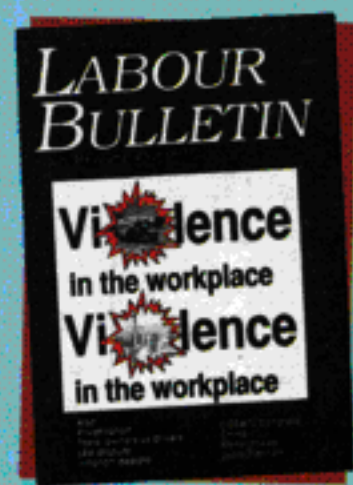
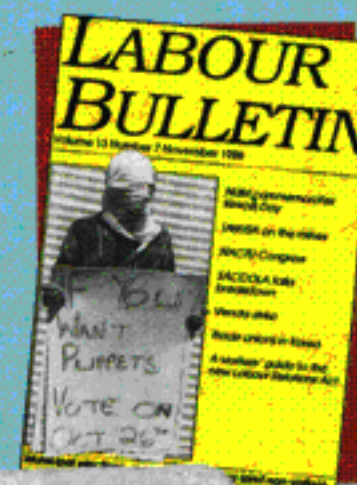
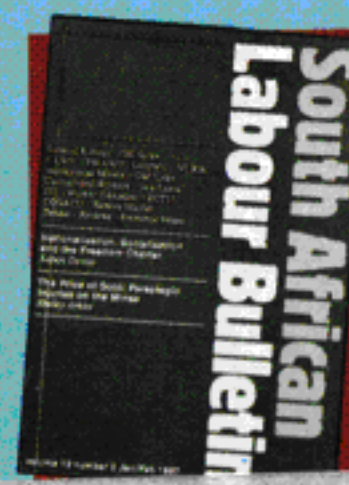
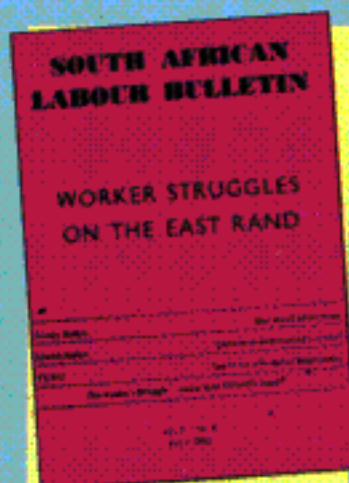
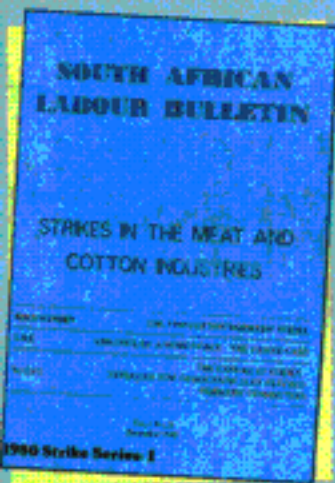
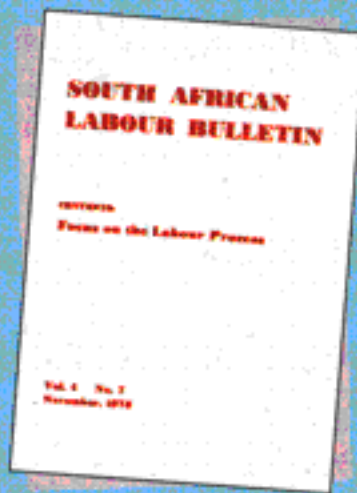
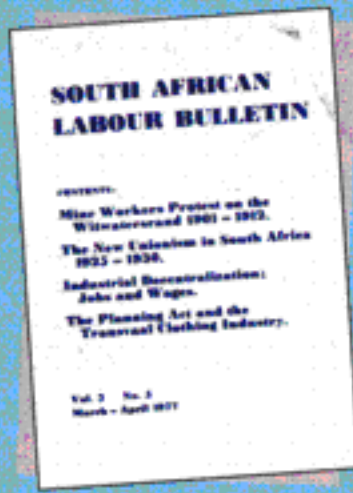
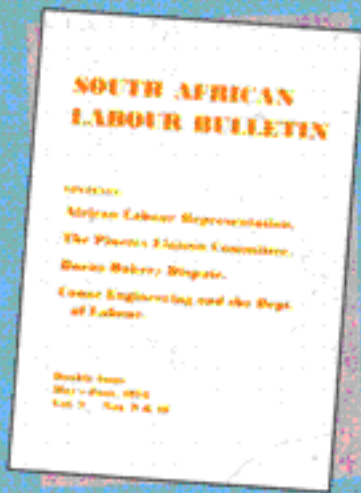


# SOUTH AFRICAN LABOUR BULLETIN

November 1994 Volume 18 Number 5

Co-determination debate  
COSATU Congress  
Strikes



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VOL. 18, NO. 5, NOV. 1994

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1994

# 20 years of the Bulletin!

Special Anniversary edition: 120 pages



# **Transnet's Contribution To The RDP**



**Transnet contributes to RDP on two levels namely regional and corporate. On the regional level Transnet serves the country with a myriad of small local projects. On the national level its corporate focus is on a few big projects aimed at helping to grow and sustain South Africa's economy through its core business namely transport. The projects can be grouped under three headings namely internal, external and macro.**

## **INTERNAL**

- Providing housing to 30 000 employees by the year 2000
- Increasing expenditure on education and development to 5% of the payroll (or approximately R300m)
- Increasing the number of bursaries for disadvantaged employees to 70% of the total within two years
- Giving substance to the norms and recommendations of the Black Management Forum in Transnet's management structures
- Democratising the workplace with 2-3 years

## **EXTERNAL**

- Organising health care through the exciting new concept of the Phelophepa train which reaches mainly rural people who don't have ready access to medical care
- Creating more employment opportunities by channelling 6% of its purchasing power mainly to black entrepreneurs

## **MACRO**

- Providing the infrastructure which can handle all South Africa's export requirements now and in the future, and
- keeping its tariffs 2% below the inflation on average in order to increase South Africa's competitiveness in the world market.

The past two decades have been a remarkable period for the labour movement. It started with small groups of students and township and worker activists, as Siphon Kubheka and Eddie Webster recall. The struggle to carve out a space for union activity against the viciously repressive apartheid state and the harsh employer regime of those years demanded great courage and commitment.

But slowly, over many years of patient organising, of militant industrial action, of strategic use of workplace power, legal actions and broad community and international campaigns of solidarity, the trade union movement won a strong base in the workplace and a central role in the gathering mass struggle against apartheid.

Now the unions are poised to face new challenges in a democratic SA. Many of those who helped shape those early years are now in prominent positions in the new government. Others named by Kubheka and Webster are not with us as a new era dawns – killed in jail, in other countries, or in their own homes or neighbourhoods. They too are part of this moment, part of the possibilities our struggle has created.

The *Labour Bulletin* has also been present in the labour movement over these 20 years. It has been a forum for debate and analysis, an interface between intellectuals and activists within the movement and those working in universities and service organisations. It has provided the sort of intellectual forum essential for the growth and continued vitality of any mass movement striving to transform society. In this sense the *Labour Bulletin* constitutes an important part of the critical self-consciousness of the labour movement, a place for critical reflection on victories, defeats, strategies.

Just as the labour movement faces new challenges, so does the *Bulletin*. We too have to rise to the intellectual challenges of a new role for labour. One challenge is to probe and explore new opportunities.

Another is to define the objective limitations which constrain labour's options, and to analyse the forces which oppose labour's agenda and social transformation. Many of these challenges entail the *Bulletin* adopting a more critical, challenging role in relation to the trade unions themselves.

On the other hand, the *Bulletin* has to fight for more rational and informed debate about industrial relations and labour issues in society and the mass media in general. The pitiful quality of reporting on labour issues in the mass media is quite alarming. There is a new danger that the current style of labour reporting, based on ignorance and prejudice, casts the trade unions as the main obstacle to development, rather than a key force driving development – and in doing so, paves the way for new attacks on labour.

