30% last year would be followed by a further improvement of 18% this year and 15% in 1998.
- *Right-sizing*: Wage increases are in turn conditional on the government making adequate savings from a right-sizing process. In short, improved wages were traded off for a leaner public service.
- *Restructuring the grading system*: The parties agreed to a new system composed of 16 bands (the previous system was made up of more than 300 grades). This would also assist in reducing the wage gap.

In exchange for these undertakings, NEHAWU, SADTU and POPCRU, along with a number of staff associations, accepted inflation-based increases for the duration of the agreement.

## Problems

The agreement soon ran into problems. The right-sizing exercise was expected to release the money needed to fund the new grading system. But the government pleaded bankruptcy this year, arguing that provincial departments had overspent their budgets in the preceding year and that this absorbed

the savings. In June, government went ahead and signed a wage agreement with the staff associations. This agreement overturned a number of the provisions of the three year agreement. NEHAWU, POPCRU and SADTU declared disputes with the government and embarked on extensive protest action. In August and September the parties settled on an improved wage package.

## Tensions

Wages are not the only source of tension. The commitment of the various employee groups to some form of centralised bargaining remains in question. Last year, state advocates represented by the Public Servants' Association (PSA) complained that the new grading system discriminated against professionals and demanded a separate bargaining arrangement for legal personnel.

While most unions maintain that a co-ordinated bargaining forum is necessary to deal with cross-sectoral transformation issues, there are mixed views about the impact the CBC will have on sectoral interests. SADTU, for example, fears an erosion of the power and responsibilities of its sectoral bargaining chamber. According to the union, the "professional status" of educators and "culture of bargaining" in the ELRC is different to that of non-professional workers. POPCRU and the more conservative staff associations share these views. PSA general secretary, Casde van Rensburg, argues that a "forced coalition of interests" could result in the collapse of the CBC as sections of workers opt for separate bargaining arrangements. According to this view, the CBC should deal with as few issues as possible, while key negotiations take place in sectoral chambers.

Unions with more diverse constituencies like NEHAWU stand to gain from a more powerful CBC. NEHAWU hopes that the CBC will lay the foundation for centralised bargaining.

Thobcjane acknowledges that the standardisation of conditions, which the CBC proposes to undertake could have adverse consequences for white-collar workers. SADTU spokesperson, Kate Skinner concurs: "A concrete example of a problem that might arise could be around setting minimum wages. Whereas NEHAWU members fall within both professional and non-professional occupational classes, and many of them are concentrated in the lower ranks of the public service, the higher ranking members of SADTU.. could find themselves in a conflict of interest"

## Prospects

Can the CBC succeed?

Sectoral interests should not be an insurmountable obstacle. Patel has undertaken a study of Organisation for Economic Co-operation and Development (OECD) countries, which provides some useful guidelines as how to deal with these issues. He suggests that South African players consider adopting a model which maintains relatively centralised systems of wage determination, while seeking flexibility in areas like grading and conditions of service. Another option is to devolve management and pay decisions to individual government agencies and sectors.

The first strategy keeps strong control over wage determination, avoids competition between sectors and levels of government, but runs the risk of undermining collective bargaining. The second gives greater freedom to the parties to determine wages, but creates tension between competing sectoral interests.

In line with the objectives of transformation, the CBC could combine centralised control with a degree of flexibility at the sectoral level. The CBC would be voluntaristic - it would centralise some functions, but not assert its control over sectoral bargaining.

For this option to work, sectoral interests would have to be tempered. Unions need to pull together in the broad interests of a transformed public service.

## Cautions

The most difficult challenge will be to ensure that framework agreements are binding on all parties within the sector.

The constraints imposed by government's conservative macro-economic policy do not bode well for fledgling CBC. As Patel notes: "The structures and processes of bargaining happen during a time of constraining macro-economic policies, conservative attitudes on the role and responsibilities of the state, increasing use of privatisation and contracting-out, and reduced resources through rightsizing."

Along with expectations by communities for increased service, these tendencies can be expected to put tremendous strain on the fragile and developing process of collective bargaining. A great deal of compromise unions might be necessary.

For the next six months, the existing bargaining framework will remain unchanged, allowing the sectors time to adjust. In the meantime, there is a need to institutionalise the CBC to enable it to bind the sectors together. This could involve:

- cementing sectoral cohesion with unions through mergers and caucus bargaining arrangements;
  - providing material incentives, like special allowances for white-collar unions to remain within its fold;
  - defining explicitly the power and role of the sectors vis-à-vis the CBC.
- Without these, the CBC is likely to run aground, becoming a glorified dispute resolution forum for competing interests pitted against each other. ★

# Transformation and learning

## *an NUM perspective*

The South African mining industry is more than 100 years old. It has made a significant contribution to the economy of the country. However, it is a sector of extreme contradictions. It is a world leader in terms of mining technology, yet it has an horrific health and safety record. In the first 93 years of this century, 69 000 mine workers died and more than a million were seriously injured in accidents at work.

Accidents are strongly linked to a lack of education and training. This was emphasised by the Leon Commission of Inquiry into Health and Safety in the Mining Industry. The Commission's report, which was released in 1995, indicated that

- the industry has deliberately ignored education, training, health and safety in the pursuit of profits,
- the high accident rate is directly linked to the lack of education and training,
- the power to determine conditions in the industry lies overwhelmingly with mine owners,
- laws governing health and safety standards in the industry are not effective.

The Commission recommended adult basic education and training (ABET), new health and safety legislation and the establishment of a Mining Qualifications Authority (MQA) to help raise health and safety standards through education and training.

### Research

The NUM has been fighting for worker rights, including the right to education and

*The NUM has drawn up a comprehensive policy on education and training. The purpose is to use adult learning as a tool to transform both work and society!*

training, for many years. Indeed, the Leon Commission itself was a direct result of these efforts. In the wake of the Commission's recommendations, the union decided to conduct its own research on education and training needs in the sector.

In 1996, the NUM commissioned Adult Learning Opportunities (ALO) to assist with an ABET research project. The project was managed by a Steering Committee made up of representatives from different structures within the union.

Since the construction of knowledge is both a social and a political process, a social research approach was chosen. Workers and officials were interviewed and the researchers were taken on underground visits. Workers participated in analysing the information gathered. The research findings were disseminated through a national workshop, and through NUM structures.

### Findings

The current approach to ABET in the mining industry tends to define ABET as 'language



*Mine compound, Secunda: living and working conditions on the mines are appalling.*

and maths' and then disconnects them from the reality of the workplace, so that ABET becomes a form of social responsibility. The NUM's research confirms the theory, put forward by a number of scholars, that really useful knowledge transforms workplace relations by redistributing knowledge and skills.

If ABET is to really make a difference, it cannot be thought of in isolation. It must be linked to other strategic concerns. During the course of the research, workers identified factors that constrain learning on the mines, including:

- poor industrial relations;
- little sharing of information;
- pressure to meet productivity targets;
- little support for health and safety;
- union bashing,
- deliberate (often racist) blocks to career-path progression.

The research also challenges many of the assumptions on which current forms of ABET are based. For example, much is made of the lack of a 'multi-skilled and flexible workforce', yet workers' knowledge such as the ability to detect a mud rush or pending rock fall is ignored. It is assumed that useful

learning only happens in English. This ignores the reality of the workplace value of a multi-lingual approach. Black workers are not the only ones who attend ABET to 'catch up'. Many managers also attend ABET courses in an African language.

## Policy

The union has gone on to develop the Adult Learning Policy. In terms of this adult learning is a tool that workers use to transform work and society. It leads to

- better working conditions,
- the abolition of discrimination;
- the development of a culture of respect;
- a healthy and safe working environment;
- access to career paths,
- holistic personal development;
- joint governance of the industry;
- a productive and efficient industry;
- a multi-lingual workplace;
- a strong NUM branch at every mine.

The Adult Learning Policy sets down the values that underpin the NUM's approach to adult learning. These values have been enshrined in the South African Constitution and won through a hard and long struggle.

they are human dignity, equality, freedom and democracy

The Policy provides a framework for all education and training activities in which the union is involved, including internal union education, our work in COSATU and Ditsela as well as the MQA

### The MQA

The MQA's task is to develop and monitor nationally registered education and training standards and qualifications for the mining industry and promote their utilisation. It is a tripartite body, with equal representation from the state, employers, and employees. As the major union in the industry, the NUM holds the majority of employee seats.

While the MQA was established as a statutory body in mid 1997, a voluntary MQA has been in place. As a result, the NUM has been deeply involved in MQA-related activities for at about two years.

To date, attention has focused on ensuring that the MQA is the kind of institution we want to see in a new democracy. As the structures of the state are slowly transformed, the union has gone all out to ensure that the MQA's ways of

working are democratic and equitable. We have insisted on regulated and accountable processes, through the development of an agreed constitution, and through the development of a policy which binds stakeholders to the values of equity, redress, transparency, democracy, informed participation, quality, and equality in

partnership.

The NUM has fought particularly hard for a vision that goes beyond a training framework, to one which provides opportunities for fundamental change. It has succeeded in this task.

The MQA policy document now reads: "Our vision is a *safe, healthy, productive and competitive industry* in which people have access to the *education and training* they need to *participate fully and safely* in their work and in *broader society*". This will require the distribution of education and training to *redress* past inequalities. The creation of a new framework for education and training is one strategy aimed at reaching this vision for the mining industry" (italics added).

### Setting standards

The union has been searching for approaches to qualifications and standards that will allow such a vision to be achieved.

The South African Qualifications Authority (SAQA) Act was passed in 1995, and SAQA was put in place in August 1996. The Act makes provision for a National Qualification Framework (NQF) that will



Adult learning standards must recognise what workers already know

register standards and qualifications. The Act defines both a standard and a qualification in sufficiently broad terms for ongoing debate about how they will actually be conceptualised in the MQA framework.

The debate on qualifications has been heavily influenced by the experiences of other countries, particularly the United Kingdom, New Zealand and Australia. The NUM is looking for standard-setting approaches that are broader than narrow production-focused, competency-based (outcomes analysis) approaches. Our concern is for broad standards which can encourage the development of what has become known in South Africa as 'reflexive competence', 'foundational competence' and 'practical competence' (see box).

We need to find ways to develop standards that also recognise what workers already know, including those forms of knowledge that are critical to safety in the industry and yet seemingly impossible to describe in words.

We intend to arrange standards in pathways which take people from the knowledge and skills that they already have to those which they seek. We want an approach that can advance the NUM agenda for a transformed industry.

## Qualifications

The search has also been for a qualifications model which fits the purpose not only for work in the mining industry, but for other goals, such as citizenship, the development of a democratic society and sustainable

economy, improving housing, organising labour, and (unfortunately, many) a life beyond the mining after retrenchment.

The NUM ABET research has clearly demonstrated that the potential is even at the lowest levels of the NQF. The qualifications we seek are those which embody the multi-lingual nature of our society, the diversity of knowledge and the integration of knowledge and skills. These kinds of qualifications are the only sort which could truly change the nature of our industry and our society.

## The challenge

The NUM's participation in this tripartite project is making huge demands on our union. Capacity building and coordination of our activities are critical to the effective participation in the MQA. Liaison with COSATU and other affiliates is also necessary. Labour as a whole needs to share experiences, develop common standards and ensure a co-ordinated approach to the NQF.

We cannot allow a *laissez-faire* attitude to qualifications and standards. This is to maintain the *status quo* and allow those who already have resources to set the education and training agenda. Developing a new policy and proper mandating is difficult and time-consuming when so many other issues are on the union agenda. However, carefully considered participation is essential if we are to avoid merely stamping decisions without understanding

## Definitions

*Reflexive competence* has been defined by the Education, Training and Development Practices (ETDP) Project (a pilot project of the National Training Board) as "demonstrated ability to integrate or connect performance with an understanding of that performance so that we learn from our actions and are able to

adapt to changes and unforeseen circumstances".

*Foundational competence* is "demonstrated understanding of what we or others are doing and why".

*Practical competence* is "demonstrated ability to perform a set of tasks".

## Goals for a New Mining Industry

### Conditions

- All workers earn a living wage and enjoy other benefits,
- all workers have decent accommodation,
- all workers have employment security

### Industrial relations

- Discrimination is abolished in the workplace and a new culture created in which every person is treated with respect and is valued,
- an industrial relations culture that embodies respect and support for each person, that enables a viable industry and ensures that the other goals can be met, is developed

### Health and safety

- Every workplace is a safe and healthy environment

### Human resource development

- Quality education and training and human resource development is provided for all, so that people are empowered for full participation in their social, economic and political lives and in further learning
- workers have access to and are able to progress up career paths in the industry and into other industries

### Governing the Industry

- Joint decision making by workers and employers is established on all issues at each workplace,

- the NUM participates fully in tri-partite structures that govern the industry at a national level
- relevant information is shared between co-workers, and between employers and workers

### New times, new work organisation

- The workplace is organised to increase worker participation and to make it safe, productive and efficient

### Mining as the backbone of the economy and an industry that takes care of the way it affects people outside it

- The industry is committed to being a part of a national strategy for economic development,
- the role and dignity of mineworkers is respected
- communities around each workplace are involved in the decisions that affect them,
- the industry takes care of environment

### Strong branches and a union agenda

- There is a strong and empowered NUM branch at every workplace and a clear union agenda

### Language

- The fact that the workplace is multi-lingual is recognised and all workers' languages are valued

their real implications for our members. Our challenge is to make strong intentions that ensure that the new education and training framework serves the larger transformation agenda. ★

*This is an edited version of a paper presented to the 20th National Conference of the Australian Council for Adult Literacy held in Sydney in October. The paper was jointly written by the NUM and ALA*

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# Nedlac's social pl

## *dealing with mass job losses*

Simon Thamae and nine others returned to the little Lesotho village of Ha-Ramabanta earlier than usual this year. As each man slowly picked his way home, he carried with him the heavy feeling that had hung in the air for much of the journey from Vaal Reefs. Simon remembers the moment when he had to face his mother, his three siblings, his wife and his three kids - every one of them dependent on the job he had just lost.

"My family were not even aware of the retrenchments, they just saw me coming. There was a great pain because I was the only breadwinner," he recalls "People in the village used to respect me a lot when I was working because they thought I could do things that they couldn't do. They said 'if only Simon can marry my daughter'."

Seven years' digging for gold earned Simon R3 000 in retrenchment pay "I used my money to start a spaza shop, but all my friends wanted to pay on credit," he says "I allowed it because they were the people of my village but I could not get them to pay me. I decided to close because the money was going and it was becoming a war"

Tsabo Tlhakola was also a miner. After working underground for 16 years he was retrenched 10 years ago "Sometimes I spend a whole day without eating anything," he says "I drink water only if I get a piece of job I buy myself half a loaf of brown bread. Sometimes I get R5, sometimes R10. Everyone pays the way he wants to pay"

But as much as the emptiness of 17 aches, the sharpest pain is the one in his heart. "The kids are still innocent and respect me. But the wife does not respect me as she used to when I was still working. The good relationship we had before is not more there."

### Large-scale job losses

Over the last ten years, there have been major job losses in a number of industries. This is particularly evident in the mining industry. It is estimated that, since 1995, the mining industry has shed 250 000 jobs. In the Free State gold-mining area at the end of the decade employed 100 000 workers. Current employment stands at 60 000.

Since early 1996, a task team in Nedlac has been negotiating a social plan to deal with large-scale retrenchments. The task team seeks to develop guidelines and mechanisms which will facilitate a social plan approach to job losses; it also seeks to limit the impact of retrenchments. It recognises that the loss of jobs is unavoidable and to support economic alternatives for people who are affected.

### Support services

The government, through the Department of Labour, is proposing to make a range of support services available to enterprises and workers experiencing retrenchments. Employers and unions wishing to use these services could approach the Department of Labour.