The final challenge is a financial one. As anti-apartheid funding dries up, anti-apartheid publications are seeking new ways to survive. Already two high calibre and long-standing magazines – *Work in Progress* and *Learn and Teach* – have been forced to close. Both were members of the Independent Magazine Group, as is the *Bulletin*.

We would like to assure our readers that the *Labour Bulletin* is not about to close. We have developed powerful and focused marketing strategies to improve subscription income. And we have launched an aggressive campaign for advertising – the first fruits of which are visible in this edition. So stay with us for the next two decades – they promise to be exciting!



**Karl von Holdt, editor**

# SOUTH AFRICAN LABOUR BULLETIN

Vol 18 No 5 November 1994

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*Published since April 1974*

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**Cover Design by: MANIK Designs**

## Dear editor

I think you draw altogether too pessimistic a conclusion from the interview (*SA Labour Bulletin* Vol 18 No 4) which you conducted with Leslie Boyd and myself.

That such a full and frank exchange took place underlines the commitment of Anglo American leadership to the fostering a consensual on important labour issues, amply demonstrated already by the Anglo commitment to the NEF and now the new NELDC.

There's more than an element of setting up straw

men in your remarks. Naturally business could indulge in the same game and say that if your views, for example the condensation that appeared in *Business Day* (26/9/94) were to be ventilated in the many forums where SA business is trying to boost confidence amongst the international economic community, foreigners would regard them as outmodest radicalism and would simply head for the hills.

However that would not be a productive approach. Better rather to acknowledge that there remain important areas of difference between labour and business but that both parties are committed to

working them out whilst maximising economic performance and hence poverty alleviation and RDP achievement in the short term.

Finally what we do appreciate was the full and accurate reflection of our views and the equally frank admission that labour does not have an answer to the critical problem of unemployment, least of all in the proposed high wage, high skill, high productivity strategy.

*Yours sincerely*  
**M W Spicer**  
*Public Affairs Consultant*  
**Anglo American Corporation**

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## ANC Parliamentarians celebrating Bulletin birthday

**W**ishing the South African Labour Bulletin well after 20 years in the service of the workers and justice

Not all ANC MPs could be contacted in time. A apologies



L M Mokoena  
 John Copelyn  
 Godfrey Oliphant  
 Moss Chikane  
 Tembeka Gamndana  
 Phumzile Ngcuka  
 Abe Nkomo  
 N E Phakathi  
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 Essop Jassat  
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 Isaac Vilakazi  
 Joyce Kgoali  
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 S W Lusibi  
 Baleka Kgosisile  
 B Marshon  
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H J P Lebona  
 Mluleki George  
 Billy Nair  
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 D W Marsh  
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 W Mkwazi  
 Zola Skweyiya  
 N Hangana  
 Inkosi S D W  
 Nxumalo  
 J Nash  
 M B U Goniwe  
 Mohamed Valli  
 Moosa  
 M L Mushwana  
 G A Fredericks  
 Jay Naidoo

# MEWUSA



**M**etal and Electrical Workers Union of South Africa congratulates the Labour Bulletin on the occasion of its 20th anniversary, and on the achievement of articulating democratic views on labour issues.

**"No future without  
democracy and  
independence"**

**We organise the following industries:**

- Engineering
- Lift engineering
- Electrical contracting and motor

**MEWUSA stands for worker advancement. The union for you.**

General Secretary: **Tommy Oliphant**  
President: **Russel Sabor**

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# NUM



**T**he South African Labour Bulletin has been a mirror of the struggles and challenges faced by the working class since its inception in 1974.

You have co-existed with the labour movement and witnessed its growth into a powerful progressive force in this country led by COSATU.

The South African Labour Bulletin has earned its place as compulsory reading for both staff and worker leaders in the National Union of Mineworkers.

On behalf of all the mineworkers we salute and shower best wishes on the South African Labour Bulletin on the occasion of its 20 anniversary.



## PPWAWU

**O**n behalf of our Union's Executive Committee, Shopstewards, Union members and Union officials we extend our best wishes to all those involved in the production of this excellent publication. Your publication has served thousands of worker leaders for 20 years. We wish you all the strength in the years to come.

To PPWAWU the South African Labour Bulletin is a real workers' bulletin. There was and still is a very good interaction between the staff, readership and contributors. We all have benefited from this publication.

Workers are informed about the history of their struggles.

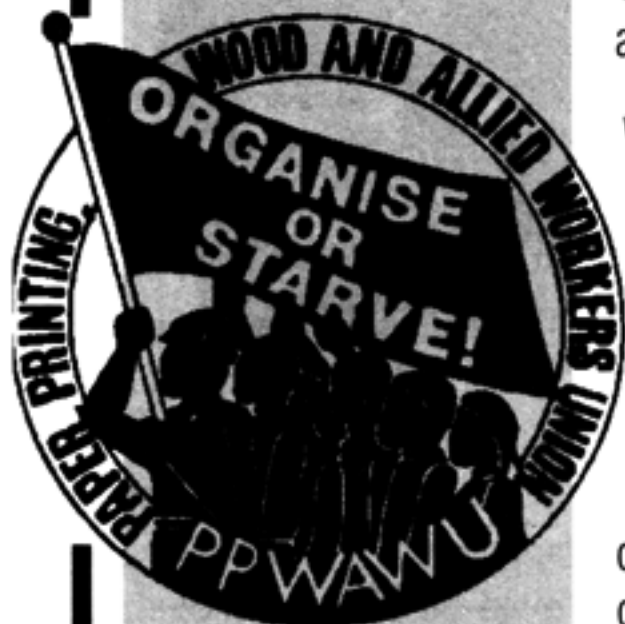
Workers have understanding of political economic struggles.

Workers have understanding of political struggles in general.

Workers today are able to follow current struggles in the work situations.

All of this is because of the tireless activities of the Labour Bulletin.

The South African Labour Bulletin has stood the test of time. We have no doubt that regardless of worrying financial difficulties we will be still reading our Labour Bulletin in the distant future, for the Bulletin is yesterday, today and the future.



## T&GWU

**T**ransport and General Workers Union supports Labour Bulletin for the great work it has done for the marginalised proletariat in South Africa.



TGWU believes that the fact that the Bulletin survived and flourished for so long is a great achievement through years of repression and oppression in our country. Many bosses have come up openly criticising the Bulletin and quoted openly that "SA Labour Bulletin is a COSATU wing".

TGWU says to all those doubting Thomases "Speak the truth and claim no easy Victories". SA Bulletin is the Bulletin that is supported by workers or the working class as a whole in SA. It addresses all the imbalances that are at the workplace.

Workers through SA Labour Bulletin want to emancipate themselves from the yoke of oppression by the bosses.