Labour's employment service centres in their area. These services include counselling to assist groups of workers to adjust to unemployment. Information and advice will also be made available on, for example

- the job market,
  - support measures, for example, unemployment insurance and occupational health services;
  - local economic development programmes which might benefit retrenched workers;
  - available re-training programmes.
- The extent of the services offered will depend on how much time and funding is available.

The Department of Labour has also proposed a national skills fund, which will offer training on a preferential basis for retrenched workers. The fund would include contributions from both the public and the private sectors. Sectors would access these funds through their relevant sector education and training organisation (previously called training boards).

In 1996, Nedlac's Labour Market Chamber reached agreement on an amendment to the Insolvency Act, in terms of which employees' financial claims against an insolvent employer will in future receive considerably more preference than is currently the case.

This agreement brought South African law in line with International Labour Organisation convention 173, called "Protection of Workers' Claims (Employer Insolvency)". The ILO adopted this convention in 1992 after recognising that legal systems across the world fail to adequately address the position of employees of insolvent companies.

Workers often have no choice but to provide their labour on a credit basis in that they only get paid after providing labour to an employer. The agreement Nedlac has reached redresses this existing imbalance

between powerful and powerless creditors.

Government is offering additional assistance through the Department of Constitutional Development. Lael Bethlehem, co-ordinator of policy and research at Nedlac, explains "The Department of Constitutional Development has a fund to assist local governments to develop local economic-development plans. The department has indicated that some of this money could be used for areas experiencing large retrenchments."

The Department of Trade and Industry has developed a package of incentives which will assist individual firms and groups of companies which face economic problems.

## Dealing with retrenchments

Labour recently proposed a managed approach for dealing with retrenchments. It suggests six practical steps, which include:

- avoiding job losses through ongoing discussion and information disclosure,
- an independent evaluation of alternatives to job losses,
- retrenchment training via the national skills fund,
- government assistance to local economies.

There is much debate about the need for an independent evaluator. The LRA requires that alternatives to retrenchments be considered. Organised labour argues that an independent technical evaluation of the options available to a business will give real meaning to this clause. Others feel that an enterprise or business should make its own decisions without outside interference.

While issues like the need for an



independent evaluator need to be negotiated, all parties agree that assistance in the form of resources and services must be made available to people and communities affected by mass retrenchments.

Adrienne Bird of the Department of Labour highlights the issue.

"People in employment are in work routines, they have skills and they are to absorb into the labour market. There are large-scale retrenchments, communities are affected. Unless we find ways to facilitate workers' smooth transition from one kind of employment to another, we can't restructure the economy."

## Demarcation: developing principles

Thabo Malulatsi works for a company which makes plastic tables and chairs. To make the chairs they use a metal mould. Which sector does the business belong in? Does it fall under metals or plastics? Maybe it belongs under furniture, which is the end product that they are making. Maria Matshoba works on a dairy farm. She makes cheese which involves a chemical process. Does this enterprise fall under agriculture or manufacturing?

Demarcation is an important issue. It will determine which companies are grouped together in an industry or sector for bargaining purposes.

Fanie Ernst, manager, group labour relations at Sasol, explains:

"Demarcation will determine how businesses and industry are to be structured in the future. The way a company is demarcated can impact on its future viability."

Demarcation is also a sensitive issue. Liesel Köstlich, co-ordinator of Nedlac's Labour Market Chamber, explains:

"Demarcation determines the structure of collective bargaining, which will also have an impact on trade-union representation within sectors."

Wages and employment conditions vary in different sectors

So where a company is 'placed' can also affect its employment costs.

Labour generally prefers a broader demarcation of sectors to cover an industry. For example, COSATU's sectors include:

- agriculture and forestry;
- food;
- electricity;
- finances and insurance.

Business argues against the traditional classification of industries into:

- primary (such as agriculture and mining);
- secondary (such as manufacturing);
- tertiary (such as wholesale and retail services such as catering).

Business believes this standard industrial classification, used by the Central Statistical Services, is too wide. "You can't group industries," Fanie Ernst, who is also a business representative on Nedlac's demarcation negotiating committee, believes. "Industries with similar interests should be grouped together."

### The LRA

The LRA gives Nedlac a crucial role in the demarcation of sectors. Applications to register new councils or to change the scope of existing ones will be referred to Nedlac by the registrar of labour relations along with any objections and comments.



from the public. Nedlac's role is to consider the applications and then demarcate that sector accordingly. If Nedlac fails to agree within a 90-day period, the Minister of Labour must make the demarcations.

To date, demarcation applications have been received from six sectors: the textile-manufacturing industry, the sugar-manufacturing industry; the clothing industry in northern KwaZulu-Natal, the SA manufactured fibres bargaining council, the road-transport industry (goods) and the clothing industry bargaining council in the Western Cape. Most applicants have applied to increase the scope of their registration.

Other types of applications may include:

- registering a new bargaining council,
- amalgamating existing councils;
- modernising definitions of sectors of existing councils that have become outdated.

## Principles for determining a sector

To ensure fairness, Nedlac's Labour Market Chamber set up a working group to develop a set of guidelines or principles for Nedlac to use when considering a demarcation application, as well as the Nedlac procedure to be followed and the establishment of a standing committee. The working group has reached consensus on draft key principles and broad criteria which will be adopted if they pass through the parties' internal mandating processes.

If the working group's recommendations are mandated by the parties, these would have been tabled for ratification at Nedlac's Executive Council meeting on 28 November. Only thereafter would the principles and criteria be implemented.



# Planning for jobs summit takes off

Apartheid has left South Africa with several economic challenges: low economic growth, high poverty rates and income inequality, and a chronically high rate of unemployment - variously estimated at 20-33% of the economically active population.

The urgent need for a high profile summit at which all stakeholders can present the contributions they can make to solving the unemployment crisis was first raised in the final report of the presidential commission to investigate labour market policy, published in June last year.

As part of its argument that the country needs an accord for employment and growth, the commission urged that a Presidential Jobs Summit, involving all the social partners, be convened as a matter of

urgent priority.

"The Summit," the report adds, "should be used to urge both business and labour to renew their commitment to social partnership in economic affairs, and to make this commitment manifest by reaching agreement on the agenda, institutional arrangements and timetable for the negotiation of a comprehensive Accord for Employment and Growth."

At the annual Nedlac summit in June 1996, a resolution was adopted which stated that "central to addressing these (three defining) challenges (for Nedlac) is the critical need for rapid and sustained employment creation, of better jobs for those already in



employment and the accelerated alleviation of poverty. These remain the key priorities for the Nedlac constituencies."

Government formally tabled its proposal for a job summit at the August Executive Council. The meeting agreed that the summit, to be convened by President Mandela, would be the culmination of a process of consensus-seeking in Nedlac on the ways in which jobs can be created. To begin planning for the summit, the Executive Council agreed that a special meeting of the Nedlac Management Committee should be convened.

Delegates to the Executive Council were unanimous that the summit itself should not be used to negotiate issues. "We must have finished the negotiations by the time we get there. The summit should be the culmination of all role players' internal deliberations about the contributions their organisations can make to an employment strategy," Labour Minister, Tito Mboweni, remarked.

COSATU General Secretary, Sam Shilowa, said the national peace accord process of 1993/1994 was the most useful example on which to base preparations for a jobs summit. "(During that time) we had similar processes in constituencies and extensive engagement, and it took us a

considerable amount of time. There is an urgent need to respond to the unemployment crisis in our country and don't have all the time in the world. We need to ensure that we design it in such a way that we actually deliver concrete and viable programmes by the end of the summit."

A special meeting of the Management Committee in September established a stand-by technical committee to prepare an agenda for, and the issues to be considered at, the jobs summit. The technical committee members are Guy Mahone (government), Siphwe Thusi (community), Neil Coetzee (labour) and Jim Buys (business).

At the end of October, a special Management Committee meeting was presented with a report on the work held by the technical committee. This report also looked at the issues that make underemployment and unemployment a long-term, structural problem.

An expanded technical committee met again in November to formulate a proposal to the Executive Council meeting.

This proposal aimed to identify possible areas on which agreement could be reached. It also aimed to recommend a timetable within which preparations for the jobs summit should be completed.

The agreed proposals will then be tabled at the first Executive Council meeting of 1998.

## The Nedlac work programme

### Demarcation application

Nedlac has received an application to vary the scope of the national bargaining council for the textile-manufacturing industry. On 10 October the Labour Market Chamber

agreed on an appropriate sector and area of the industry.

### Labour Court judges

A joint Nedlac/Judicial Services Commission selection committee has agreed to

recommend two judges for appointment to the Labour Appeal Court and three judges to the Labour Court to fill vacancies in these structures. The Judicial Services Commission has made a recommendation on the appointment of the judges to the Minister of Justice who will, in turn, advise the President.

### **Skills development negotiations**

Negotiations on the skills development bill started at the beginning of October. The parties identified core areas for negotiations and started working through these throughout October. The process was adjourned to allow the parties to consult their principals, and started again on 12 November. The negotiating process will be concluded in time to allow government to table the bill in Parliament at the beginning of the 1998 parliamentary session.

### **Focus week on crime**

As part of the Development Chamber's ongoing efforts to strengthen community-level programmes against crime and violence, the idea of a week-long focus on existing and emerging anti-crime programmes was raised. After meeting with the secretariat for safety and security, the chamber agreed that the focus week would be conducted on a province-by-province basis. The Gauteng focus week was launched on 22 November with the national men's march against the abuse of women and children in Pretoria.

### **Rural-sector workshop**

The rural component of the community constituency held a workshop on 10 October aimed at broadening the representation of rural organisations in Nedlac. Fifty representatives of various national and regional rural organisations attended the workshop. The workshop delegates agreed to work towards the launch of a national co-ordinating structure

for the rural sector by July 1998. An interim committee has been established to manage the process.

### **Trade negotiations with EU**

The Trade and Industry Chamber's technical sectoral liaison committee has been discussing issues relating to the trade negotiations between South Africa and the EU to help formulate South Africa's negotiating position. A comprehensive working document has been prepared and has been mandated by the chamber. Negotiations continued on 30/31 October and 3/4 November.

### **Fund for research agreed to**

The Executive Council meeting of 29 August agreed to the establishment of the Fund for Research into Industrial Development, Growth and Equity (Fridge), which will replace the Japanese Grant Fund (JGF). The JGF will be wound up at the end of this year, but Fridge will continue to provide funds for research until 2001.

As a result of the agreement on the establishment of Fridge, several million rand will be made available for research aimed at addressing workplace change, efficiency and equity in a changing international economic environment.

### **Competitiveness co-ordinating committee**

The Trade and Industry Chamber has agreed to establish a committee to integrate initiatives linked to cluster studies, including the Workplace Challenge project, the JGF and Fridge. Government has started a capacity-building programme to inform and educate all constituencies about cluster initiatives.



## *SAMWU: ten years on*

**S**AMWU's 5<sup>th</sup> national congress in October coincided with the union's 10<sup>th</sup> anniversary

In its deliberations, the congress fell in line with an emerging trend in union conferences. Very little time was spent on lengthy socio-economic and political debates. Resolutions on these issues were, in fact, reaffirmations of long-standing union policy positions. The bulk of the debate was taken up with what is increasingly becoming 'core union business'.

The launch this year of the new National Bargaining Council (NBC) for the local government sector was cause for celebration. Whereas many of the core challenges around local government restructuring like job grading, closing the wage gap, and service delivery were previously difficult to deal with in a strategic way, a resolution to develop a common bargaining strategy promises to strengthen the union's influence in the restructuring process.

### **Anti-privatisation campaign**

In a hard hitting attack on the government's privatisation stance, SAMWU president, Petros Mashishi, urged delegates to use the NITC to intensify SAMWU's anti-privatisation campaign.

Discussion on this issue was preceded by a controversial speech to the congress by SANCO general secretary, Mbongeni Ngubeni. Angry delegates slammed Ngubeni's support for the rationalisation of

*by Malcolm Ray*

local government, sub-contracting and public-private partnerships in the delivery of services as nothing less than a "new form of privatisation".

Questioning whether Ngubeni had mandate from workers and the community to support privatisation, one delegate accused the SANCO leadership of "being a black bourgeoisie using the euphemism of black economic empowerment". He said while the union movement had been thrown into disarray by the government's privatisation stance, it was "pure opportunism for community leaders to contribute to the exploitation of workers and black communities".

In the end, delegates resolved to oppose all forms of privatisation in favour of "community control with union involvement" for the delivery of an efficient and equitable service.

### **Union investment**

Delegates expressed clear misgivings about union investment companies, arguing that they "contradict the union's fight against privatisation". It was resolved that "SA will oppose schemes which merely allow self enrichment and the creation of a class of black capitalists".

Delegates were not against investment flowing from the union provident fund

"provided that investment decisions are informed by and are part of an overall strategy for building socialism" It was not clear what this means It is interesting to note that no reference was made to the September Commission's recommendation on investments and a strategy for building socialism The union is expected to "set its own guidelines" on this issue in an on-going debate

### Socio-economic policy

Debate on GEAR and other socio-economic issues was provocative, and revealed a growing level of maturity among workers Although there was no doubt in delegates' minds about rejecting GEAR, a number of regions questioned whether it was appropriate for the congress to deliberate on "GEAR in its entirety". Some delegates pushed for a principled rejection of the elements of GEAR that affect public sector workers

SAMWU general secretary, Roger Ronnie, says the debate was over how best SAMWU could mobilise its membership to fight the "concrete manifestations of GEAR". Says Ronnie, "Instead of simply reaffirming COSATU's resolution and SAMWU policy positions on the matter, there was a clear realisation among delegates that GEAR is not a monolith A principled rejection of it would have to be backed by a concrete programme of mass action to counter its impact on (municipal) workers"

### Tripartite alliance

Predictably, a resolution to "bring the ANC in line with its constituency" was unanimously accepted The congress cautioned against the ANC's "policy shift from the RDP".

After considerable discussion, delegates backed COSATU's call for an alliance summit based on a concrete programme to adequately address the needs of the poor. None of the union's regions raised the

possibility of an alternative to the ANC.

This is despite the fact that municipal workers are more directly affected by the ANC's conservative policies than workers in the private sector. Their frustrations were clearly articulated in a resolution which noted that "workers are disillusioned and demotivated as a result of the ANC-led government's adoption of anti working class policies such as privatisation"

### 1999 general elections

Even though SAMWU pledged its support for the ANC in the 1999 general elections "as the only vehicle for transformation", a comment by a Gauteng branch delegate revealed strong reservations about the continuation of the alliance. "Workers will not be bound by resolutions which do not correspond with conditions prevailing on the ground. Municipal workers, in particular, are under attack by privatisation which relies heavily on capitalist investment and very little on the popular participation of workers for the redistribution of wealth - sooner or later the political choice will be narrowed to an alternative," he said

### Public sector merger

In order to strengthen the position of workers in the public service, the congress supported COSATU's call for an investigation into the suitability of a 'super union' for all public sector workers. In the meantime, regions agreed to establish "public sector co-ordinating committees" which will enable workers to unite around joint campaigns

Other resolutions included building women leadership by ensuring their representation in all meetings and structures of the union, reviving the Masakhane campaign for local government service delivery and striving to build international working class solidarity against the negative effects of globalisation. ★



# Technological *friend or foe?*

**I**ndustrial restructuring is cropping up more and more on bargaining agendas. A key feature of this restructuring is the introduction of new technology.

Many companies view technology as the key to survival for South African industry. They hope that technology will improve productivity and enhance company performance and competitiveness. For workers, however, technological change represents an unknown threat – they fear the effect it may have on their jobs.

What effect does technological change have on employment levels and job creation? What new skills will it require and what are its implications for worker participation and industrial democracy?

A survey conducted in the first half of 1997 by the Trade Union Research Project (TURP) found that shopsteward perceptions and perspectives on technological change were influenced by five factors:

- the extent to which shopstewards meaningfully participated in technological change;
- the impact on industrial health and safety;
- whether or not technological change resulted in workforce reduction;
- the extent to which shopstewards received information from the company and the union on the implications of the change;
- the extent to which the workers would share in the rewards of technological change.

*Are new technology and job creation incompatible? Gary Pbillips argues that unions improve workers' lives by ... control of technological change.*

The research, jointly commissioned by the Food Science and Technology Division of the Council for Scientific and Industrial Research (Foodtek, CSIR) and the Food Allied Workers Union (FAWU), involved a six-month pilot project into technological change in the food processing and beverage sector. The project aimed to develop strategies for dealing with technological change and investigated a role for the union in facilitating such change.

- The study had a number of components:
- how to equip shopstewards to deal with technological change;
  - initiatives by trade unions and representative bodies around the world to empower workers and shopstewards to resist technological change;
  - initiatives by scientific research institutes, similar to the CSIR, around the world to empower workers and shopstewards.

## **The shopsteward's dilemma**

The survey pointed to a high degree of concern about technological change in the sector. When



was clear that these changes introduced uncertainty and insecurity to the shopstewards, the survey recorded a number of positive aspects that the respondents saw in technological change.

For example, 72% of the shopstewards agreed that technological change opened up opportunities for more skills and 86% found that it made their work easier through the carrying of heavy material. On the other hand, many feared that technological change would lead to unemployment and increased job insecurity.

This dilemma was expressed best by one shopsteward who said that as a worker he welcomed technological change but as a shopsteward he feared job loss as a result.

In companies where there was higher worker participation in technological change, where the change resulted in improved health and safety, where the change did not result in retrenchment, where shopstewards felt empowered to negotiate the change and where rewards from such changes were shared with the workforce, the respondents tended to be more positive towards the introduction of new technology.

### **Involvement**

Around 46% of the shopstewards reported that they were aware of management plans to introduce new technology in the next year, but little over half of these were involved in such plans.

Some form of consultative forum existed at 66.2% of the 30 workplaces covered by the survey, but less than a third of the forums were consulted on technological change. In most cases, consultation only took place after new technology had already been introduced. One management representative said that his company consults the union on the process for introducing the new technology (the 'how'), but not on the technology being introduced (the 'what').

### **Job security**

The macro-economic context within which technological change occurs will, to an extent, determine its impact on employment growth. Currently, technological change seems to be serving the purpose of 'rationalisation'. Employer submissions to the recent Labour Market Commission confirm that productivity-enhancing measures such as work reorganisation and new technology are accompanied by downsizing and significant job loss.

The survey did not establish a definite link between job loss and the introduction of new technology. It is clear, however, that shopstewards perceive such a link. Just over 40% of the shopstewards interviewed saw the main reason for the introduction of new technology as the replacement of labour. Workers felt more secure in companies where the introduction of new technology was accompanied by re-training.

### **Management**

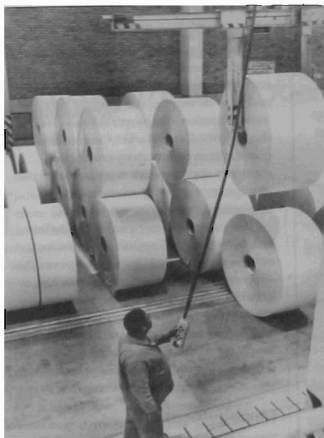
The management survey was too small to provide an indication of major trends in employer thinking. Their views, however, seemed to confirm shopstewards' fears.

The management respondents were certain that the introduction of new

### **The survey**

Two separate surveys of 145 FAWU shopstewards and 20 human resource managers in the food processing and beverages industries were conducted in the Durban area. Forty-eight trade unions and related education and research bodies and 12 scientific research institutes were contacted in 21 countries. About half of these, including unions from the US, Canada, Europe, Australia and New Zealand, responded.

The study was a pilot project intended to inform further such initiatives. The research was funded by Foodtek.



*New technology can make work easier.*

technology leads to definite improvements in productivity, working conditions and task complexity. They do not, however, see it resulting in job creation. Only six of the 20 respondents felt that employment levels would increase or remain unchanged as a result of the introduction of new technology. Seven expected that employment levels would decline.

There is an urgent need for training programmes so that workers will acquire the 'know-how' and the 'know-why' of the machinery they operate.

### **International experience**

Globalisation has changed the nature of work and put trade unions on the defensive. New technology is part of this trend. It can lead to deskilling, insecure employment

(such as sub-contracting and casualisation) and... Information technology (software, computer and communications systems) is also having a major on companies.

From the international survey appears that there are three interrelated trends in trade union responses to technological change.

In each trend, union activity is centred on five areas:

- the development of policy;
- the development of guidelines;
- the protection and health and safety;
- attempts to reform laws technological change;
- the development of educational capacity-building dealing with technological

### **Confronting change**

The first trend involves how to confront technological change through focusing on...

understanding deskilling, globalisation, reorganisation, sub-contracting, casualisation, home work and restructuring. The Canadian trade unions, through Technology Adjustment Research Programme (TARP), have undertaken research projects on this subject.

### **Training**

The second trend is a response that attempts to engage globalised capitalism and industrial restructuring. Finding jobs are threatened by increased global competition, trade unions have pushed increased training opportunities and development to protect jobs and job security.

In the United States, the AFL-CIO developed the strategy of 'high

performance' workplaces which they hope to implement as an alternative to current restructuring.

The unions themselves are venturing into the field of skills training. There has been a discernable shift away from the old union 'political education of the 1970s (which focused on policy formulation and negotiating skills) to vocational training.

Unions in Australia and New Zealand have developed skills-based grading systems, national qualifications systems with accredited and inter-industrially recognised skills training and career pathing. They are putting forward concrete plans for upgrading workplace skills in their efforts to build a 'high wage, high skill' economy. They are working in partnership with employers to achieve this goal.

Government and labour in South Africa have borrowed many of these ideas. The Department of Labour's green paper on skills development is based to a large extent on the Australian experience. COSATU unions are also demanding skills-based grading systems.

Demands for vocational training and skills development can counter the

'competitiveness through technical enhancement' strategy favoured by employers. Such strategies, while being more worker friendly, do not necessarily contradict employer demands for increased flexibility.

#### *Worker participation*

The third trend is a response which attempts to own technological change through worker participation. The Scandinavian tradition of trade unionism has been one of co-determination. LO Sweden (the Swedish confederation of trade unions) has concentrated on the relationship between workers, technology and work organisation to improve working life.

Many of their initiatives are undertaken in partnership with employers and government. They reject technological 'fetishism' and push for a 'learning organisation' approach to restructuring. They insist that workers should be involved at every level of technological change and that whenever technology is introduced it must take into account worker needs and skills.

Research done by the European Foundation for the Improvement of Living



*Information technology is also having a major impact.*

and Working Conditions has found that high levels of worker participation in technological change ease the uncertainties created by the process and reduce the negative consequences of such change.

### Supporting technological change?

While some would argue that technological change leads to increased employment opportunities, there is also evidence that it contributes to job insecurity.

The shopstewards surveyed recognise the value of technology. They are aware that technological innovation could improve their working lives.

While defending workers against the negative effects of technological change, trade unions can improve workers' lives through demanding technological change which:

- increases the technological capabilities of the workforce;

- leads to worker empowerment through 'ownership' of the technology in the workplace;
- strengthens job security;
- improves health and safety;
- will lead to macro-economic development.

Research and development must find a place on the shopfloor, where the views of the end users of technology can be drawn upon. Technology which is appropriate to the needs of the workplace should be developed or, if necessary, imported.

As partners, in consultation with trade union and government institutions, labour and management can shape their workplaces into competitive, productive and development spaces. Technology should not be seen as an opposing goal to job creation. ★

*Gary Phillips is a researcher at TURP. This is an edited version of the research report*

## Agenda's issue 35 The Labour Market

- Labour reform: addressing women's needs?
- COSATU Congress: did women reject the quota?
- Equal pay proposals
- A labour policy for all
- Atypical workers outside the net
- Domestic workers: employees or servants?
- Gallop's place: focus on homeworkers



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# Victory for SADTU

**O**n 9 October the General Secretary of SADTU, Thulas Nxesi, made a hard hitting presentation to Parliament's Education Portfolio Committee. He was commenting on proposed amendments to the South African Schools Act. These extend the powers of school governing bodies to allow parents to employ extra teachers over and above staff already provided for by government. Such teachers would enter a private employment contract with the governing bodies

## SADTU's position

Nxesi pointed out the amendments could result in a "two tier system of privileged and under-privileged schools". SADTU has long campaigned for reasonable teacher/pupil ratios in all public schools. The union is concerned that government is renegeing on its responsibility to employ teachers and to ensure that there are sufficient numbers of teachers in all public schools.

The amendments could create a two tier system of public schooling. The overwhelming majority of children are in township, informal settlement and rural schools. These schools do not have the capacity to raise funds to employ extra teachers. Deciding who to employ is also beyond the capacity of the mainly illiterate parents who sit on rural school governing bodies. The amendments would perpetuate the inequalities of the past - schools in previously privileged areas would be able to employ extra teachers and schools in poor areas would remain over-

by *Kate Skinner*

crowded and impoverished.

The amendments could also create major problems for education labour law. Who would represent these 'extra' teachers at the Education Labour Relations Council (ELRC)? Would collective bargaining agreements be automatically extended to include them? Many of the gains made by teachers could be rolled back. Downward variation of labour standards could be introduced. Schools could exploit teachers on private contracts, employing them at rates of pay inferior to those paid to state-employed educators, or they could employ teachers at superior rates of pay. Teachers with scarce skills, such as maths or science, could be enticed away from the rest of the public school system.

## Options

SADTU faced three options:

- stick with its original position and reject the amendments,
- allow the amendments to pass through as is,
- allow the amendments to pass through but with certain conditions.

SADTU rejected option two outright. The union then deliberated on the implications of options one and three. It eventually had to reject option one. The union realised that government was determined to pass the amendments and that there is very little



*SADTU is campaigning for reasonable teacher:pupil ratios in all public schools.*

room to manoeuvre. The Constitution gives parents substantial powers to influence their children's education.

The union decided to accept the amendments on condition that the number of teachers employed over and above the staff establishment should be no higher than 10% of that establishment.

In return, the state agreed to protect the labour rights of all teachers. ELRC agreements will apply to all teachers. All teachers will also have to meet the minimum qualifications standards laid down by the South African Council of Educators (SACE).

### Other issues

The amendments also deal with problems arising from a high profile court case. Grove Primary, representing 80 ex-Model C schools, won a case against the government over the appointment of teachers in June this year (see *SA Labour Bulletin* Vol 21 No 4, August 1997). This threw the rationalisation of education into disarray. Teachers on the redeployment list were now no longer guaranteed employment.

Retrenchment reared its ugly head

The amended Act states that staffing policy will be subject to negotiations in ELRC. Prior to this the Minister was to negotiate with each governing body - there are currently more than 27 000 school governing bodies! The government has introduced a notion of 'transfers'. Teachers on the redeployment list will now no longer be considered as new teachers, but will simply be transferred to schools where they are needed.

Finally, government has introduced a set of staffing criteria. School governing bodies will now have to consider the values and principles enshrined in section 195 of the Constitution, i.e. ability, equality, redress and representivity when appointing teachers. This is very significant. It will force former schools to deracialise their teaching staff.

SADTU's fears regarding a two tier system of public schooling have been partially allayed. The union will continue to carefully monitor education transformation. The principles of equity and redress are key - government cannot be allowed to shift from these.

*Kate Skinner is the SADTU Media Officer*

# From a mutual to a listed company

Old Mutual's in-principle decision to demutualise and list on various stock exchanges forms part of the on-going development of a group which, over the past 152 years, has evolved into one of Africa's leading financial services organisations

Demutualisation is intended to help meet the changing needs of Old Mutual's present and future clients in the fast changing financial services industry. Significantly, the transition from a mutual society owned by its policyholders to a company with shareholders would result in a major distribution of wealth as some of Old Mutual's free reserves are transformed into shareholder capital, making it possible to issue the shares to policyholders free of cost. Naturally, they will be able to sell the shares on the market if they choose.

In August this year, when the announcement was made, Old Mutual chairperson, Mike Levett, said demutualisation would "provide significant benefits to members and facilitate the group's long-term development as a competitive force in the worldwide financial services industry."

"We are not only distributing wealth to our policyholders, but also transferring ownership to them in a much more direct way, which they can transfer into money if they wish."

Levett stressed that, with R29.3-billion in free reserves, Old Mutual's in-principle decision to demutualise was not based on an immediate need to raise capital. "The demutualisation of mutual societies has been common in recent years in the United

Kingdom, the United States, Australia and elsewhere. In some cases a lack of capital has been a major reason for demutualisation. Old Mutual, however, has taken the decision in principle for reasons quite unconnected with the need for capital."

In its summation of the announcement, City Press reported that, "hundreds of thousands of black South Africans will become shareholders in South Africa's fourth biggest company, Old Mutual, in the broadest empowerment move since liberation."

Where organised labour is concerned, trade union members stand to gain shares if they own individual policies or have policies through the Old Mutual Guaranteed Fund Unions with provident funds contracted to Old Mutual Groups Schemes will also be in line for share allocations.

However, before any of this can happen the approval of members will be required for the change of status from a mutual life assurance society, as will the approval of authorities and regulators in different countries. If policyholders give the green light for demutualisation, Old Mutual will seek listings on the Johannesburg Stock Exchange and some exchanges in Africa and elsewhere.

## What demutualisation means

For its four million policyholders, Old Mutual's demutualisation is clearly an important development.

A mutual society is, in effect, an institution that is owned by its policyholders who are also its members. All the profits generated by the

## Mutuals and listed companies: what's the difference?

	Mutual society	Listed company
Owners of the business	Policyholders	Shareholders
Voting rights	Premium/type of policy	Number of shares held
Profit distribution	Bonuses on policies	Dividends
Raising capital	Free reserves	Share issue

society are technically owned by the members. In practice, however, it is necessary to withhold some profit in order to build up the significant amount of capital needed to run a life assurer. This results in the build-up of 'free reserves', which is the money Old Mutual would have left over if it met all its obligations to policyholders.

On demutualisation, some of the free reserves are transformed into share capital, and the shares are given to members. In the process, they become shareholders and are issued with listed shares which they can sell on the stock exchange. In doing this, the mutually-owned society is changed into a company, listed on the stock exchange and owned by its shareholders.

It is important to note that Old Mutual's demutualisation would not affect the security

of money which people have invested. The capital of the business would remain intact, ensuring that the security enjoyed by policyholders in the mutual society would not be compromised.

Old Mutual will continue to declare bonuses on with policies as before, and in addition the policyholders will receive shares on which dividends will be paid.

That is assuming shareholders hang on to their shares in the belief that they will appreciate in value over time. This will depend on how well Old Mutual performs in its markets. Shareholders would, however, be free to sell their stake in the company at any time. Significantly, such a sale would not compromise their standing as policyholders.

### International markets

Said Jerry van Niekerk, general manager in charge of Old Mutual's sponsored demutualisation business: "In many cases around the world mutual societies have demutualised because they needed cash to grow. Old Mutual

### The jargon explained

- Demutualise** When a life assurance society, owned by its policyholders, changes into a company owned by shareholders.
- Free reserves** The amount by which assets exceed liabilities.
- Liabilities** Old Mutual's obligations to its members in the form of benefits it has promised to pay.
- Capital** The money a business needs to expand its activities.
- Shares** Also known as equities, shares represent that portion of a company which the shareholder owns. The ownership entitles the shareholder to participate in the profits of the company, earning dividends.
- Stock exchange** The open market on which shareholders can sell and buy shares in a company.



however, is well capitalised for its current activities and at present has no need to find additional money to expand. On the other side, as new enterprises are developed it would be inappropriate for current policyholders to finance all of the resulting capital requirements.

"It makes more sense at this stage for the Old Mutual Group to restructure itself as a proprietary company putting itself in a position to raise capital on international markets, as and when required," he added.