## FAWU

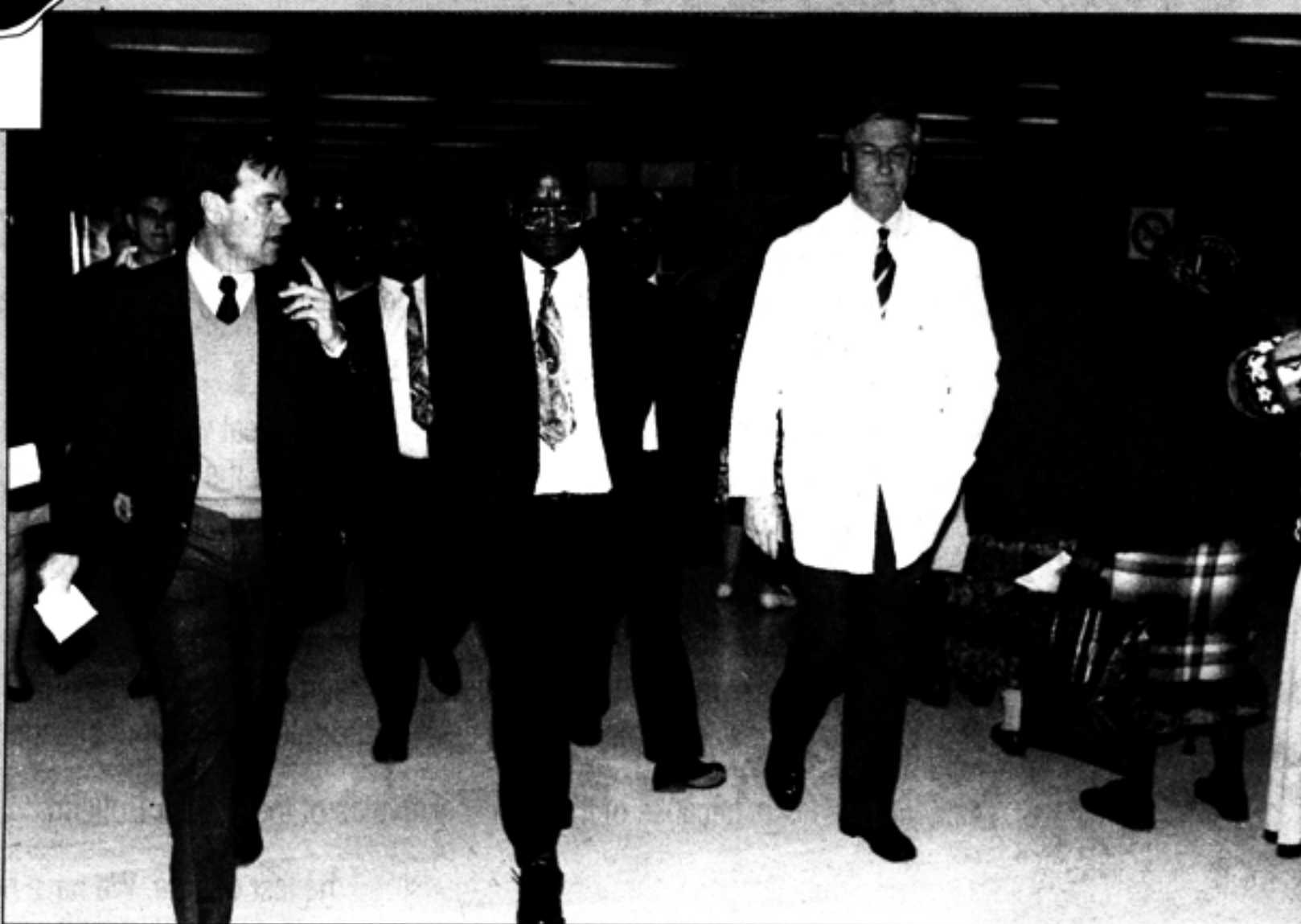


**F**ood and Allied Workers Union wishes to congratulate the SA Labour Bulletin in its 20th anniversary celebration.

Our union and members appreciate the contribution made by this Labour magazine, in the general struggle of the democratic trade union movement and believe the magazine will play a more constructive role in promoting labour matters in the context of the Reconstruction and Development Programme.

Your contribution to the national liberation struggle through the publishing of worker related struggles has not gone unnoticed. We believe that you will continue to play your role as an independent magazine.

We in FAWU say Long Live South African Labour Bulletin, may we see more and more constructive articles in this magazine.



Pic: William Matlala

**Masondo touring with the big chiefs**

### **Masondo, the workers' friend**

Its amazing how much influence the working class has won in the new government by voting for the ANC. Take Amos Masondo, for example. A veteran unionist of many years standing, he was regional secretary of COSATU in the PWV when he was called to higher things – the ANC list for the PWV. He is now MEC for health.

NEHAWU shopstewards at Johannesburg hospital heard he was to visit their hospital. They sent him a memo about their problems and requested him to ensure that he met them.

On the day of the visit Masondo walked straight past the waiting shopstewards and greeted the big chiefs of the hospital. He proceeded to tour the hospital with the chiefs, chatting and smiling with patients, nurses and staff – and never once bothered to notice the shopstewards who trailed behind.

Like REDEYE says, amazing how much influence our votes got us. REDEYE hears Masondo did the same thing at six other hospitals he visited. Maybe strikes are a better way to show we exist, that we didn't just disappear after the elections?

### **Hands off America!**

The American delegates from the AFL-CIO at the COSATU congress did not look happy. The Cuban delegates had just been introduced and two thousand South African workers were on their feet applauding, singing and chanting, "Hands off Cuba! Hands off Cuba!" Then the COSATU president referred to the efforts of US imperialism to strangle Castro's government.

The Americans looked like thunder.

REDEYE hears rumours that the AFL-CIO delegates complained to COSATU that they are always insulted at COSATU congress. Maybe they think COSATU should control its members' warm feelings of solidarity for the tiny island. REDEYE has a better idea. Why doesn't the AFL-CIO stand up to the US government for a change, and join the civilised world in protesting against its outrageous

behaviour towards Cuba? Then maybe the American's would get an enthusiastic reception at the next COSATU congress. ❖

### **Mandela begs from bloody regime**

While on international affairs, REDEYE was shocked to read that Mandela was visiting the military regime in Indonesia to seek funds for the ANC. The Indonesian regime came to power in the 1950s by killing some two million communists.

It bans, detains and murders political opponents, including trade unionists. It still illegally occupies the island of East Timor, which it invaded so that it could exploit its oil. Human rights organisations say the Indonesian army has slaughtered a third of the people of East Timor.

When Mandela visited Indonesia in 1990 he said he would not interfere in the internal affairs of another country. If the world had had that attitude to SA would we have had democratic elections this year? Would Mandela be free? ❖

### **The RDP: everywhere and nowhere**

The RDP is a bit like the ANC used to be before 1990. You never knew quite where it was, but it was all around. Important people had links to it. It did everything and it did nothing.

Same with the RDP. Everyone does it, everyone loves it – but what is it?

At a Consultative Business Movement breakfast it was announced that the RDP is not being implemented in the Eastern Transvaal, and businessmen should come forward, form a committee, and drive it forward. At a conference in Pretoria a general said the army was ideally suited to implement the RDP – with its vast fund of experience in social upliftment in the townships since 1976!

An NP MP says the RDP is just what the country needs (pity they didn't think of it in 1948). Businessmen talk of privatisation, appoint RDP managers and dream of cushy government contracts. RDP minister Jay Naidoo says it is not a thing but a process. The NIS gathers intelligence to protect the security of the RDP. Trevor Manuel intends to destroy

the textile industry in the name of the RDP.

Meanwhile, shopstewards in the Eastern Transvaal say, "If you want a new car, just say RDP," as they watch their new MPs flash past. ❖

### **Strike wave hits editor**

In the last issue of *Labour Bulletin* our editor wrote that there has not in fact been a particularly remarkable strike wave. He also wrote that there is no evidence that union leadership has lost control over strikes. REDEYE wonders whether he has changed his mind. Last week the *Bulletin* offices were blockaded by striking bus drivers. When the editor went to see what was happening a shopsteward told him they were taking action independently of the union because the union was useless. ❖

### **Fruit for Trevor**

COSATU argues that it is important to 'beneficiate' our primary produce more. This creates jobs, and adds greater value to our exports, thus contributing more to our own national economy.

One admirable example of value added is the 'appetising' fizzy drink made by an enterprising SA company out of South African apples and grapes. What is more, since the lifting of sanctions, this drink is proving to be successful overseas, and exports are increasing.

Congratulations to this successful South African company for their excellent contribution to our national economy!

But wait a minute! South Africans holidaying in the UK, thrilled to find their favourite 'appetising' drink on sale there, tell us that it is actually produced *in* the UK under license to a British company.

But wait yet another minute! What is this that we hear from a mole within the company? The fruit concentrate used to make the other popular drink of this company – which is also 'just juice' – is imported into South Africa from fruit producers abroad because "the quality of our fruit is not good enough!" Something definitely not right here!

Maybe Trevor Manuel should have a look... ❖

**N**EHAWU and COSATU have distanced themselves from calls by public

sector staff associations for strike action. They accuse the staff associations of trying to blackmail the democratic government into abandoning its plans for transforming the apartheid bureaucracy.

The Public Servant's Association (PSA) and Public Service League (PSL), together with 15 other staff associations and unions, have threatened to strike if their demand for a 15% wage increase is not met. They are also demanding a minimum wage of R1 500 per month and equal access to housing subsidies for married women. A strike ballot is being prepared. In the meantime, members have staged protest marches in several centres.

NEHAWU questions what it describes as the "new found militancy" of the PSA and others. The minimum wage demand was formulated by NEHAWU and the union alleges that it has been hijacked by the staff associations. NEHAWU points out that the minimum wage "is of no relevance to members of the PSA, PSL and other staff associations, whose members earn way above this." The union says that the staff associations' real agenda is to win a 15%

# Major dispute in public sector



increase for their members who already earn "bloated salaries". This will serve to further widen the wage gap in the public service.

NEHAWU has put forward a package of measures aimed at democratising the public service and improving the position of low-paid workers. The demands include:

- a living wage, with a minimum wage of R1 500 per month
- closing the wage gap, which would involve raising the wages of low-

- paid workers and freezing or cutting salaries at the top
- implementation of affirmative action
- a new grading and training system which will remove apartheid imposed hierarchies
- a central public service forum to negotiate transformation of the public service.

Government has offered a minimum of R1 000 per month, to be implemented only in July next year. COSATU and NEHAWU describe this offer as "totally unacceptable" and as "an insult to the low-paid workers who are struggling to survive, while the bureaucrats continue to live off the fat of the gravy train". COSATU has committed itself, together with the public sector unions, to formulate a programme of action to win the demands of the majority of public sector workers.

In the meantime, it has been announced that the Cabinet will be meeting later this month to formulate policy on the public service wage bill. The objective is to narrow the wage gap while at the same time putting a halt to the growth in government spending. This comes in the wake of President Mandela's announcement that he and his deputy presidents will take a 20% pay cut, while MPs will be expected to forfeit 10% of their salaries.

*Deanne Collins*

*Some of our biggest reasons  
for believing in big business  
are some of our smallest.*

If our children are to inherit a country worth inheriting, a financially strong country, big business becomes more important than ever before.

For one thing, like other small countries with big business, it is big business that enables South Africa to compete in the international markets and be a big earner of foreign exchange.

For another, it is big business that provides a stable base from which medium and small business can grow and expand on



*A few of the business leaders of tomorrow at play.*

a scale significant enough to become major contributors to the wealth- and job-creation processes of the new South Africa.

And that is really what a healthy economy is all about, a mix of big, medium and small businesses operating internationally and internally off a strong, competitive base.

Big business and the South African economy. Inseparable if the new South Africa is to have an economy worthy of generations to come.



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ANGLO AMERICAN CORPORATION OF SOUTH AFRICA

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# Strikes, blockades, settlements

**1. More than 6 000 contract cleaners in Johannesburg went on a four-day strike in September, descending on the Department of Labour's offices demanding to be addressed by the Minister of Labour. The workers, all members of Transport and General Workers Union (TGWU), were demanding the establishment of an industrial council, higher wages and improvement to their working conditions. According to Jerry Ngcobo, TGWU's cleaning and security national organiser, the Natal council has been operating since March this year, while the Cape Town one has been in operation since September, and the Johannesburg workers' demand is for the extension of these councils into a national one.**

According to TGWU organiser Boy Nethavhani, workers embarked on unprocedural strike action on 12 September after employers unilaterally implemented a 8,08% increase. The workers rejected this, and instead demanded a living wage of R1 500 per month and a 20% increase. The management increase represents R56 on a minimum of R376 per month.

Nethavhani said big contract cleaners like Pritchard are not interested in the establishment of an industrial council. But the smaller companies, organised under

the National Cleaning Contract Association, are eager to participate in the process.

The workers suspended their strike to allow for negotiations with employers to continue. A report back on the employers' response to the workers' demands will take place on 16 October.

Nethavhani said if employers do not agree to the establishment of the council, workers might resume the strike.

**2. About 6 000 security guards went on strike in Johannesburg on 3 October in support of demands for a 12,5% increase and the establishment of an industrial council. The guards, members of TGWU, also demanded the Security Officers' Board to be replaced by the council. The employers body, the SA National Security Employers Association, agreed to start negotiations with the union on their demands.**

Ngcobo said that although 98% of security employers voted against the national council earlier, they have now agreed to start negotiations with TGWU on this issue on 12 October. The employers had initially agreed in 1993 to the formation of the council after a protracted strike in



*Striking cleaners*

William Matlala

Natal, but later reneged on that agreement.

The Natal security workers went on a two-and-a-half week strike at the end of 1993, demanding, amongst others, the setting up of an industrial council. Workers returned to work after the employers association agreed to seek a mandate to negotiate the constitution of the industrial council. These talks were scheduled to start in March this year.

**3. About 100 Spoornet drivers blocked the two access roads into the City Deep in Johannesburg depot on 5 October. The workers, all members of SARHWU, were demanding an end to sub-contracting at the depot. The workers claim that since the end of the 1987 strike, management has increased the pace of private operators, thereby reducing the number of drivers from 600 to the current 130. Workers were offered retrenchment packages, while**

others were transferred to other depots. Some of the owner-driver sub-contractors are those who have accepted packages and used these to purchase their trucks.

"We no longer have enough work to do, as the new system owner-drivers of trucks to do most of our work," said driver Daniel Madua. Another worker said the workers, although they still receive their monthly salary of R2 100, have lost out on benefits like bonuses and overtime pay.

The workers said the blockade was not planned, it happened spontaneously when they arrived in the morning. "When we arrived, there was no work for us, while the private operators' trucks were loaded and ready to go out," said Madua. "We then decided there and then that we cannot allow this situation to continue."

**4. Postal workers embarked on strike action in the former "independent" homelands of Transkei, Bophuthatswana, Venda and the Ciskei.** The workers were demanding salary parities with their counterparts in other parts of the country as well as the recognition of their union, POTWA.

Meanwhile, eight depots in the Cape peninsula were also hit by strikes on 27 September when nearly 5 000 workers staged sit-ins. The workers were demanding a moratorium on unilateral restructuring of postal services and supporting the demands of their colleagues in the former TBVC "states".

#### **5. Richards Bay Minerals**

**and 2 000 NUM members** are in dispute over wages and working conditions. NUM is demanding a 10% increase, while the company is offering a 9,5% wage increase. The workers are also demanding housing allowance parity with their white counterparts. White workers receive a housing allowance of R1 600 while black workers' allowance ranges from R436 to R730 per month.

A conciliation board meeting on 19 and 21

September failed to resolve the dispute, and workers voted overwhelmingly in support of strike action. Management locked out workers on 29 September, claiming that workers were sabotaging machines. According to NUM, the company has failed to substantiate its claim, despite repeated calls by the union for written evidence of this. The workers have not yet embarked on strike action, as the company locked them out first.

■ At the same time, NUM has resolved its dispute with the Chamber of Mines on Adult Basic Education and Training. The dispute was resolved on 27 September, following a conciliation board meeting.

The agreement specifies



*Striking security guards*

Pic: William Matlala

three basic aims of the programme, namely:

- To provide workers with an education and training base for further learning;
- To develop workers' skills and knowledge to participate more actively in the process of change within the mining industry and in the country as a whole; and
- To contribute towards removing all discriminatory barriers within the industry, particularly racial ones.

■ NUM and De Beers reached settlement on wages and conditions of employment after the dispute was referred to arbitration. The wage increase agreed to range from R90 to R232 per

month. The new minimum for the lowest paid will be R1 124 per month.