According to van Niekerk, this also means that if capital is needed for overseas expansion, it could be raised there without having to take money out of South Africa.

Because the demutualisation process is complicated, it could take up to two years to complete. This will result in a demutualisation scheme to be presented to policyholders for their approval.

A vital part of the demutualisation scheme will be the basis on which shares will be allocated to policyholders. This will have to be done in a fair manner, which means that the size of the share allocation for each individual member may well depend on, among other things, the nature, duration and premium of their policy or policies.

This means that existing members should carefully weigh their options if they're considering the surrender, lapse, cession or other disposal of any of their policies. Policyholders whose policies may be maturing before Old Mutual is listed should give careful consideration as to whether they need the money to be paid out, or whether they could ensure that they will benefit from a share allocation by extending the term of the policy.

At the same time, people thinking of buying a new policy should bear in mind that, while the policy itself is a valuable asset in their financial planning, they will enjoy, at best, only a small benefit from the share allocation arising from demutualisation.

In addition, Old Mutual will also be



PC: Old Mutual

*Jerry van Niekerk, General Manager,  
Sponsored Markets, Old Mutual*

announcing a cut-off date after which policies will not be eligible for share allocations.

A question frequently asked is why the Old Mutual Board announced its intentions before a detailed demutualisation scheme was ready for policyholders to vote on.

According to Levett the answer is straightforward. "Effectively, what we did was to provide a cautionary announcement, giving current policyholders the opportunity to take the proposed demutualisation into account when considering their own financial decisions," he said.

In conclusion, Old Mutual sees numerous benefits in its transition to a company: the economic empowerment of its policyholders, easy access to the capital needed for expansion, the creation of an appropriate group structure, the ability to meet changing regulatory requirements in various countries and, most importantly, the continued ability to meet the wealth protection and creation needs of its clients around the world.

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# Shopfloor democracy

## health workers in the Eastern Cape

The fastest growing unions in COSATU are those representing public sector workers. These unions have enjoyed particularly rapid growth in the Eastern Cape.

COSATU unions are noted for their strong tradition of shopfloor democracy. Given their rapid growth, have the public sector unions managed to uphold this tradition? The nature of the sector in which they organise also requires that public sector unions accommodate a range of skills and interests within their organisations. To what extent have they been able to achieve this balance?

In an attempt to provide some answers to this question, a survey of public sector workers in the Eastern Cape was conducted during the first half of 1995.

The health workers' survey, on which this article focuses, was based on a random sample of hospitals. The survey did not include the eastern part of the region, which includes the Transkei Worker organisation in this area is somewhat different. However, the sampling method ensured a reasonable cross-section of different categories of worker. The survey provides some insight into the extent of shopfloor democracy amongst health workers and the nature and extent of inter-union competition.

### Public sector unions

COSATU affiliates which have enjoyed significant increases in the Eastern Cape

*The COSATU public sector unions are growing at a rapid rate in the Eastern Cape. A survey undertaken by Chris Wood looks at whether the unions are managing to uphold their tradition of shopfloor democracy!*

include SAMWU, NEHAWU, the CWU, POPCRU, SARIWU and SADTU.

Outside of COSATU, a number of other unions have emerged. These include the South African Police Union (SAPU) and a number of 'homeland'-based general unions.

NEHAWU is one of the biggest of these affiliates in the Eastern Cape. The majority of health workers interviewed belong to NEHAWU. The South African Nursing Association (SANA) also has a significant following, while other workers belong to the PSL (Public Servants' League) and HOSPERSA (Hospital Personnel Association of South Africa).

There are at least eight other unions active in the sector. They have not yet made significant inroads as yet.

### Membership

The different unions represent very different categories of workers. NEHAWU

has a following amongst all skills categories, but is most strongly organised amongst the unskilled, semi-skilled and skilled (the last category includes nurses). Indeed, all the unskilled workers interviewed proved to be NEIAWU members.

In the skilled category, NEIAWU faces intense competition from SANA. Clerical and supervisory workers have not joined NEIAWU in great numbers. It is unclear whether the union will be able to successfully market itself amongst these kinds of workers and still maintain its following amongst the unskilled.

In contrast, HOSPERSA seems confined to supervisory and clerical workers. It is unlikely that it has the capacity to organise the major strike it has threatened in the region. The PSL has a following amongst clerical, supervisory and semi-skilled workers. This includes certain categories of technical staff.

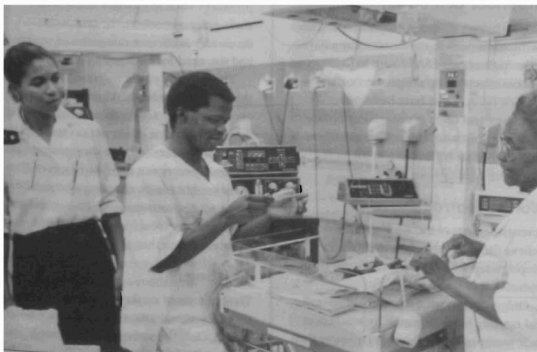
Interviews with PSL officials revealed that the union intends to expand in all

categories of employment. The union claims that membership is growing. However, given the divisions in NEIAWU between nurses and unskilled workers, it is questionable whether a union which up until now has concentrated on representing clerical workers could effectively voice the concerns of the unskilled.

### Racial divisions

There is a strong relationship between ethnic origin and occupational status. Eighty percent of the respondents who are English-speaking and 77,7% of Afrikaners are in supervisory or higher occupational categories. This compares with only 19,2% of Xhosa-speakers occupying such positions.

It is clear that the different unions represent not only different skills categories, but also tend to draw members from different ethnic backgrounds. There is little doubt that NEIAWU could erode the power bases of the other unions if affirmative



*The different unions represent different categories of workers*

action led to the increased upward mobility of its members into more senior occupational categories. As is the case with the police services, however, in the health sector there are certain minimum educational requirements for entry into the higher posts.

The main beneficiaries of affirmative action may be black people recruited from outside the service. Either way, the unions representing workers in the upper echelons will have to provide tangible benefits to their members if they are to survive changes in the ethnic composition of the workforce.

Interviews with union officials also revealed that workers often hold dual union membership. They will approach their different unions at different times, depending on their particular concerns or needs. Many workers believe that some of the unions are more effective in certain areas than others and have adopted the 'cafeteria' approach.

### Shopfloor democracy

Despite having different constituencies, all the health unions in the Eastern Cape have, or (as in the case of SANA) are in the process of setting up shopfloor structures.

HOSPERSA is also busy building structures, and there is uncertainty amongst members as to what this will entail. There is little doubt that NEHAWU had the best shopfloor organisation.

### Worker control

Seventy percent of the workers interviewed believe they have the right to dismiss a shopsteward who does not carry out their wishes.

Only 5,7% reported that a shopsteward had actually been dismissed by workers at their workplace. This figure is far lower than that reported for the private sector (Maree and Wood, 1991).

This could be partly due to the newness of union organisation in the Eastern Cape. Half of all the workers interviewed had joined a union in the last four years. It seems, however, that health sector workers need to devote ongoing attention to the importance of shopfloor democracy.

### Democracy

Indeed, only 20% of respondents reported that they had elected their shopstewards in a secret ballot. Most commonly (50%) was done by a show of hands, while 30% of workers were unsure as to how their shopstewards were actually elected.

Nonetheless, the fact that the majority of those interviewed had actually participated in shopfloor elections reflects relatively high levels of democracy. The unions are thus maintaining a high-participation, high-democracy cycle.

New recruits socialised into a democratic environment will ultimately contribute towards its reinforcement. This cycle is, however, always vulnerable to external pressures, such as changes in the wider socio-political context, the competing demands of different categories of workers, and the need for continuity.

The majority of the respondents reported that shopstewards should consult every time they act on their behalf. 4,3% thought that this is not necessary. It is clear that workers expect shopstewards to accurately carry out their wishes, and that there are not totally effective mechanisms for recall. Shopstewards are thus seen as what workers would see as a sign of a mandate, rather than an open-ended mandate.

### Meetings

The majority of workers (61,4%) reported that they attend union meetings at least once a month. Only the unorganised workers are never attending meetings. It is evident that where there are, therefore, clear mechanisms



*The unions are maintaining a high-participation, high democracy cycle*

reporting back. Regular attendance at meetings also shows that workers feel that their union is focusing on the issues that affect them most.

Although the survey provides only a limited 'snapshot' of the state of public sector unions in the Eastern Cape, it does demonstrate the extent to which NEHAWU and other newly-emerged or rejuvenated public sector unions have been able to establish functional internal structures of shopfloor democracy.

The challenge facing the public sector unions in this region is two-fold. Firstly, there is a need to accommodate different categories of health workers into a single union - current organisational differences are closely linked to variations in skill and job status. Secondly, while NEHAWU is streets ahead in terms of the high degree of

member participation in union affairs, such participation will need to be sustained by putting into place effective mechanisms for the election and recall of shopstewards. ★

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*Geoffrey Wood is a senior lecturer in the Department of Industrial Sociology at Rhodes University, East London. This is an edited version of a fuller article on the survey to be published in Transformation.*

## *Migrant workers in the Free State*

A survey was conducted in 1993/94 to investigate the link between migration and poverty in Lesotho. Two rural areas were chosen for the survey. A sample was also drawn from the southern, poorer section of the capital city, Maseru. One hundred Basotho farmworkers and their families were interviewed. Information was also collected from Free State farmers who employ migrants.

Demand for migrant workers has risen rapidly in recent years. In the case of one farm included in the survey, the proportion of workers from Lesotho rose from 10% in 1985 to 82% in 1992. Seventy-five percent of these workers were female.

### **Recruitment**

In the past, workers from Lesotho were used illegally. Many farmers are now recruiting legally. Some farms do their own recruitment, while others rely on a recruitment agency, which was established in 1989. The majority of farms which use the agency grow asparagus, but other vegetable and fruit farmers also offer employment. The agency draws most of the recruits not from rural areas, as might be expected, but from the poorer areas of Maseru.

The high number of female recruits is due to the limited options women workers have in Lesotho and the extent to which households depend on their income. Interviews with Basotho women workers revealed that their husbands and male relatives, many of whom are themselves

*by Deborah Johnston*

migrants, rarely send money home. In most cases, there is a high level of male unemployment. Agricultural production and rural self-employment activities do not present a viable alternative. Other employment opportunities, such as domestic work, offer lower wages than farmwork.

### **Demand**

The demand for migrant labour can be explained by new production processes adopted by Free State farmers.

The past decade has seen significant changes in crop-choice and labour-use in the eastern area of the province. Close to the borders Lesotho, farmers have achieved considerable success in producing high value crops, such as asparagus, tomatoes and gherkins, for local and international markets. These types of crops require large numbers of workers during certain times of the production cycle.

Farmers prefer to employ women, because they are thought to be more docile. While it is true that women work for less because they have fewer other job opportunities, the farmers are also able to pay less because the workers are foreign. Unemployment levels in the Free State are extremely high. New labour market legislation has, however, increased the cost of employing South African workers.

Farmers have responded by switching to more vulnerable, foreign labour

### Working conditions

Farmworkers can be divided into two categories: those in the field and those in the packhouse/canning factory. On average, women workers work ten hours a day, six and a half days a week. In the factories, where there is often a night shift, women work even longer hours. For all workers, the length of the working day is flexible. Workers are not informed about time schedules. To ensure that harvesting and canning run smoothly, farmers have prevented any 'norms' or rights being established.

There is a complex supervision system. Field and factory workers have a task supervisor and a more senior (white) overseer. A system of worker representatives, based on ethnic categories, also exists. In addition to workers from Lesotho, most farms employ workers from the former Qwaqwa, Boputhatswana and Transkei. Dormitories, work teams and conveyor belts are organised into Xhosa, Tswana and Sotho groups.

In 1993/4, the average net wage for workers on the asparagus farms was R5,55 per day. Supervisors earned much more. One woman reported making R34 per day supervising harvesting. These figures exclude deductions and overtime pay. Most workers were unclear as to how their pay is calculated. It is difficult for them to complain, because they are paid the bulk of their money on the day that they leave the farm.

Under the Lesotho Government's Contract of Foreign Service for migrant workers, farmers are required to provide accommodation, transport, medication and cooked meals. While these were provided, workers were not happy with the standard of the service. They also suspected that the

cost of provisions was being deducted from their wages. Workers reported that they had to sleep three to a double bed in the peak asparagus season. Outside of this season, it appears that conditions were better. Workers supplemented their rations with food bought at shops on the farms.

### Disputes

While some workers reported having disagreements with management over underpayment and hours of work, most said that they were unhappy, but afraid to question the farmer. Strikes, when they did occur, took place on the day of departure from the farm. Workers would refuse to board the trucks, which were waiting to take them back to Lesotho. A point of interest is the narrow base of the strikes. The majority of the actions were based on ethnic groups and, if related to working conditions, centred on work-teams.

### Labour and migration policy

It is doubtful whether attempts to control the influx of migrants into South Africa will be successful. The paucity of other opportunities for work will continue to propel women from Lesotho into South Africa, whether legally or illegally.

Despite changes in labour legislation, farmworkers still find it extremely difficult to organise. Migrant farmworkers are particularly vulnerable and are unlikely to take any action which may jeopardise their jobs. The ILO has suggested that the South African government intervene to strengthen workers' voice in this sector. It is crucial that such efforts extend to foreign workers. In the meantime, foreign farm labourers remain one of the most vulnerable groups of workers in South Africa. ★

*Deborah Johnston is a senior economist with the Land Reform Unit at the Land and Agriculture Policy Centre (LAPC)*

# Research

## *a tool for worker struggle*

**R**esearch is more than just information gathering. It should contribute towards expanding and developing our ideas. Research should aim to give us greater understanding and clarity about the processes and causes behind problems that workers face and struggle against in their everyday lives. We can use the knowledge that research gives us as a weapon to build working class solutions to these problems. Knowledge and ideas help workers turn what was only possible into that which really happens. This applies not only to research by professional intellectuals, but also knowledge discovered by workers themselves.

### Priorities

For any union, there are many issues that could be researched. Each union needs to prioritise its needs. The more closely the knowledge we produce out of the research responds to the mandated needs of the rank and file, the greater the chance that it will be used to empower the organisation.

Power in society is structured through class, race and gender. We need to ensure that adequate attention is given to these as well as other sources of oppression.

It is also important to acknowledge the context under which research takes place. The world-wide dominance of neo-liberal economic policies weakens worker organisation and increases inequality and poverty. Then there is the increasing gap between the rank and file and their leadership and lower levels of confidence

*Research can be a powerful tool to empower workers and their organisations. Rob Rees suggests strategies unions could adopt to ensure that this is the case.*

amongst workers about their ability to transform society. Related to this is the role of outside consultants.

### Whose voice?

Are we going to listen to what workers to say? Which workers are we going to listen to and where? Which political voice are we going to listen to? We need to be clear about how we develop policy goals and decisions out of worker struggle and worker needs instead of off apparently objective studies of what is feasible – which often simply reflect what those in power regard as feasible.

### Sharing knowledge

The results of the research should be accessible to workers in a meaningful way. This means developing mechanisms such as workshops, pamphlets, posters, simply written summaries and effective distribution networks.

### Participatory research

Participatory research involves workers directly in the research process.





*A network of sympathetic organisations should be developed. Ditsela Conference, July 1997.*

analyse and discuss their own problems, including the solutions to these problems. Obviously there will still be an unequal distribution of skills. The researcher will have certain technical skills, but will also have a class advantage in that he or she is socially recognised as being a producer of knowledge (workers are not recognised for this).

The researcher should be brought under the collective control of workers. He or she would be like a bus driver, who controls the gears and drives the bus. But on board the bus there are passengers (the workers) who exert ultimate control by deciding where the bus will go and at what time it should reach its destination.

### Contracting out

After developing a list of research priorities, a union will have to decide what it is able to achieve using the resources it has inside the union and what it needs to contract out. The union needs to develop policies to ensure that research that is contracted out remains under its control. This might entail:

- ensuring that the union defines the questions to be answered,
- developing a research programme with

the researcher,

- agreeing on deadlines,
- agreeing on areas of responsibility.

### Assessment

The starting point for any union should be to assess its research experience so far. A number of COSATU affiliates have been involved in research activities for many years. NUMSA, which has one of the most well-developed programmes, set up worker research and development groups some time ago. The aim was to equip a layer of workers with research skills so that they would be able to contribute towards policy making in the union.

It is time that this important initiative be thoroughly evaluated so as to provide all the unions with guidelines as to how to proceed in the future.

### Outside organisations

By now, unions have a long experience of contracting research out to organisations like the Trade Union Research Project (TURP), the Labour Research Service (LRS) and Naledi. An analysis of the strengths and weaknesses of this experience would be useful.

### Example of a research proposal

#### *What is the problem?*

Employers are using casual labour to lower their costs of production

#### *What do we want to achieve?*

To develop strategies that the union can use to fight the use of casual labour. To use the process to empower workers.

#### *What methods will we use?*

Interviews with management Group discussions with casual workers and shopstewards  
(Detail how many interviews, workers, etc)

#### *What will come out of the project?*

Short accessible briefing documents for rank and file members, workshops, a longer memorandum for the CEC.

#### *What are our deadlines?*

Literature review August, data collection September, analysis October, report November, final report December

It should be possible to develop a network of sympathetic individuals and organisations that the unions can draw on for research. To a certain degree, this already exists. Unions are in a position to exert tremendous influence over such researchers, who rely on them for access to workers. At the same time, more COSATU affiliates are employing researchers. This opens up the possibility of developing closer relationships between researchers in the different affiliates.

Universities and Technikon are facing far greater pressure to become market driven. Capital has always had a strong hand in the running of these institutions. Unions need to think how they can use their influence to transform these institutions to serve workers

### A long-term plan

Depending on the issue being researched, research work can take a long time. Any research plan must allow for adequate resources, the proper people and networking. There is always pressure to do 'instant research'. Whilst this is sometimes unavoidable, it is important to plan ahead. If we do not allow adequate time we will not develop the necessary depth of knowledge

that workers require to build their ...

It is also important that we allow ... effective process of review.

### Resources

Every union should have a re ... Union research, documents and books would be kept at the centre. To be ... requires effective management and administration, so that the materials are easily accessible to those who use the centre. Coupled with this is the ... data to support the various research projects for example, wage and company ...

### Building capacity

Organisations like Naledi could assist building the capacity of union ... Unionists could be seconded to ... organisations for a period of time. ... institutions could offer training and back-up.

Research should be a tool to ... processes and issues that create ... and exploitative conditions for ... research agenda must relate to the workers. It must respect the role that workers play in creating history and wealth of an economy.

Used effectively, the research ... well as the results of the research can be used to empower workers and their organisations. This will only occur if ... research is firmly controlled by workers. Knowledge and ideas are a form of ... They must be given back and de ... amongst workers, as a tool for transformation. ★

*Rob Rees is a researcher at Naledi ... edited version of a paper prepared for a NUMSA research workshop in August. It builds on the work of Jonathan Grosser particularly "Research as engagement"; questions in collective research with the and file."*

# Socialist hope

## *dead and gone?*

**S**ocialism, we are told, died in the early 1990s. It lies buried under the stones of the Berlin Wall – those that were not marketed as souvenirs for professional left-bashers. Since then, all manner of ‘experts’ have worked busily to keep the coffin lid down.

Smearing at leftists and their ideas offers a secure media livelihood. Even an 83-year-old visitor from India, a ‘dedicated communist’, was recently given the treatment: a thoroughly inhospitable, snide put-down. Newspapers love to splash about in this stuff.

Yet peoples’ dreams, their hopes for a humane life keep popping up. The socialist corpse will not lie down. So the media must keep trashing it, day after day.

### High expectations

The comfortable tell us that the masses expect too much. Strange, that is precisely what Thatcher said when she, and our other enemies, called us terrorists.

What do *they* expect? That is easy to answer. They call repeatedly on our patience for the time-being we must put up with poor and even no housing, with faltering land, education, welfare and health reforms, with entrenched corruption, racism, sexism in the police, the army, the civil service, industry, business, even in our own peoples’ organisations. They want peace. We must peacefully accept poverty – low wages, reduced maternity leave, long working hours, rotten conditions at work.

*Alan Lipman and Howard Harris ask that we keep the socialist dream alive.*

They want reconciliation. We must reconcile ourselves to ‘hard reality’, to their realities.

And their expectations for themselves? They do not hold back, they are quite clear. The Deputy Minister of Trade and Industry recently told black businesspeople that they should not be shy to say they want to become ‘filthy rich’. Why should black people not share the loot of exploitation with their white counterparts? That, after all, is the logic of non-racial capitalism.

Then there are the well established expectations of the bosses. They want, desperately, to keep churning out profits. For that they will add a few black faces to their boards of directors, make ‘them’ partners in profit-making.

Suddenly, everyone marches to the banner of black empowerment, of getting African hands on the controls of exploitation. Much good that will do most people. Do not be surprised if it leaves you where you are and always have been – on the outside looking in.

### The patriotic bourgeoisie

We used to say that business is politics, especially big time multi-national business. That is why we worked hard at the

economic boycott of South Africa.

Members of the new emerging black bourgeoisie are putting their political differences behind them. Former activists, many of them trade unionists, are becoming millionaires. It is their patriotic duty, and they are not shy about taking on the load. So, when Anglo American sold Johnnic, it was to a spectrum of 23 black business partners. No fewer than 15 of these are trade unions. The crunch time is yet to come: when the interests of union members conflict with those of their new employers.

Stalwarts of the ANC, Inkatha, the PAC, former communists and socialists are making common cause. United in the 'patriotic bourgeoisie', they are dedicated to making money, lots of it: "There is nothing wrong with blacks becoming millionaires," says Don Mkhwanazi, "I want every black person to feel that he or she has the opportunity to become rich and only has himself to blame if he fails. The more black millionaires we have, the better for the country."

Then there is a new interpretation of black empowerment. We get this from Aubrey Mokoape, trustee and former chairperson of the Azanian Peoples' Organisation. In his view there is little difference between struggles for socialism and black business people's efforts to bring economic empowerment to all, "There has been a deliberate demonisation of socialism, equating it with poverty. That has never been the goal of socialism, which is also about hard work and creating a bigger pot [of goodies for everyone]." With comrades like that, who needs Margaret Thatcher?

### The most bitter pill

For socialists, what really hurts is the steady shift of official policy; probably best illustrated by the crude way in which the

RDP was dumped for the neo-liberal. Economically more open-ended, the allowed space for social goals and that is closed off by the monetarism. GEAR. The government is restructuring programmes demanded World Bank and the IMF before being ordered to do so. Unforced, we are policies that have brought and are acute exploitation to working people throughout what is dismissively 'Third World'.

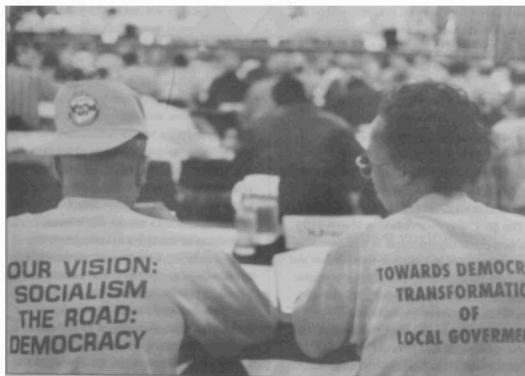
Not surprisingly, this has had consequence: conflict in the ANC-CC political alliance. This hostility is far-reaching; it ranges from strike-actions to demonstrations to scholarly analyses specific and general policies. For people, especially trade unionists, the intense struggles of everyday life include struggles with what they thought of as 'their government' being smashed, hope is frustrated.

### Hope - thinking the

Our leaders must have sore backs, red with congratulatory slaps by and media pundits the world over. is once more into international bus now with clean hands. Socialist been pushed back in its box, replaced trickle-down economics, the tried and policy of fattening the wealthy to the poor.

We dare not swallow that. We want now, not scramble over what is left the fat-cats are full. We have seen the of their pragmatic economics, of multi-cultural non-racial capitalism, of living without hope.

Yes, something trickles down, but it the fresh spring water they drink. Ask fellow workers anywhere, especially USA; they have been promised pie in when they die but get precious little here.



All this can weigh heavily on our spirits, it can lead to hopelessness. But that is no answer. Paulo Freire wrote "When it becomes a programme, hopelessness paralyses us, immobilises us. We succumb to fatalism, and then it becomes impossible to muster the strength we absolutely need for a fierce struggle that will recreate the world." Without socialist hope we are adrift, we thrash about in the money-spinning deals that others concoct. We are condemned to live in the same old way; perhaps slightly better but still emptied of hope.

We know what is wrong, we need to imagine how things could be right. Then we can will the means for making them so. We need to educate ourselves - and one another - to desire more than what we are allowed at present, different from what we already know. We need to be socialist dreamers, not mere pragmatists, hard-headed 'realists'.

It is time to set our dreams free, to release socialist hope from the grip of the

powerful - to make our futures now, not tomorrow. More and more people are seeing "the government's economic policies in its Growth, Development and Redistribution (Gear) strategy as a 'right-wing' programme." That programme, our comrades are realising "fails to address poverty and inequality, and instead meets the demands of financial markets for conservative macro-economic targets."

An alternative, a socialist hope is, we know, our hope. ★

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*Alan Lipman is a South African architect/ sociologist. Howard Harris teaches architecture in Cardiff, Wales. Both are socialist activists.*



The Independent Mediation Service of South Africa (IMSSA) and the Mediation and Conciliation Centre (MCC) celebrated their merger at a cocktail party held at IMSSA's offices on 30 October.

The MCC was established in March 1993 as a non-profit organisation. It was based on the principles of non-racism, non-sexism and political non-alignment. The guiding objective of the MCC was to "engender a culture of conciliation between persons and organisations having conflicting interests, both in the workplace and in broader society".

IMSSA was established in 1984 as an independent, non-profit trust to provide for the peaceful resolution of conflict. IMSSA's vision is "to be a leading, independent world class agency for promoting peace, participation, productivity and progress."

There to celebrate the event were MCC and IMSSA panellists, clients and friends of both organisations, representatives from the Department of Labour, Commission for Conciliation, Mediation and Arbitration (CCMA) and the International Labour Organisation (ILO)

## Rationale

The merger was a culmination of efforts that were initiated at the beginning of the year by Alistair Smith, National Director of Labour Services at IMSSA

The decision to merge was a realisation of the need to create an area of independent dispute resolution to encourage co-operation and communication between private agencies. Changes that have occurred in the legislative framework also contributed to the

The importance of the co-existence of private agencies in a complimentary relationship between statutory and non-statutory dispute resolution agencies was highlighted in a speech made by Les Kettleidas, the Director General of the Department of Labour. In his speech, Mahmood Fadal the director of the MCC, who is now with CCMA, acknowledged the good work by conflict resolvers in bringing about change in the industrial arena. He thanked MCC panellists and clients who supported the MCC during the years of its

## Educating Beyond Violent Futures

Published by Francis Hutchinson, Routledge, London 1996 Reviewed by Edwin Motablebi, IMSSA Panellist

Hutchinson makes a pioneering attempt to examine the influence of cultural values on views about violence. Most societies - and possibly South Africa in particular - transmit confusing and incorrect messages to our youth about conflict resolution. The author

provides practical examples which highlight the need for societies to take on the challenge of effective conflict resolution. The challenge of humankind is to survive the 21st century.

## Challenge

The challenge begins with a change in the language of apathy, cynical realism and fatalism. This notion has also been

with in other literature. For example, Frost and Wilmont, in their book *Interpersonal Conflict* argue that we need to begin questioning the mechanistic assumptions about social organisation and social change. The dominant attitude which underpins the language of cynical realism and fatalism is that the institution of war and gun cultures are inevitable and never-ending.

In his article, 'Fashioning the future' McKenzie Work raises a number of critical, though difficult, questions. An example is whether schools are merely "disciplinary institutions", structured in a similar way to factory production lines or prisons. If this proposition is correct, then schools serve as a "systematic legitimisation of direct, structural and ecological forms of violence".

This culture is highly dominant and limits, if not completely denies, students and teachers the freedom to shape and create an alternative culture that would generate images of a peaceful future. Non-violent social change can be achieved through critical thinking and analysis of the negative images that children are exposed to through all forms of media. These relentless images should not necessarily be avoided, but rather looked at in an analytical way that could empower children to see them for what they are.

The teaching of conflict resolution skills and the introduction of peer mediation programmes in schools, as the author and

other researchers have pointed out, would introduce an alternative culture to guns and other physical and metaphorical instruments of violence. Using diagrams, the author proposes innovative curriculum theory and practice. The emphasis is on the need for a cross-disciplinary curriculum. This holistic approach to educate would include social justice, education, multi-cultural education, anti racist education, women/gender studies, human rights education and educating about alternatives to violence.

### The learning environment

The author challenges the traditional pedagogical method of teaching and stresses the need for students to be able to critically assess dominant and subordinate cultures, and tradition.

This method draws on particular experiences which forms part of the learner's own social relationships and cultural codes. In the participative learning process teachers and students are engaged in a negotiation process about possibilities for the future.

Chapter 9 is the most important section for conflict resolution practitioners. The author provides workshop guidelines around most of the issues raised in the book.

This is a valuable book, not to be missed by conflict resolution theoreticians and practitioners. The book would also be of particular worth for educationists who are committed to the idea of a peaceful future.

## *The Public Sector and the Labour Relations Act of 1995: A challenge*

By Prof. Mzungulu Mtshobane IMSSA

Panelist, CCMA Senior Commissioner

All employees, except members of the defense force and the national intelligence services are covered by LRA. What implications does this have for the public sector?

### Collective bargaining and dispute resolution

Prior to 1990 labour legislation did not extend rights to workers in the public service. However, basic labour rights were later extended to public servants, teachers and the police. Separate collective

bargaining forums were established. The functions of these forums were dispute prevention and settlement and the regulation or settlement of matters of mutual concern. The new Act has replaced the old collective bargaining structures for the public sector.

## PSCBC

The Act has established the Public Service Co-ordinating Bargaining Council (PSCBC) as the bargaining council for the public sector. The Commission for Conciliation, Mediation and Arbitration (CCMA) is empowered to facilitate the drawing up of the constitution of this bargaining council, the Education Labour Relations Council, the National Negotiation Forum of the police services and the central chamber of the Public Service Bargaining Council. The Act empowers the PSCBC to designate a sector of the public service for the establishment of a bargaining council for that sector.

In the event of jurisdictional disputes between the PSCBC and such a bargaining council, the Minister of Labour is empowered to appoint a committee of specialists, which must attempt to resolve the dispute through conciliation and arbitration.

## Functions

The PSCBC is empowered to perform all the functions of a bargaining council in respect of those matters that are regulated by uniform rules, norms and standards that apply in the public service; apply to terms and conditions of service that apply to two or more sectors; and are assigned to the state as employer in respect of the public service which are not assigned to the state as employer in any sector.

Where the application of uniform rules, norms and standards is inappropriate the President is empowered to designate sectors in the public service for the

establishment of a bargaining council.

Despite the repeal of the previous legislation, the existing bargaining councils will continue.

In terms of the Act the functions and powers of bargaining councils shall be the conclusion and enforcement of collective agreements and the prevention and resolution of labour disputes. A bargaining council must attempt to resolve disputes through conciliation and, where appropriate, arbitration. However, certain disputes should be referred to the CCMA because bargaining councils are barred by the Act from handling such disputes. The constitutions of bargaining councils provide for procedures for dispute resolution.