**6. SACTWU and the National Union of Leatherworkers reached a wage settlement** of 11,5% with footwear employers. The two unions conducted joint negotiations with the employers, and the agreement will apply to all workers.

■ Textile negotiations will not be conducted at a centralised level, due to the time involved in setting up a central bargaining structure. According to SACTWU, a document outlining this structure has been circulated to employers for signing, but they have not done so as yet. The negotiations will therefore be conducted at plant level for next year's wage increases, which are due in January.

**7. About 350 Johannesburg municipality bus drivers** brought the CBD of Johannesburg to a standstill when they blockaded streets with their buses on 6 October. A striking shopsteward told the *Bulletin* that workers decided to "go it alone because the union proved to be useless". The workers were demanding higher wages. According to the shopsteward, the strikers told union officials they could be "observers" while workers conducted negotiations. The blockade ended in the early hours of the morning when it was agreed that the workers' demands would be addressed in a negotiating forum.

**9. The suspended FAWU**

regional office bearers of Natal and the four branches comprising the region, launched a supreme court application to declare their suspension from the union as unconstitutional. The application was first launched in the Rand Supreme Court at the start of the COSATU congress in September. The region also challenged their exclusion from FAWU's delegation to the congress. The presiding judge, however, dismissed the urgency of the matter. The applicants hinted at the possibility of launching another application in the Cape Town supreme court after the end of COSATU's congress.

The dispute is the result of amendments made to

FAWU's constitution on a new organisational structure for the union. The amendments revolve around the reconstituting of branches, regions and locals. After the constitutional conference that passed the amendments, branches and regions were expected to relaunch structures in accordance with the amendments. The Natal region failed to relaunch as ordered by the CEC of the union. The region and its four branches were subsequently suspended. Ernest Buthelezi, the assistant general secretary of FAWU, said the dispute will be discussed with the region at an NEC meeting to be held around November.

*Zolile Mtshelwane*

## Teachers demand 18,4%

**O**rganisations representing teachers have papered over their differences and have put forward a single set of demands to government.

Wage negotiations got off the ground last month. The conservative staff associations announced that they would not be seeking a wage increase. The SA Democratic Teachers Union (SADTU) rejected this stance. The union called for the equalising of teachers salaries and threatened to back its demands with action if necessary.

During the last round of talks, the employee organisations managed to reach agreement on a single wage

demand. They are demanding that, after parity has been taken into account, the total salary bill for teachers be increased by 18.4%. The precise allocation of this money will be decided at a later stage of negotiations.

The state responded by saying that it cannot negotiate wages until the national budget, which will only be finalised in November or December, is available. SADTU says it is "outraged" by this response and has accused the state of negotiating in bad faith. Government has now undertaken to set out provisional guidelines for salary increases.

*Deanne Collins*





## Politicians aren't the only ones breaking new ground in the new South Africa.

We are too. We're helping the communities near our mines establish market gardens to provide vegetables for the local people.

Through our life-skills training programmes, people are acquiring the knowledge to make their own bricks and pottery and learning how to sew.

We're also providing training for women who wish to establish daycare centres as a service to their communities.

Developing and supporting this kind of small business is as important to us as it is to our people.

Breaking new ground? We've really only scratched the surface, but all new projects need time to grow. The successes we've already had have put us ahead of the government's call for big business to get involved in community upliftment programmes.



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# Twenty years of the Bulletin: *a view from within*



EDDIE WEBSTER\* a member  
of the *Labour Bulletin* editorial  
board from the beginning,  
reflects on its achievements  
and its future.

**F**or a left-labour journal such as the *South African Labour Bulletin* to survive for 20 years in the hostile climate of South Africa is indeed an achievement. This anniversary provides an opportunity to celebrate and also to reflect on the origins, achievements and future of the *SA Labour Bulletin*.

## Origins

The origins of the *South African Labour Bulletin* lie in the wave of collective action and mobilisation in Durban in the early '70s. Shortly after the strikes a group of sympathetic trade unionists, students and academics from the University of Natal met in the James Bolton Hall in Durban to inaugurate the Institute of Industrial Education (IIE). Harriet Bolton, secretary of TUCSA's Garment, Textile and Furniture unions opened the meeting. She said that workers lacked formal knowledge of trade unionism as they had neither the time nor the money to study. She suggested "a school" be formed which would educate workers about their rights.

This led to a proposal that a correspondence course be established to help workers understand the social and economic situations in which they operated, and that a resource centre be established to provide unions with background material and information.

It was from this second component of the IIE project that the idea of a journal on labour was to emerge. It was proposed that a newsletter be published "tentatively called the *Labour Bulletin* – containing general information on trade unionism at home and abroad, book reviews, topical discussions and analyses of economic trends."

A working committee was set up to run the day-to-day affairs of the IIE. It was this committee, consisting of Omar Badsha, Halton Cheadle, Foszia Fisher, David Hemson, Harriet Bolton and myself, that was to undertake the initial planning of the

\* Eddie Webster is head of the Sociology Dept, Wits University



Pic: Natal Room, University of Natal

*The Institute for Industrial Education: a school for trade unionism. Note Eddie Webster with cap, and Alec Erwin in back row*

q!  
*Bulletin*, appoint the first editor and solicit material for the first few editions.  
 Appropriately the first edition, published in April 1974, was on “the case for African trade unions”. At this stage trade union recognition, which had been denied under the Industrial Conciliation Act, was the central issue for the new unions that had emerged in the wake of the Durban strikes. The next four editions published regular reports on the organising activities of the new unions and accounts of struggles for recognition. It was perhaps an indication of the close links with these unions that the editors debated whether some editions should be introduced in Zulu.

Most people at the time felt that the *Bulletin* would not survive. Others tried very hard to ensure it didn't. They nearly succeeded.

- ❑ Two of the first five editions were banned by the Publications Control

Board. The reasons given were that the *Bulletin* was promoting “worker unrest” and opposition to the liaison committee system, the government’s alternative to trade unions for black workers.

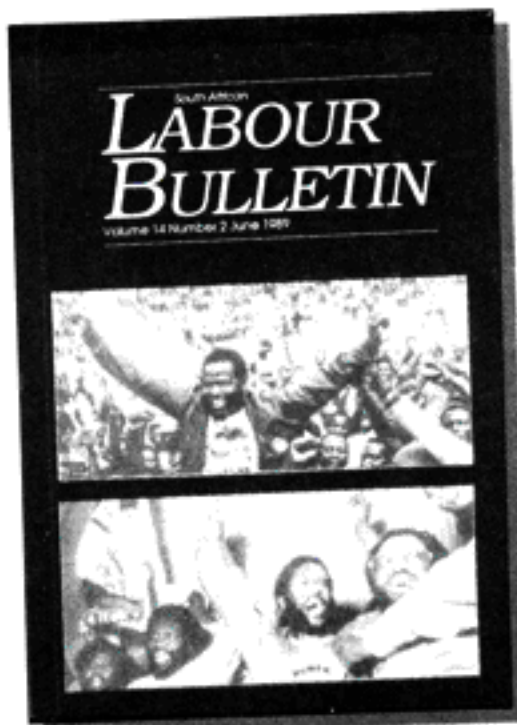
- ❑ In 1974 a member of the Editorial Board, Halton Cheadle, was banned. In December 1975 two members of the Editorial Board, Beksisi Nxasana and Eddie Webster, were arrested under the Terrorism and Suppression of Communism Acts.
- ❑ On 8 January 1978 Richard Turner, the originator of the IIE project and the *Bulletin*, as well as a contributor to many of the early editions, was assassinated.
- ❑ In 1981 Merle Favis, managing editor at the time, was detained for five months under the Internal Security Act.
- ❑ In 1987 Jon Lewis, managing editor of the *Bulletin* and a British citizen, was deported.

❑ In the same year shadowy 'Third Force' type agents burnt down the house of *Bulletin* writer Jabu Matiko.