## Assessment

The new Act does not impose a duty to bargain. It follows that it promotes the public and private regulation of collective bargaining. All matters specific to labour relationships are left to resolution by the parties. With regard to the policy is that where parties engage in collective bargaining, they should have primary responsibility for resolving disputes.

The challenges facing the new Act include training and development of negotiation skills, conflict management capacity building for dispute resolution. The Act has revolutionised collective bargaining and dispute resolution in general, and it is hoped that the changes will contribute to good labour relations.

In order to meet these challenges, the stakeholders need to understand the dynamics of negotiation, conciliation and arbitration. IMSSA's experience is that knowledge of these processes is limited. Some IMSSA arbitrators have pointed out that the parties, through negotiation or mediation, could have resolved many previous disputes.





INDEPENDENT MEDIATION SERVICE OF SOUTH AFRICA

## EDUCATION AND TRAINING SERVICES

### IMSSA LABOUR TRAINING COURSES INCLUDE

- ✦ Arbitration skills training (4 days)
- ✦ Negotiation and dispute resolution skills training (3 days)  
*(Introductory, intermediate and advanced levels)*
- ✦ Labour Relations Act training (2 days)
- ✦ Understanding employee participation and workplace forums (2 days)
- ✦ Business finance and information disclosure

The structure of these events is:

- ✦ In-house training *(minimum of 14 participants per course)*
- ✦ Scheduled courses where individuals and small groups attend courses *(dates available on request)*

*Training of trade union organisers and shop stewards is subsidised by a grant from the Department of Labour.*

### PUBLICATIONS

- ✦ The *IMSSA Review*, a quarterly publication that gives readers a greater and more varied insight into the field of alternative dispute resolution.
- ✦ The *IMSSA Digest of Arbitration Awards* contains summaries of IMSSA arbitration awards.

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# Social dialogue

## *the southern African experience*

**S**outhern Africa is one of the poorest regions in the world. It also has one of the largest income gaps between rich and poor. The region has been marked by violent conflicts, cleavages and turmoil. Newly won democracies have earned some political peace, but external shocks continuously challenge this potential stability. Drought, globalisation and structural adjustment programmes are some of the challenges facing fragile democracies in the years to come.

Despite continuous conflict, there is also an ongoing search in the region for new solutions and new channels of communication to settle differences, assure economic development and redistribute wealth. Social dialogue has become a new buzzword in southern Africa. What will determine its success or failure? What implications does it have for labour?

### **The golden triangle**

The logic of social dialogue is not particularly new. In the different countries making up the region, there have been numerous experiments with corporatism, tripartism, social accords and social contracts.

What is new is that social dialogue relies on an independent trade union movement, which relates to government and employers as an equal party. Up until now, this condition for social dialogue has not existed in the majority of southern African countries. What has been taking place are social squabbles between unequal partners.

*Social dialogue has become a new buzzword in southern Africa. Liv Torres asks workers and trade unions in the region to win or lose from engaging this process.*

### **Impetus**

Some observers argue that, in southern Africa, social dialogue is primarily a response to declining economies. Others argue that political democratisation has paved the way to economic democratisation. International organisations like the ILO, the World Bank and the World Trade Organisation have played their part by encouraging a strengthening of civil society.

The setting up of Nedlac in South Africa in 1995 was a major factor. The balance between the government's 'need to consult' and the need for the social partners to be consulted has raised increased expectations over the past few months. Nonetheless, Nedlac is probably the most advanced system of tripartism in the region, and most institutionalised form of social dialogue in the world today.

### **Initiatives**

Labour in the region has taken up the Nedlac model.

Zimbabwe launched its 'Zedlac' in J

### Institutionalising conflict

Social partners *should* be part of decision making. They are closest to the problems and, presumably, also to the solutions. They have information and easy access to instruments for change.

The realisation that there are clear links between sound labour relations and productivity has generated a new sense of urgency in pursuing a tripartite consensus approach.

Supporters of social dialogue claim it leads to stable economic growth and low unemployment. The Scandinavian social democracies are used to illustrate this point.

A word of caution: while labour's approach of a cautious balance between co-operation and conflict with capital did result in full employment, economic growth and the

redistribution of resources, it should not be forgotten that the Scandinavian countries actually had a surplus to share and deliver. Scandinavian social dialogue depended on a specific combination of natural conditions and a dynamic phase of growth in the immediate post-war period.

It is indisputable that some conflicts are caused simply by unilateral decision making on the part of the state, or the state as a tool for employers. While there are fundamental conflicts between labour and capital, there are also overlapping interests. Social dialogue does not imply that conflict is absent, but that conflicts are institutionalised. Social dialogue can promote social harmony, through finding a 'middle way'.

this year. A major debate is currently taking place as to its role and powers. While labour wanted a tripartite negotiating body, Zedlac is a consultative body with cross-sectional representation.

Unions in Zambia have tried to broaden the agenda of co-decision making to include social questions, without much success. Unions and employers discuss wage and employment policies, but government is not responding to their proposals.

In Lesotho, there are major efforts to promote industrial harmony and trust amongst the social partners. Tripartite institutions such as the Wages Advisory Board (which sets minimum wages) and the National Advisory Committee on Labour are meeting more regularly.

The tripartite partners in Malawi have set the following goals for 1996/1998: to strengthen and promote tripartism, labour/management relations, institutional and human resource capacity and to develop and strengthen policies and strategies which will create more employment opportunities.

A tripartite forum was established in

Mozambique in 1995 to negotiate minimum wages, pensions and social security as well as broader economic issues. Labour law reforms are also negotiated in this forum. The negotiations have provided a point of departure for bilateral negotiations between labour and employers. Early this year, the unions and management negotiated minimum wages without the state being present. Union representatives claim they achieved a higher increase than would have been the case had the government been involved.

Tripartite forums have also been set up in Botswana. The National Employment, Manpower and Incomes Council is a consultative forum, while the Minimum Wage Advisory Board and the Labour Advisory Committee are statutory advisory bodies, which have, however, ended up as consultative forums. The National Industrial Relations Code of Practice is a product of tripartite consultation. The BFTU (the Botswana trade union federation) is concerned about government's failure to consult on industrial policy and has called

for meaningful tripartite consultations.

In Namibia, the Labour Advisory Council is part of government's strategy to promote economic growth, stability and productivity. It is a tripartite body, with equal representation from the unions, the employers and the state. It has wide-ranging investigative and advisory powers, including the formulation of national policy on basic conditions of employment, vocational training, health and safety issues, the enactment of legislation, ratification of ILO Conventions, job creation and unemployment.

### Implications

Social dialogue has the potential to deepen democracy in southern Africa. It could move policy making away from the inefficient bureaucracies that currently control it.

Labour can gain from engaging in tripartite institutions. Involvement may, however, lead to short-term losses. Redistribution in the foreseeable future must be directed towards addressing the basic needs of the poorest, including the unemployed and rural people. Employed

workers may well suffer wage losses, simultaneously gaining on 'social' issues such as pensions, social benefits and education.

### Challenges

Whether or not labour gains or loses social dialogue will also depend on following factors:

#### *Globalisation*

Globalisation of national markets and social dialogue more important, more complex. The opening up of markets, and regional integration, traditional state regulation more and potentially superfluous. Decisions are made elsewhere, outside borders.

Social dialogue is important to manage and adjust to the opening of markets. Labour can lobby, build bilateral and use tripartite forums to manage processes. Complex issues arising from globalisation become more

At the same time, unions will have careful not to become responsible

### State of the unions

The success or failure of social dialogue depends on a strong, independent trade union movement. By the time of independence, several of the trade union federations in southern Africa were weak and too closely allied with political parties to function as influential, independent bodies. This is true for both Zimbabwe and Zambia.

In other countries, like Malawi, Botswana and Mozambique, the union federations were established by the government.

In South Africa, the progressive unions have always been independent. They developed into organisations which combined political goals with workplace issues and built the strongest worker movement in the region.

In the last decade, the political and

economic setting has changed dramatically for all these union movements. They are in search of new identities and new platforms for independent trade union

These efforts may be hampered, however, by the fact of declining or stagnant membership over the past few years (chart on p 79). This is partly the effect of general restructuring, but in countries like Mozambique, Zimbabwe and Zambia, structural adjustment programmes have taken their toll. Yet, in many ways, the unions are more powerful than they were ten years ago. They have found a larger degree of independence, the gap between leadership and membership is decreasing and far more orientated towards workplace issues and the shopfloor.

## Trade unionism in southern Africa

	Federation	Affiliates	Membership (est)	Formal employment	Labour force
Botswana	BFTU	17	15 000	235 400	1 000 000
	Independent	2	40 000		
Malawi	MCTU	14	45 000	558 000	5 000 000
Mozambique	OTM	13	140 000	450 000	8 000 000
	Independent	3	50 000		
Namibia	NUNW	8	60 000	260 000	1 000 000
	NPSM	6	30 000		
South Africa	COSATU		1 887 431	8 659 000	14 500 000
	NACTU	19	230 000		
	FEDUSA	25	515 000		
Zambia	ZCTU	22	240 000	470 000	4 000 000
	Independent	2	60 000		
Zimbabwe	ZCTU	34	250 000	1 500 000	4 565 900
	Independent	3	100 000		
Lesotho	LTUC		21 000	650 000	800 000
	Independent		15 000		
Swaziland	SFTU	13	55 000	157 283	300 000
	Independent		14 000		
Tanzania	TFTU	11	500 000		15 000 000

*Note: Labour force and formal employment figures are found in SADC 1997, World Development Report 1997, CSS 1996 (OHS) and various papers and interviews. Union membership figures taken from various papers and interviews.*

decisions taken elsewhere. Unionists in Mozambique argue that it is useless meeting with the government in tripartite negotiations, because the real decisions are being made by the World Bank and the IMF. Wages are currently falling in value, despite a tripartite agreement in 1995 to increase minima by 37.5%. The IMF apparently outlawed this increase.

The OTM (the Mozambican trade union federation) is looking at establishing direct links with the IMF and World Bank in order to gain access to information and influence.

#### Alliances

A good relationship between labour and government is crucial. Core alliances between two parties can direct and complement broader social dialogue. In Scandinavia, consensus has traditionally been reached in alliances between

government and labour alone. In South Africa an alliance has been struck between the ANC and COSATU. When all else failed in the negotiations on the Basic Conditions of Employment Act, an agreement between these two parties saved the Act.

In other countries, social dialogue has taken the form of alliances between labour and employers. Relations between unions and employers in both Zambia and Swaziland are relatively good. It is their relationship with the government that is tense and problematic. Unions maintain that, in many cases, they could have reached far better decisions in consultative forums were the state not present.

Independence, however, is a crucial issue. The unions in Namibia, Mozambique and South Africa are closely linked to the ruling political parties. The independence and ability to mobilise is, however, what determines their influence.



*Child labour in Mozambique.*

### **Employers**

An organised and effective employer organisation is essential to the success of tripartism. Employers in many southern African countries are poorly organised and limited by state restrictions and party policies. In countries such as Mozambique and Zambia, the employers' organisation is comprised mainly of parastatals. With the onset of privatisation, membership is crumbling. Even in South Africa, employers

are loosely structured and operate far less in accordance with the principles of mandating, consultation and accountability than do the unions.

### **The state**

For social dialogue to work to the advantage of labour, a strong and relatively centralised state with an effective bureaucracy is needed. This is simply because such state structures make it easier for government to implement tripartite decisions.

### **Status**

The status of social dialogue determines much of the

gain from it. While Nedlac in South Africa is a bargaining forum, the tripartite structures in other parts of the region are only consultative. Government basically maintains the right to do as it pleases.

### **Undermining organisation**

Through social dialogue, unions may advance the short-term interests of labour through agreements on 'social wage' in the long term, however, such a

may undermine labour's membership base. With universal benefits, workers may 'free ride' on the deals between labour and state without joining the unions.

#### *Follow-up*

Social dialogue is only successful to the degree that decisions made are followed up and implemented by all parties. Each player has to be loyal and have enough resources to deliver on its undertakings.

#### *Centralisation*

Social dialogue contributes to centralisation. It becomes more and more difficult for unions to marry their strategies in tripartite talks to their internal structures. This needs to be counteracted with a renewed focus on internal democracy.

#### *Resources*

To play an effective part in social dialogue, trade unions need resources. If these are in short supply, there is a greater danger of co-optation.

In Botswana, for example, the unions complain about a lack of 'real' tripartism. Government's response is that the unions don't have the resources to take part in tripartite negotiations. Each meeting of the different forums sees new labour faces. Government claims the unionists do not have the skills or information to be effective negotiators.

Even in South Africa, a lack of human resources and skills as well as mandating procedures are creating problems for labour in Nedlac. It is crucial that labour develop independent analysis, arguments, information and documentation to back up their participation.

#### *Unity*

Unity amongst the different unions in each country is crucial to labour's success. In South Africa, COSATU, NACTU and FEDUSA

co-operate and co-ordinate their positions in Nedlac. In countries like Zambia, Lesotho and Botswana there is a much more antagonistic relationship between the different unions.

### **Finding the balance**

Engaging in tripartism will, of necessity, involve the labour movement in constraints and compromises. The unions will have to find a way to balance the needs of their own members and those of the broader society.

The labour movement can play a crucial role in the transition process in southern Africa. But, while employed workers have huge expectations, in several countries they are a small minority. They are relatively privileged compared to the millions of unemployed, informally employed or rural people. Low economic growth and the need to redistribute resources and address poverty cause governments to demand that organised labour tone down its demands.

For labour to influence public policy, the unions must retain the use of sanctions like strikes and stayaways. For this, they need the support of their members. Centralisation of decision making in the unions reinforces the gap between leaders and members. This is the most urgent issue labour in southern Africa needs to address. ★

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*Liv Torres is a research director for the Norwegian Institute for Applied Social Science, Fafo.*

# *"The community is part of the struggle"*

*Van Driel: Tell us a bit about Brazil.*

*Da Silva:* We have a population of 160-million people who speak Portuguese, a legacy of colonisation. Brazil is divided into 24 states. The economy is highly industrialised and concentrated in industries like automobiles and consumer durables. There are also large-scale farms. In the last decade the finance sector has developed the most.

One of the major divisions in Brazil is between the rich and the poor. About 32-million people live in extreme poverty. Brazil also has a large black population and racism is a major problem, although it is mostly hidden.

After the 1994 elections, President Frederico Cardoso implemented neo-liberal policies. Workers' rights were reduced and the state cut funding in social areas like health and education. This increased the burden on the poor.

But there is popular resistance to neo-liberalism from the social movements made up of amongst others, the homeless, the landless, women and the unions.

*Van Driel: And your union?*

*Da Silva:* Espirito Santo is a small state, with a population of one-million. There are 32 000 teachers and 18 000 belong to SINDIUPES. Membership is voluntary. Members pay 1% of their salary as subscriptions. Of our total membership, 87%

*Brazilian trade unionist and political activist, Erineuza (Eri) Da Silva talks to M... van Driel.*

are women. Twenty of the 33 positions, including the presidency, are by women.

We also organise the cooks who work in the schools. Every school is involved in education should be in one union.

We have private and public schools. The government still funds the schools and teachers from these belong to another union which is, not surprisingly, more moderate and which defends private education.

*Van Driel: How did you get involved in worker struggles?*

*Da Silva:* I joined the PT in 1989. I was a student in Espirito do Santo, was born in 1980 out of popular movements of workers, women, students and against the dictatorship. Lula, a metal worker, was elected president.

Workers were struggling for better working conditions and a better life. We needed a new party based on workers democracy, one which was against the traditional policies of the communist





Eri Da Silva

The communist party was conservative, made alliances with the bourgeoisie and imperialism and believed in stages. In 1989 we contested the national elections with a workers' programme. We lost the elections in 1989 and 1994 but we still believe that only the PT can resolve the crisis of capitalism and build a better life for workers.

Today the PT is a mass party with a membership of 700 000 people. Many workers support the PT.

The United Workers Confederation (CUT), was also formed in 1980. There are more than 2 000 unions affiliated to CUT

nationally. There is a close working relationship between the PT and the CUT.

I have just been elected vice president of the CUT. In the CUT I am involved in the national co-ordination of women's issues. Most of our work on women is educating our membership. We also support the right to abortion and the rights of gays and lesbians, although we still need to do more work in these areas.

*Van Driel: What struggles is your union involved in?*

*Da Silva:* The main struggle at the moment is against neo-liberalism. The public service is a very important area of struggle as everything is being privatised.

If you go to a public hospital you wait a very long time for attention. Hospitals have no money because of the government's funding cuts. We believe that privatisation only

benefits the capitalists and not the workers or the public at large. My union, together with the broader social movement, is struggling against privatisation.

The state governor of Espírito Santo, Vito Bouiz, is a member of the PT. PT's policy is against neo-liberalism and privatisation. But Bouiz agreed with President Cardoso to implement neo-liberal policies.

Bouiz began reducing the public service by cutting salaries and retrenching workers. We have taken him on! We even tried to expel him from the party but he still has some support in the PT, even though he is implementing privatisation. It might seem



*Brazilian metalworkers meeting, 1992.*

like a contradiction that we are PT and we are marching against a PT governor. But we must demonstrate that Buioiz is not implementing PT policies.

The CUT is also against privatisation and participated with us in the struggle against Buioiz. We had a demonstration in June, against privatisation and Buioiz.

Workers, parents, the homeless and the landless participated in the march. Ten thousand people took to the streets, marching against privatisation and against Buioiz.

*Van Driel: In South Africa, the public at large disapprove of teachers going on strike. Is this also the case in Brazil?*

*Da Silva:* We had a difficult situation in our last strike. It lasted for four months, from September to December 1996. Parents were fighting with the union as they believed we should return to work.

During the strike the Public Education Ministry petitioned the courts and the union was interdicted. The Ministry said we should

return to classes because the children rights were being prejudiced. The union had to pay a fine of US\$100 000 for every day of the strike. In SINDIUPES we only receive about US\$50 000 in subscriptions per month. So we went back to work and had to work with parents to show them the problem is with the government and teachers.

We have been trying to raise awareness amongst parents and to explain the difference between neo-liberal policies and the salaries that teachers earn.

The reduced budget means that we get state funding in the schools. The union has to raise funds, through parties, bingo, just to maintain the school. We encourage parents to fight with us against this.

We need the community's support. Unions must play a leading role in the struggle against neo-liberalism and privatisation. But we must ensure that we link up with the community, that the community understands and is part of this struggle.

Our strike could have been different if we had had parents' support

**Van Driel:** *What is the union doing to win the support of parents?*

**Da Silva:** Our local union committees work with parents and the broader community to raise political awareness. We have two major projects. One focuses on education and the other is about raising awareness about women's issues, HIV/Aids, sexuality, the oppression of women and violence against women.

In the school it is very interesting to see parents, students and teachers learning together. Working with the community is very rewarding. In groups you often see the contradictions emerge. Teachers, students and parents often have different views. When you work with them you can try to resolve the contradictions together. This is very positive because before when we just worked with teachers we only got part of the reality.

Often we don't know what teachers say to parents afterwards. Working with teachers, students and parents enables us to deal with issues from the different standpoints.

Sometimes we work separately with parents and students, depending on the issue. For example, often students (and parents), don't want to speak in front of one another about an issue like sexuality. This gives students the opportunity to raise questions about HIV/Aids and how to use condoms, for instance.

**Van Driel:** *In your work, you concentrate on the problems facing women and black workers. Can you tell us a bit more about this?*

**Da Silva:** Women still experience severe discrimination in Brazil. Racial

discrimination, while illegal, is still very much alive. All that illegality has done is to drive it under the table. If, for instance, you are white, and you have a black boyfriend, you will encounter problems with family and friends. Nobody says anything, but you can see their attitude.

Women and black people earn lower salaries than white men. Life is much more difficult for them, especially black women.

Women also experience a lot of *machismo*, or male chauvinism. A woman can't drive alone or go to a bar alone without being harassed. Women can't wear certain clothes, or people say they just want sex!

In the union, I work in the secretariat on women and race issues. We focus on awareness raising, breaking down stereotypes in the classroom and alternative teaching methods. While we need to respect differences, we must ensure that girls and boys are given the same opportunities at school.

Sometimes we have to work with the teachers first, as they either don't know about discrimination, or they are not aware that they are discriminating in the classroom. We try to sensitise teachers and organise them to work together on issues relating to gender and racism. ★

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*Maria van Driel is an organiser with SAMWTI. This interview was conducted at a Gender and Globalisation course hosted by the International Institute for Research and Education in Amsterdam. Participation in the workshop was made possible by a grant from the Dutch Government.*

## Capitalism's changing face

A striking feature of the 1990s is the increasing significance of class rather than racial divisions in the workplace. As black workers advance into traditionally white occupations, the apartheid division of labour is becoming blurred. At the same time, inequality amongst black workers is growing.

*Race, Class and the Changing Division of Labour under Apartheid* looks at the advancement of African workers into semi-skilled jobs over the past three decades. It is mainly concerned with the extent to which apartheid labour policies "complemented or contradicted" the interests of capital. Through a journey into the past, the author shows that current changes in class formation are a product of a far more complex relationship between apartheid and capitalism than previous writers assumed.

### Race and class

Until the mid-1970s, analysts assumed that the apartheid division of labour would deepen rather than disappear. Marxist theorists like Martin Legassick did not consider the possibility of a fall-out between capitalist interests and apartheid. According to this school of thought, the solution to the crisis of capital accumulation in the mid-1970s was a complete break with the capitalist system.

Today, racial divisions of labour are less apparent and capitalism remains firmly in place. How did this come about? Is it, as

*Malcolm Ray reviews "Race, Class and the Changing Division of Labour under Apartheid" by Owen Crankshaw*

liberal economists would have us believe, due simply to recent political changes?

Crankshaw argues that both schools of thought fall short of a proper analysis of the social and economic forces which have eroded the racial division of labour under apartheid and eventually undermined the material foundations of the system.

### Class theory

Chapter 1 explores the historical relationship between race and class divisions in an attempt to find an appropriate model of class analysis.

The book is not a re-interpretation of a rich body of class theory pioneered by notables as Harold Wolpe and others in the 1960s and 1970s. Instead, it questions the assumption that racial inequality is 'necessary' for capital accumulation.

Using comprehensive empirical data on labour market trends, Crankshaw shows that changes in the occupational structure of the workforce have been evident "within racially defined groups" for more than two decades.

Crankshaw finds Marxist models of class structure "too crude for an analysis of

relationship between race and class divisions in South Africa." He provides a detailed occupational breakdown in order to understand the exact way in which the racial division of labour is changing.

### Class formation

The book provides a detailed analysis of the labour process, and how new methods of production, driven by market forces, develop and change the division of labour.

The class and racial boundaries of the South African working class have been shaped by changes in the organisation of work, rather than the other way round. The sustained period of economic growth in the 1960s and early 1970s led capital to restructure the labour process by mechanising production in the manufacturing, mining and construction sectors. This facilitated the partial erosion of the racial division of labour over a drawn out period of time. African employment in more skilled occupations grew.

However, Crankshaw is at pains to point out that these changes, while significant, did not shift the class boundaries of the African working class.

### Upward mobility

In its institutionalised form, the apartheid system constrained the upward mobility of African workers into the skilled and professional classes.

In Chapter 2, Crankshaw provides evidence to demonstrate the fact that Wolpe and others exaggerated the movement of Africans into 'middle class' positions.

These authors identified three basic classes: capitalists, the middle class and the working class. Any occupational advancement by Africans was interpreted as the creation of a new 'middle class'.

Crankshaw differs with this analysis. He uses occupational descriptions from the then Department of Manpower to allocate

individual workers to classes. He concludes that "Whereas Africans have made substantial inroads into certain (semi-skilled) occupations, they have made almost no progress in others."

The question of how this was possible is dealt with in ensuing chapters.

### Dilemma

Towards the end of the 1960s capital was confronted with a dilemma: how to expand its interests in conditions of economic growth without undermining the apartheid workplace.

Capital's solution was to mechanise, while at the same time striking a compromise with the apartheid state and white labour. African workers were allowed into semi-skilled, machine operator positions. White workers were moved into skilled and managerial positions ahead of Africans.

### Skills

This compromise did not lead to African workers acquiring more skills. Instead, jobs were "deskilled" and broken up into "increasingly simple and more routine tasks".

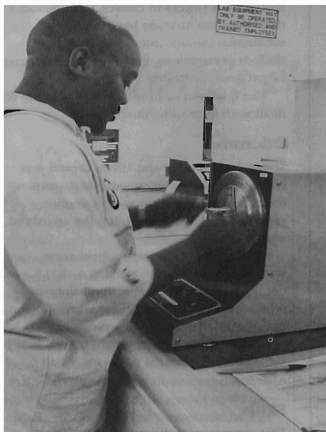
Writes Crankshaw: "The flip-side of this mechanisation drive... was that Africans were excluded from employment in professional ('middle class') trades until the 1980s."

This settles the question of why the mobility of African workers is today confined to routine machine operative and semi-professional jobs as "class distinct" from white managers and commercial professionals.

### New divisions

Does Crankshaw's interpretation of South African capitalism square up with the current reality?

The concluding chapters of the book show that the partial deracialisation of the



*African employment in more skilled occupations has grown.*

division of labour is turning full circle. Throughout the 1970s and 1980s, employers continued to mechanise production and advance African workers across the colour bar, resulting in the upward mobility of Africans in formal employment.

Chapter 6 examines trends in the racial wage gap and concludes that the advancement of African workers was at the expense of higher rates of unemployment for growing numbers of workers. This "profoundly differentiated" the African population in the 1980s.

The extent to which the wage gap among African workers has grown is gauged from a comparison of the Gini coefficients for 1975 and 1991. Using the research findings of economist, Mike McGrath, Crankshaw shows that inequality increased

the most among African workers during this period.

### **From race to class**

The increasing significance of racial divisions is appropriately the Chapter 7. Crankshaw weaves a complex web of statistics in 12 chapters into a coherent analysis that suggests that racial categories are becoming increasingly irrelevant in understanding occupational income differentiation in the labour market.

Because capitalist economies are increasingly driven by class divisions, race inequality, Crankshaw suggests, requires a rethink of class theory. The changing occupation among academics and the structure of the labour market as a necessary part of class analysis does not mean that the form of capitalism is changing.

The novelty of Crankshaw's book is to unpack the labour market and to analyse the changing class structure of the South African capitalism.

The book is somewhat dense and a reader might be tempted to skip chapters. It is also not for the faint-hearted: 122 pages of closely packed text with not a single photo to relieve the language and the price of the book, retailing at R528,39) will limit its accessibility to those who need it.

This is, however, a very timely study. It is a welcome contribution to an understanding of the changing race and class in the occupational structure of the South African workforce.

*Owen Crankshaw is a senior research fellow at the Centre for Policy Studies Race, Class and the Changing Division of Labour is published by Routledge and is available at leading book shops.*

# Labour online

## South African trade unions

- ❑ *CWU (Chemical Workers Industrial Union)*  
<http://www.anc.org.za/80/cosatu/cwu.html>  
 This is a directory of departments, branches and e-mail addresses.
- ❑ *NUM (National Union of Mineworkers)*  
<http://www.anc.org.za/num/>  
 Located here are press statements, information on mining policy, NUM documents and addresses of NUM offices.
- ❑ *NUMSA (National Union of Metalworkers of SA)*  
<http://www.numsa.org.za/>  
 Located here are press releases, NUMSA News, NUMSA offices and e-mail addresses.
- ❑ *SAMWU (South African Municipal Workers Union)*  
<http://www.cosatu.org.za/samwu/>  
 At this site you will find documents and resolutions, campaigns, SAMWU officials, press statements, *Workers' News* online magazine and links to other organisations.

## South African government

- ❑ *Central Statistical Services*  
<http://www.css.gov.za/>  
 This is a comprehensive site for official statistics. The CPI can be found under "Prices" and GDP under "National Accounts". There are also statistics on manufacturing and trade under "Statistics in Brief".
- ❑ *Commission for Conciliation, Mediation and Arbitration (CCMA)*  
<http://www.ccma.org.za/>  
 The Overview of CCMA events gives summaries of arbitration awards and recent CCMA events. Also available are CCMA forms and codes of good practice.
- ❑ *NFDLAC (National Economic Development and Labour Council)*  
<http://www.nedlac.org.za/>  
 On this site you have access to an overview

## Judith Sbir continues her guide to world wide web sites.

- and structure of Nedlac, documents and agreements, Nedlac's schedule, ideas, a database and a glossary. Under "News" you can read press releases, a monthly news update and *Nedlac Quarterly Bulletin*.
- ❑ *South African Communication Service*  
<http://www.sacs.org.za/>  
 which gives an overview of the Budget, the Economy and Finance with links to other relevant sites, for example the JSE and *Financial Mail* Top 100 Companies Index. It also features a section on the SA government divided into Systems and Documents. What's New provides the latest Bills, Acts and the *Tender Bulletin*.
- ❑ *South African Government of National Unity*  
<http://www.anc.org.za/80/gnu/>  
 The Index displays government documents and information on government structures and other sites.

## Research

- ❑ *Bureau of Financial Analysis Network*  
<http://www.bfa.net.com/>  
 This site gives financial coverage of companies listed on the Johannesburg Stock Exchange. Company reports are listed alphabetically giving director's names, the nature of the business, the chairman's statement and a mini balance sheet or income statement. Company interims are also available.
- ❑ *Development Policy Research Unit*  
<http://www.uct.ac.za/depts/dpru/>  
 The South African based DPRU undertakes economic development and policy oriented research. It co-ordinates research activities in the following fields: trade policy, industrial policy, science and technology policy. It co-

ordinates the Industrial Strategy Project, Science and Technology Policy Research Centre, Trade and Industry Monitor and Key Issues in SA Economic Policy Seminar Series

- *Dun & Bradstreet Companies Online*  
<http://www.companiesonline.com/>  
 This lists information on 100 000 public and private US companies
- *Economic Policy Institute*  
<http://www.epinet.org>  
 This is a US based non profit, non partisan think tank that seeks to broaden the public debate about strategies to achieve a prosperous and fair economy. Look here for Recent reports, Library and Catalog and ordering information
- *Foundation for Global Dialogue*  
<http://sn.apc.org/fgd/>  
 The Foundation for Global Dialogue is an independent South African based, non-profit organisation with the purpose of promoting international co-operation between countries of the developing South and the developed North. The website provides information on forthcoming events and publications
- *Institute for Employment Research, University of Warwick*  
<http://www.warwick.ac.uk/iet/>  
 The Institute undertakes research in the labour market field in the UK including comparative research on employment and training
- *Institute for International Economics*  
<http://www.iie.com>  
 Contains information about the Institute, their publications, staff (with areas of expertise) and press releases
- *Johannesburg Stock Exchange*  
<http://www.jse.co.za>  
 This site gives access to conversion rates for currency, listed companies addresses and statistics on share transactions
- *Labour Research Department*  
<http://www.lrd.org.uk/index.html>  
 LRD is UK-based providing the information that trade unionists need. The web site features their services, gives information about LRD and new publications and who to contact
- *Labour Research Service*  
<http://www.aztec.co.za/users/lrs>  
 This is an economic research unit based in

Cape Town. It concentrates on research and advises labour on economic and social policy

- *Labour Studies at the University of Adelaide*  
<http://gopher.laour.adelaide.edu.au/>  
 This provides Labour Studies information Research and Contacts and Internet
- *Poptel*  
<http://www2.poptel.org.uk/>  
 Poptel is an Internet service provider, Manchester. Their home page provides information about its services, a list of pages published on its web server, an information directory and their camp address book.
- *SANGONET*  
<http://wn.apc.org/stunfo.htm>  
 This is a regional electronic information communication network for development human rights workers. Their Labour Economy Directory can be found at [wn.apc.org/labour/](http://wn.apc.org/labour/)
- *South African Workplace*  
<http://www.workplace.co.za/>  
 This website has the results of the CIB Bargaining survey undertaken by Gann and Associates as well as Labour Links
- *United Nations Development Programme Human Development Report Office*  
<http://www.undp.org/undp/hdro/>  
 The 1997 Human Development report summarised here. You can get a brief look at the Human Development Report, see how countries are ranked
- *Wits Law School*  
<http://www.law.wits.ac.za/>  
 Here you will find Constitutional Court decisions, Land claims court decisions, Rights Library, SA Law Commission and related sites.
- *Women working worldwide*  
<http://www.poptel.org.uk>  
 This is a UK-based organisation which supports the struggles of women through information exchange and international networking. The home page provides access to information, campaigns, conferences and further information

*Judith Sblter is the librarian at the Trade Union Research Project (TURP) Thapar Gary Pbillips for assistance.*



# The Skills Development Bill

By Alvan Riley, General Manager, Training and Education, NPI

The economic prosperity of South Africa depends on a significant improvement in the processes of developing people

In 1988 I gave a talk at the IPM Conference, calling for a coherent national training strategy. This derived from personal shock about the speed of such changes in Europe, particularly in the UK.