These were tough and dangerous times for those who were committed to a democratic labour movement. But we survived. Over 100 editions have been produced over the past two decades. The creation of Umanyano Publications has enabled the *Bulletin* to expand its publishing activities to include the highly successful *Shopsteward*, as well as the publication of key books such as the first edition of the Reconstruction and Development Programme and various newsletters and shopstewards' handbooks.

### Achievements

In the last 20 years the *Bulletin* has provided a mirror of the labour movement. We have produced the most comprehensive public record of the activities of the democratic



labour movement. Strikes that are now largely forgotten are recorded in minute detail in the *Bulletin*. Key demands are noted, unknown personalities in the union movement were interviewed and organisational gains documented. The re-emergence of the stay-away as a tactic of black worker resistance in 1984 – and every stay-away since then – has been recorded through publication of the complete

reports of the Labour Monitoring Group (LMG). However, what excited our readers most (and annoyed some union officials) were the debates on union strategy. The so-called workerist/populist debate is one example; the registration debate is another.

In November 1979 we received a memorandum from the Western Province General Workers' Union strongly critical of the decision of some groups, such as the Federation of South African Trade Unions

DIE FEDERASIE VAN  
SUID AFRIKAANSE  
VAKBONDE



THE FEDERATION  
OF SOUTH AFRICAN  
LABOUR UNIONS

**F**EDSAL congratulates the SA Labour Bulletin on its 20th anniversary.

As a federation FEDSAL has only become involved with the SA Labour Bulletin in recent years, although most of our affiliates were established in the early part of this century. During recent years it was heartening that some of FEDSAL's ideas were published by the Bulletin.

The Bulletin is congratulated on its seemingly increased pragmatism and indeed for its informative content and its high profile in the industrial relations arena.

FEDSAL and its affiliates in the different sectors of our economy will continue to play our unique role in both the workplace and at macro level in our great country. FEDSAL as a truly independent trade union federation is here to stay. We believe we have an important role to play, and that we have excellent growth potential – amongst all workers.

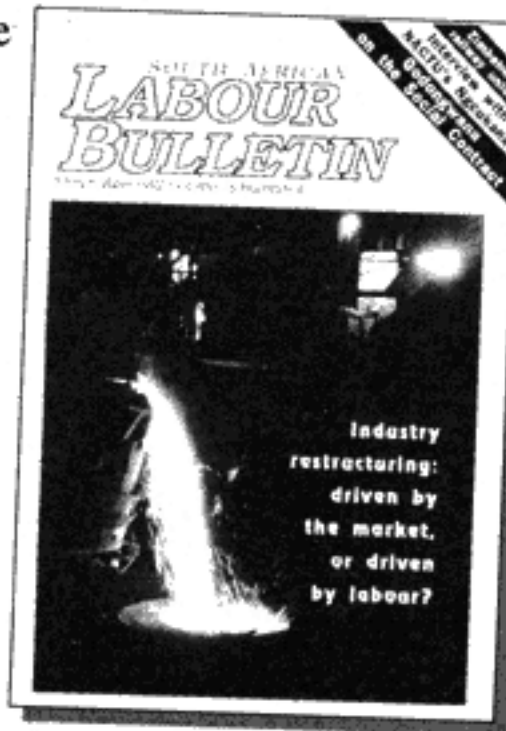
FEDSAL also believes in an improvement of relations regarding issues of mutual interest between the different unions and federations that represent the proud workers of South Africa.

FEDSAL believes that management, workers and all other citizens should each do their part to make the RDP the success story of an EFFORT OF NATIONAL UNITY.

Let's make South Africa a winning nation!

(FOSATU), to register under the newly amended Industrial Conciliation Act. We successfully resisted the dominant view in FOSATU at that time, that arguments in favour of registration were too sensitive to be published. After considerable debate inside the editorial board we decided to publish the memo. This was to trigger off an acrimonious debate in the pages of the *Bulletin*. Two positions were reflected in the eight articles published – those who saw the decision to register as tactically wise and those who saw it as surrendering to state control.

This was to prove a turning point for the *Bulletin*. Not only did we provide the only written record of this important debate, but it was to establish the journal as a genuinely independent forum for the emerging trade unions. In successfully resisting the attempt to bow to a particular tendency in the labour



movement, we established an alternative approach to the subordination, that has all too often characterised the relationship of left intellectuals to the workers' movement.

This alternative approach, which could be called critical engagement, makes no pretence at 'neutrality', clearly supporting the cause of labour. Yet the *Bulletin* has not shied away from being critical of the labour movement or bringing

into the open uncomfortable facts.

One achievement of the journal has been to introduce new ideas and information to the trade unions. One of the first activities it undertook was to commission articles on the history of the labour movement.

The articles were written with an eye to the present in their emphasis on the relevance of class in the South African past. Jon Lewis, for example, investigated the origins, and argued for the advantages of,

## COSATU



**F**or twenty years your journal has helped to give the working people of this country a voice, when many attempted to stifle it. The *Bulletin* is a critical journal which has engaged the movement in rigorous debate about its strategies, perspective, its vision.

Your twentieth anniversary comes at a time when the labour movement faces unprecedented challenges. The *Bulletin* remains an invaluable forum, particularly given the continued absence of worker perspectives in the mainstream media. Your journal together with the Independent Magazine Group, is a fountainhead of independent, critical journalism which must be maintained and expanded.

Our new democracy needs to nurture the development of this sector. The existence of journals which empower those who are otherwise denied a voice is a critical element of advancing the Reconstruction and Development Programme.

We trust that the *Bulletin* will remain true to the vision and mission which guided you during the last two decades.

On behalf of our 1.3 million members, COSATU congratulates you, and wishes you continued success during the next 20 years of publication.



1973 Durban strikes: the *Labour Bulletin* helped legitimise trade unions

industrial unionism. Philip Bonner's article on the ICU of the '20s castigated that organisation for failing to organise the small nucleus of workers in the towns, and warned about the dangers to organisation of a vague populism.

The *Bulletin* also introduced new ideas to the labour movement through its coverage of international labour news and events. With correspondents all over the globe the *Bulletin* has been able to keep labour activists informed of issues as diverse as the current strikes in Nigeria and the new labour internationalism emerging in response to 'globalisation'. Many labour intellectuals see the *Bulletin* as the leading journal in promoting what some have called the 'new labour internationalism'.

Our most important achievement has been to help legitimise the idea of trade unionism and to promote the need for a strong and independent union movement. As noted above, our first edition was devoted to 'the case for trade unionism' and was addressed to the key actors at the time: African workers, employers, registered trade unions, white

parliamentary opposition, homeland governments and the central government.

In 1978 I, together with editorial board member Johann Maree, gave 50 pages of written evidence on behalf of the *Bulletin* to the Wiehahn Commission, set up to investigate the crisis in the industrial relations system. In addition to our argument for recognition of trade unions for black workers, we stressed the importance of greater participation of workers at plant level and the need to draw the newly emerging shopstewards into the system. Current debates on the need for greater workplace representation underline this argument.

Yet our greatest contribution to the legitimisation of the labour movement was through our systematic recording of the strategic use of power by the labour movement. The *Bulletin* has always been read closely by the industrial relations departments of large companies and by the Department of Labour and security police. We would like to think that our interpretation of the innovations introduced by labour, such as the Shopsteward

Public Services International  
 Internationale des Services Publics  
 Internacional de Servicios Públicos  
 Internationale der Öffentlichen Dienste  
 Internationalen för Stats- och Kommunalanställda




**T**he Public Service International congratulates the SA Labour Bulletin on its 20th anniversary and wishes it many more. The past 20 years in South Africa have been a trying time for both the labour and the broad social movement of which it was an integral part. With numerous strategies now being devised and implemented against workers and their organisations by anti-working class institutions like the IMF, World Bank and other financial institutions – the role of journals like the Bulletin in analysing the hidden motives for such “development aid” would be invaluable and challenging – especially in this new unipolar world. This challenge will have to be faced by all who hold the interest of workers and their allies dear.