By 1994 South Africa was catching up. We had agreed upon the National Training Strategy Initiative and started our new lexicon. Now, late in 1997, we are asked to comment on a Bill.

Once again, it is time to move forward, fast. We must go ahead on the Bill. We can make it work later. There can be no doubt that

- we need an efficiently administered and content-relevant National Qualifications Framework (NQF) to assess the degree to which we are improving the quality of people at work,
- sectoral training boards must prompt useful training in their sectors,
- the imposition of levies can effect a better investment in training if the ensuing grants are linked to a strategic assessment of training needs,
- sectoral bodies will never address cross-sectoral training needs and therefore government must drive these changes on behalf of business,
- in a fiercely competitive world, sectors and organisations need to be persuaded to take a more strategic view of their training needs, otherwise we invest even more in yesterday's understanding of skills needs.

## Doubts

Yet there remain some misgivings. SETAs seem more of an administrative device than a vehicle for promoting useful training in rapidly changing labour markets. The National Training Authority, being almost wholly devoid of that entrepreneurial drive that lies at the heart of economic growth, is unlikely to provide inspirational leadership for a developing economy. The flow of money from business to the Revenue Service, through SETAs and ETBs and back to business, seems prolonged.

The Bill does contain ideas that could answer these concerns, for example, the establishment of a Research and Strategic Planning Unit.

## Issues

There are two issues we must not lose sight of as we implement the Bill and the Act: the economic value of training, and where people learn to do their jobs well.

The decision to train rests on a simple assumption: the cost of training is much less than the economic benefits that flow from having trained.

From a managerial perspective this assumption is sometimes an act of faith, occasionally a proven fact, and all too often not true. Unless training costs can be shown to be a useful investment, managers in South Africa will continue to under-invest qualitatively and quantitatively.

The imposition of an NQF-based

training system will only encourage more investment if the standards on which the NQF is based are perceived to be closely related to the skills needs of a business. No levy or grant system will persuade managers to buy training that is of no value to their businesses.

Given the rate of change in skills needs, the NQF will only be useful if it is highly responsive.

### *On the job*

The second issue is where people really learn how to do their jobs well. Reg Revans, the action learning guru once told a disciple of adventure-oriented management training: "If you want to learn how to cross rivers in leaky boats then get into leaky boats. If you want to learn how to manage, then start managing."

Welders learn to weld well by welding on the job, although well-structured off-the-job training prepares the ground. Michael Schumacher drives fast cars well by driving fast cars on his job. The key to high performances lies in our ability to learn on the job.

### **Dangers**

There is a danger that:

- The NQF may become a bureaucratic monster, unresponsive to the skills needs of fast-changing labour markets. The slowness in implementing the SAQA Act and the absurdly inappropriate composition of the national standards bodies do not bode well.
- Future training investments will be driven by a need to recover grants.
- The ETBs and SETAs may forget, amidst the complex administrative

arrangements that are needed to implement the Bill's intentions, its prime function is to increase the level and quality of economically valuable training

- Productivity-enhancing training, ie on-the-job training, may be overlooked in favour of the more easily implemented learning events that rarely contribute much to improving performance.

### **Answers**

Some solutions may be:

- ETBs must not only administer the NQF, but vigorously promote management of learning in organisations.
- ETBs must identify the key skills sectors need for competitiveness use their resources to optimise the provision of training in those skills. The contributions of the ETBs must be selective and focused.
- ETBs must campaign to persuade individuals that life-long learning is a requirement.
- More research, better insights and shared experiences are needed to help companies build an internal culture learning that maximises their ability to adapting to changing product markets. The NPI's Learning Company Consortium is an example of what help.

Opportunities for a change of direction in national training strategies occur, roughly once a decade.

The Skills Development Bill is the last opportunity for this century. We can continue to remain at the bottom of world competitiveness tables if we want a low standard of living. Let's not carp about Bill, let's do it!

# "Fighting on two fronts"

**I** was born in Germiston in 1960. I am the fourth and youngest child in my family. My father died when I was two, so I was brought up by my mother. Being a single black working mother during apartheid was a burden on my mother. She is on pension now.

## Student life

I attended Monde Primary School in Germiston and graduated to Chumana Secondary School.

This was the starting point in my life as an activist. The problem of Afrikaans as a medium of instruction at school forced me to participate in the 1976 student uprisings.

At the time, I was in standard 8. It was difficult to concentrate at school when the security police were constantly visiting my family. I could not handle the tension and decided to leave home for a while to work in Lesotho and then Buthabutha where I lived with some of my friends. In October 1976, I returned to Katlehong to write my exams. Even though my schooling was disrupted, I managed to pass. In 1978 I went to Nelspruit to complete my matric.

## Working life

In 1979 I started my in-service training at the South African Institute of Medical Research. I was based at the blood transfusion department in Rietfontein.

We apprentices lived in the hostel at the Rietfontein Hospital. It was a very routine life. However, we worked abnormal hours

*Joyce Pekani, newly elected first vice-president of CWTU, talks to Malcolm Ray and William Matlala.*

without pay. We were very badly treated. Because we were students, joining a union was out of the question. After completing my examinations in the early 1980s I started work at Robertsons in Alrode as a Laboratory Technician.

## Organising

Our working conditions and wages left much to be desired. Workers were not organised. The company was using the old liaison committees. These committees were toothless. Workers could not negotiate wage increases. We were not allowed time off to meet and discuss our problems.

Something had to be done. We met outside working hours and I was nominated, along with another comrade, to look for a union that was capable of fighting for us. We were impressed with the launch of COSATU and saw CWTU as a home for workers in our company.

We were assisted by the union organiser, Wesley Dumo, who gave me stop order forms to sign up members. I remember sneaking into the women's changing rooms every day until we recruited the majority of the workforce.



Chris Bonner, who was the branch secretary of CWIU, helped us negotiate our recognition agreement in 1986. I was not aware of the procedure and did not have negotiating skills, so it was a learning experience for me. When we won recognition, workers elected me as the chairperson of the shopstewards' committee.

### Challenges

Management reacted very badly to workers joining the union. Benefits previously granted to workers were discontinued. We took this as a challenge and resolved to fight for better conditions.

Police harassment made our task even more difficult. The police followed Chris Bonner to the depot. They were able to

identify the union leaders at the company. At CWIU and COSA meetings, we were harassed by the police. As union leaders, we took many risks.

### Fighting on two fronts

As a women worker, my task was much more difficult. I had to fight on two fronts: the racist bosses and my own male comrades in the union. On many occasions I came close to resigning from my position. As chairperson I clashed with male comrades in the shopstewards' committee. They wanted a male worker to lead them.

I eventually resigned under pressure and took a break from being a shopsteward. But the situation at the workplace began to decline. The union was weak. Shopstewards stopped attending meetings and negotiations with management were no longer taking place. I decided to intervene. I contacted the union branch

secretary, Nelson Mthobile, and requested the assistance of the branch in rebuilding the shopstewards' committee.

Workers unanimously decided to re-elect me as a shopsteward and chairperson – a position I held until our congress this year.

### Political conflicts

Then there were the political differences amongst workers. There were IFP, ANC, and even AWB members in the factory. Back then the IFP, through UWUSA, wanted to remove COSATU unions from the workplace. White workers gave me nicknames like 'Winnie Mandela' and accused me of bringing the ANC into the workplace.

My approach was to befriend these workers and tell them that we share the same struggle. What was amazing for me

was the way workers from different political backgrounds came together when they realised that party politics had no place in the factory. When UFWUSA tried to organise workers on an IFP ticket, many workers resisted. They decided not to join any union. But we needed their support and saw the closed shop as the only option. We eventually negotiated an agreement with management which recognised CWTU as the only union.

### Strike action

In 1987 I led workers in legal strike action over wages. The strike lasted four long weeks.

We received support from the company's Durban and Tzaneen depots. The company decided to lock us out of the factory and employed scabs. We had to find ways of maintaining unity outside the factory gates. I had to communicate with the branch office from public phones and keep the spirit of workers high.

Three weeks into the strike, the situation was very tense. Workers were desperate to return to work and management was uncooperative. The police were called in and some workers were arrested. Others were assaulted by the scabs. As a union leader, I felt responsible for this. Our legal department eventually brokered a settlement with the company.

The strike taught me valuable lessons about the struggle. Most importantly, that the struggle is not about individual leaders. Even though my life and job were at stake, I knew that my comrades would always be behind me.

### Beyond the factory

By 1990 I had become a gender representative for CWTU within COSATU and a local office bearer. I later became a branch treasurer and national gender coordinator for the union.

My election to the position of first vice-president at our national congress this year was a surprise. It is the first time a woman has occupied a national leadership position in the union. I am not insecure about the fact that my nomination by the gender structures of the union was a result of the union's affirmative action policy to promote women leadership in the union. It is about time that a woman is elected to a national position!

Ironically, I was nominated by all four branches of the union except my own. I realise now that even though we have standing resolutions on women leadership, we don't all support the union's policy. Fortunately, my nomination was backed by the majority of congress delegates.

### Future tasks

I am still struggling to find my feet in this position. It's not easy when one has to take up issues at the company and branch level and wear a national cap. I am still in touch with my comrades at Robertsons even though I spend less time at work. Where possible, I try to attend workplace meetings, but I can't be in both places at the same time.

I would like to see more women elected to leadership positions at all levels of the organisation. I see my election is a small step in the right direction.

### Family life

I have very little time for family life. I am a single mother of a 14-year-old daughter. Being a single working parent is a demanding responsibility. My daughter keeps herself occupied with school activities when I'm not around. I'm lucky that she is a mature young woman, who understands my commitment to the union.

But my family comes first – there is no question where my priority lies! ★

ANC	African National Congress	TBVC	Transkei Bophuthatswana Ciskei
BEC	Branch Executive Committee	UIF	Unemployment Insurance Fund
BCEA	Basic Conditions of Employment Act	WTO	World Trade Organisation
CBO	Community Based Organisation		
CCMA	Commission for Conciliation, Mediation and Arbitration	<b>COSATU-affiliated unions</b>	
CEC	Central Executive Committee	CAWU	Construction and Allied Workers' Union
COSATU	Congress of South African Trade Unions	CWIU	Chemical Workers' Industrial Union
EPZ	Export Processing Zones	CWU	Communication Workers' Union
EU	European Union	FAWU	Food and Allied Workers' Union
Exco	Executive Committee	IPS	Institute of Public Servants
GATT	General Agreement on Trade and Tariffs	NEHAWU	National Education, Health and Allied Workers' Union
GDP	Gross Domestic Product	NUM	National Union of Metalworkers of South Africa
GEAR	Growth, Employment and Redistribution Strategy	NUMSA	National Union of Metalworkers of South Africa
IFP	Inkatha Freedom Party	POPCRU	Police and Prisons Civil Rights Union
ILO	International Labour Organisation	PPWAWU	Paper, Printing, and Allied Workers' Union
IMSSA	Independent Mediation Service of South Africa	SAAPAWU	South African Agricultural, Plantation and Allied Workers' Union
LRA	Labour Relations Act	SACCAWU	South African Commercial, Catering and Allied Workers' Union
MP	Member of Parliament	SACTWU	South African Clothing and Textile Workers' Union
NALEDI	National Labour and Economic Development Institute	SADTU	South African Democratic Teachers Union
NACTU	National Council of Trade Unions	SAMWU	South African Municipal Workers' Union
NEC	National Executive Committee	SARIFWU	South African Railways and Harbour Workers' Union
NEDLAC	National Economic Development and Labour Council	SASBO	South African Society of Bank Officials
NGO	Non-governmental Organisation	TGWU	Transport and General Workers' Union
NOB	National Office Bearer		
NP	National Party		
OAU	Organisation of African Unity		
RDP	Reconstruction and Development Programme		
SACP	South African Communist Party		
SMME	Small, Medium and Micro Enterprise		

# Subscriptions Manager

## *SOUTH AFRICAN LABOUR BULLETIN*

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- assist with marketing
- general office tasks

The Subscriptions Manager reports to the Managing Editor and the Editorial Board.

#### **The person we are looking for will be:**

- proficient in data base and word processing programmes
- have public relations skills
- be efficient and give meticulous attention to detail.

An understanding of, and commitment to, the objectives of the trade union movement would be an added recommendation.

Submit your CV with the names and contact numbers of two referees to:

The Managing Editor,  
SA Labour Bulletin, PO Box 3851  
JOHANNESBURG, 2000

**Closing date: 31 December 1997**

# Ditsela has an exciting education and training programme for 1998!

## Ditsela National Advanced Labour Education Programme

This programme will take off in March 1998. It marks the first step in the creation of a comprehensive, systematic but flexible trade union education system as agreed in the 1997 Ditsela Educator Conference. There are Five Courses in the Programme. Participants will enroll for one course.

Organising in the 1990s –  
Advanced Trade Union Studies

Advanced Labour Law for  
Trade Unionists

Trade Union Studies for Women –  
an Advanced Course

The Trade Union Educator –  
an Advanced Course

Managing Trade Unions –  
an Advanced Course

The courses run from March to November. Each course is divided into four blocks. Participants will attend all four blocks. They will be required to complete projects in between the blocks.

Ditsela is experimenting with forms of recognition for the courses, and is working in partnership with a number of higher education institutions.

### Summary of course dates:

	Trade union studies	Labour Law	Managing Trade Unions	Trade Union Educator	Trade Union Studies for Women
Block One	13/03-14/03 Orientation				
Block Two	30/03-5/04	30/03-5/04	20/04-25/04	4/05-9/05	4/05-9/05
Block Three	30/06-5/07	30/06-5/07	27/07-1/08	10/08-15/08	10/08-15/08
Block Four	5/10-11/10	5/10-11/10	26/10-31/10	2/11-7/11	2/11-7/11

Full details can be obtained from your union head office, federation, Ditsela and via our new Website at <http://www.ditsela.org.za>

### Short courses

Short courses running in the first half of 1998 are:

- Arbitration Skills – eight courses in February/March and a further eight courses in May/June, at different venues around the country.
- Information Skills for Trade Union Negotiators: An Introduction to Economics for Trade Unionists, Management and Leadership for Union Office Bearers – to be held in Durban first week in March.
- Health, Safety and Environment for Union Co-ordinators – April, Johannesburg
- Shopsteward training pilot and facilitator training – May, Johannesburg.

For further information, call the Ditsela office. Tel: (011) 403-2155/6/7 and fax: (011) 403-1055