PSI is committed to independent trade unionism and has over the years made representation for public sector workers in various international forums, on such diverse issues as the environment, third world debt, labour standards etc. PSI believes that workers and their unions are making and have a major contribution to make in discussions and negotiations aimed at “re-inventing government”. We see this role as one that we would have to walk hand-in-hand with journals like the SA Labour Bulletin.

PSI is one of the oldest trade union organisation in the world. It was founded in 1907 to develop bonds of solidarity between workers in public utilities in Europe, but over the years has expanded to cover almost all the areas of public service, in countries throughout the world. PSI today has many African trade unions as affiliates and several offices to support their activities.

The Southern African office based in Johannesburg, opened recently. Today PSI has over 16 million members worldwide.

For more information on PSI – contact the sub-regional office at the following contact number: 

PSI Southern Africa  
 PO Box 32136  
 Braamfontein  
 2017  
 South Africa  
 Tel: (011) 403 7765/6  
 Fax: 403 2479

Committee and the recognition agreement, helped legitimise these practices.

## The future

The key issue facing the labour movement over the past two decades has been collective mobilisation – in other words, the relationship between trade unions and workers. However, since the early '90s the labour movement has been faced with two new challenges.

The first challenge arises from the creation of a democratic state and COSATU's alliance with the dominant party within it, the African National Congress. This new challenge has already been reflected in the columns of the *Bulletin* through debates on 'social contracts', accords and the trend towards corporatism in our industrial relations system. To make best use of their direct influence over state policy the unions will not only have to shift from antagonism towards the state to purposeful protagonism, they will also have to develop a workable system of democratic

accountability inside the labour movement. However, as in the past, the labour movement's influence within the state will depend on its organisational strength and its ability to use its collective power strategically. The *Bulletin* must therefore continue to record the day-to-day struggles on the shopfloor and the debates inside the trade union movement around democracy.

The second new issue facing labour is its changing relationship with management. As changes in the nature of work become globalised and national economies are faced with 'flexibility' and the ravages of international competition, the relationship with management must change from one based predominantly on conflict to one based increasingly on cooperation. The article on co-determination in this edition of the *Bulletin* by the internationally-known sociologist Wolfgang Streeck introduces

exciting new ideas into the discourse of the labour movement and points towards a possible institutional arrangement at the workplace level.

The need for a productivity-enhancing route for our economy – what some have called an 'intelligent production strategy' – is the central challenge facing labour and management in the workplace. The *Bulletin* has already begun to contribute to this debate. An example is the article by two union officials on the concept of 'adversarial participation', the first attempt by workers to put their stamp on the restructuring of work.'

But many more articles of this kind need to be published in the *Bulletin* if we are to play the role in the future that we have so successfully played in the past.

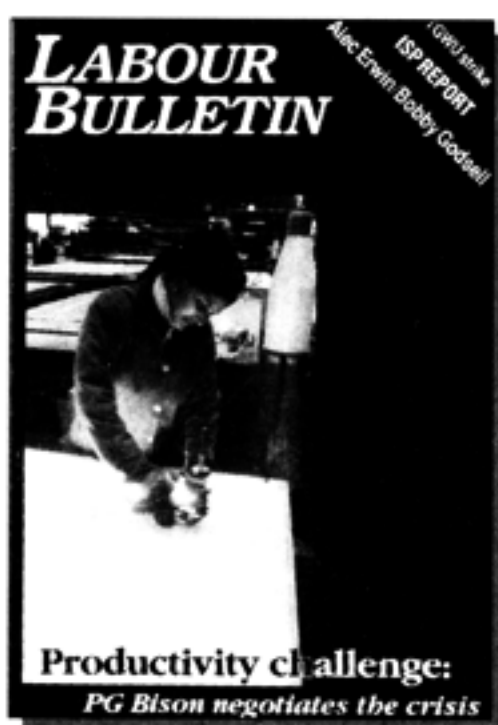
In advanced capitalist economies these three challenges – collective mobilisation, corporatism and flexibility – appeared at different times, and the labour movement was able to consolidate its response to each before responding to the next. In South Africa we are faced by all

three simultaneously.

The *Bulletin* is well placed to help the labour movement meet these three challenges. It has access through its editorial board to university-based research; its format, through the outstanding editorship of Karl von Holdt, is accessible; and it is being taken increasingly seriously by all actors in the industrial relations arena; including those former trade unionists now in government.

My only regret, as we celebrate 20 years of the *SA Labour Bulletin*, is that Richard Turner is not with us. His untimely death by an assassin's bullet deprived us of a remarkable colleague. Our best tribute to Rick is that his commitment to a non-racial democratic workers' movement lives on the pages of the *Bulletin*. ☆

Ntshangase and Solomons 'Adversarial participation: a union response to participatory management' in *Labour Bulletin* Vol 17 No 4







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**T**he International Metalworkers Federation, representing 18 million metalworkers from 165 unions in 82 countries world-wide extends sincere

congratulations to the SA Labour Bulletin on the occasion of its 20th anniversary.

The IMF, in an action oriented programme, aims to develop new approaches for trade union work in a changing world. In particular the IMF concentrates on three areas:

- i. assistance in creating global well-being through participating in international policy-making on issues relevant to metal unions, such as world peace, the environment, trade and the promotion of democracy;
- ii. solidarity action to support unions in their organising, training and industrial activities;
- iii. co-ordination between different regions and industries and between the unions affiliated to the IMF.

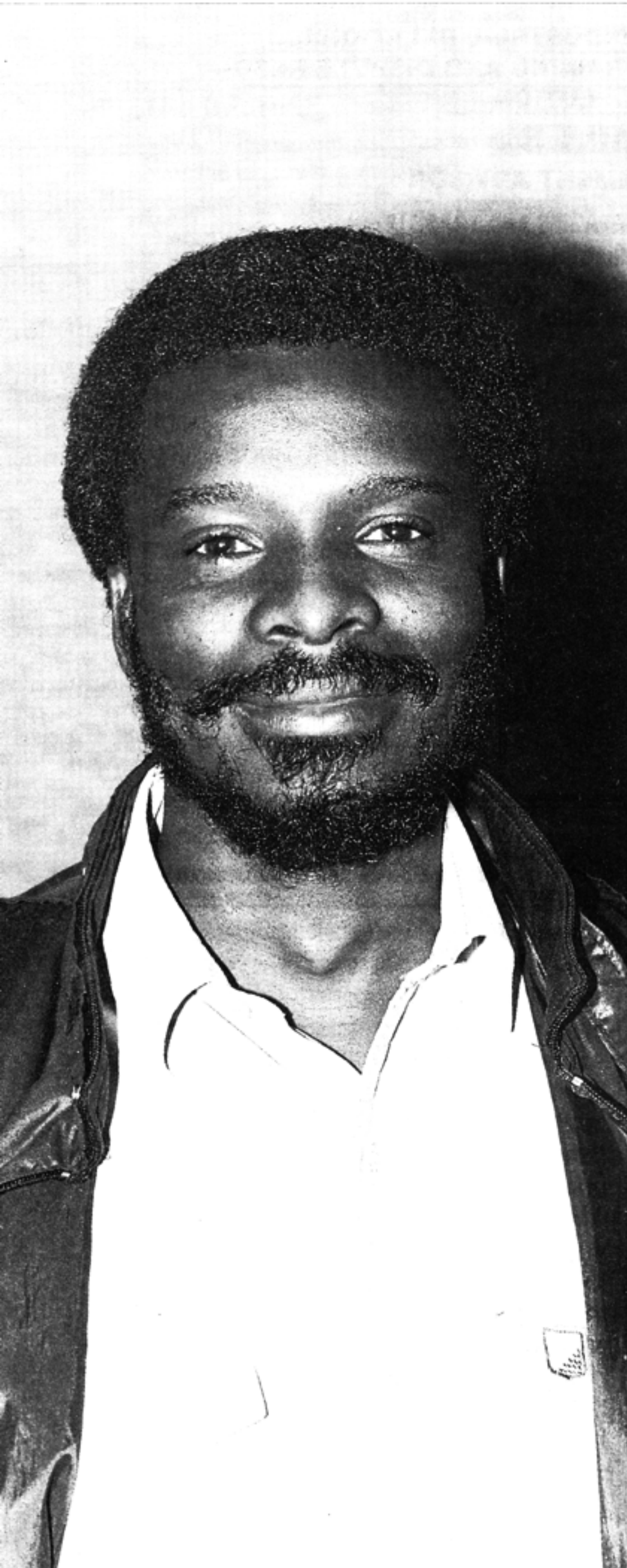


**CENTRAL ÚNICA DOS TRABALHADORES**

*Fundada em 28/8/83*

Cut-Central Unica dos Trabalhadores of Brazil congratulates the editors of South African Labour Bulletin for its 20th anniversary. The SALB has been responsible for the diffusion of issues related to the labour world and trade union movement, not only in South Africa but in many parts of the world as well. We congratulate you mainly for the important role developed this publication in pushing, reporting and supporting the international co-operation and solidarity activities between CUT and South African trade union movement.

Long Live SALB!



# “The struggle to be reborn”: *20 years of the labour movement*

Twenty years of Labour Bulletin is also 20 years of the trade union movement. SIPHO KUBHEKA\* speaks to Luli Callinicos\*\* about those tough early days when he was a worker, organiser and political activist.

## **THE STRUGGLE TO BE REBORN WITHOUT UNIONS**

I left school in 1971, when I was doing Standard Nine. I started working as an ordinary clerk at a company called Immextra House.

I did plan to do matric – in fact to go beyond that. I was very interested in law.

\* Sipho Kubheka is currently head of a project on capacity-building at PPWAWU

\*\* Luli Callinicos is author of *Gold and Workers*, *Working Life*, and *A Place in the City*

But because of the financial situation in my family I could not go further. I happened also to be a father at a very early stage. Those are the two major things which changed my life.

I met a very interesting guy at that factory. He had done ten years in Robben Island. He was a member of the African National Congress and also a member of the SA Congress of Trade Unions (SACTU). He started introducing labour politics to a few of us whom he had befriended. This guy was banned at that time but he tried to organise us.

His name was Elias (Robert) Mancini. He is now dealing with finance administration in the ANC.

When he introduced us to labour politics he started with the activities of SACTU, and how SACTU and the ANC had been working together in those early years. When he spoke about changing the conditions of workers in the factory for the better he actually meant it. You see we were in the offices, being clerks, and we regarded ourselves as better people than the others. He said to us we needed to change our attitudes towards the other workers.

Being a clerk at that period was some kind of a prestige. We had our own offices, our own desk. Other workers would make tea for us. We would drink the tea and just push the cup aside and this woman would come collect the cup and wash it. So he had to deal with our attitudes first.

He said: "I am suggesting that from now onwards you must make tea for yourself. And after having that tea, wash your cups." We were stunned because we were clerks – we were not supposed to wash cups and make tea. That was a turning point in our lives because these women started accepting us as their equals. They would come into our offices, sit down and have a chat with us.

The labourers saw us clerks as people who were aloof from them – people who wanted to be respected. We therefore had difficulty in getting access to them. The purpose of that access was to organise them into a structure in the factory – a workers'

structure.

There used to be trucks from the railways which brought boxes to the factory, because it was a mail-order company. Mancini said that when these trucks come in to be off-loaded, we must go down and assist in off-loading.

We resisted that. The people we had grown up with in the township knew us as clerks – people who wear suits and ties and work in offices. They would see us as very low people if we carried boxes.

He was the first person to volunteer. He got himself a dust-coat and went down to off-load. Seeing him, as a senior clerk, off-loading compelled us to act likewise. That payed lots of dividends afterwards. We won the hearts of ordinary labourers, because they started identifying us as one of them. So the situation became very easy then for us to organise those workers into a factory union.

We were struggling to be reborn. There had been unions in the past, so we were not starting something new. But the struggle to be reborn was a very intense and painful one. We did not have anything to look at as a mirror, except the oral history that Mancini had given us.

But there was a fear about a banned ANC and imprisoned leadership. There was a fear to talk politics. Ordinary workers would say: "Look, you mustn't talk to this guy. He will be arrested. You'll go to the Island."

I was very interested in the ANC. Local people, in our yards, would talk about people like Mandela: "Mandela will spend his whole life in prison", "Oh we have problems now", "What will happen to the ANC?" and so on. I had some understanding of what the ANC was, but not what it stood for. There was an oral history, but not a presence, of the ANC.

We had to work very quietly for a long time in organising our colleagues in the factory. At the same time we were introduced by Mancini to the Industrial Aid Society (IAS), which was just starting. He was part of the people who started the IAS.

The first people in the IAS included the late Jeannette Curtis, Glen Moss, Miriam Sithole, Elliot Shabangu, Elias Mohlabe, Joe

Gqabi and Pindile Mfeti – the guy who disappeared.’

It was a combination of different factors at that point in history. White students were feeling very bitter and rejected by the black students who pulled out of NUSAS and formed SASO. So they became involved in the labour scene. Some lecturers were also involved. Sheldon Leader, Phil Bonner, Peter Hudson, Taffy Adler and Bernie Fanaroff<sup>7</sup> were involved later in IAS.

You had two groups who did not see eye to eye politically. There were the students and lecturers who felt sidelined by Nationalist politics, on the one hand, and some white students and lecturers who were supportive of the ANC or SACTU, on the other. Yet they had a common purpose.

The dominant politics at that stage in the IAS was the anti-Nationalist politics. The SACTU-ANC people in the IAS would go to the townships to be given political education. Those who were anti-Nationalist were not part of that process.

Neil Aggett<sup>8</sup> was also active in the IAS at that time. He was working underground for the movement. He moved with us in the townships. The aim was to establish self help clinics. He also had the idea of establishing a health wing of IAS, where workers would become barefoot medics. This idea was shot down by those opposing ANC politics - perhaps they thought this would open IAS to too much influence from the townships.

The struggle to be reborn was met with stiff resistance from employers. The

employers did not know people were organised in the factory. To be accepted by the employers became a very bitter struggle. We had to make ourselves known to the employers. The employers would need to deal with an elected committee. The struggle to be reborn took the whole of 1973.

In fact we managed to change conditions prior to management's acceptance of a workers' committee. We used legal loopholes. For instance, people would work at a factory for over three years, but remain casual workers. We knew that if you worked at any work situation for more than three days you were no longer a casual worker. You needed to be fully registered as an employee of that company.

So people were fully registered because the employers could not run away from that fact. Those people were back-paid the leave pay that was owed to them for a period of four years. We were also able to read the Wage Board determination about wages. We were taught those things at the IAS.

All the employees became card-carrying members of the IAS, including ourselves. We attended the Saturday classes at the IAS.

Two of us were delegated by the workforce to hand a letter to management requesting union recognition. I remember that was done around two o'clock one day. At about five to five. I was called to the MD's office. Everything was prepared – my leave pay and a letter of dismissal. I was told that my services were no longer required. It was the two of us who had presented the letter.

The aim of the employers by calling us in at five to five, was that the factory knocked off at five o'clock. Everyone would be gone when they gave us the dismissal letters.

Now what is interesting here is that the workers did not go home, because they heard that we were called into the office. They knew that something was going to happen. They waited.

When we came out, we told them that we were dismissed. They decided there and then that they were going to go on strike – to demand that we be reinstated and that the

<sup>7</sup> Joe Gqabi was assassinated by operatives of the apartheid regime in the early 1980s in Zimbabwe where he was ANC chief rep. Jeanette Curtis was likewise assassinated in Angola. Pindile Mfeti was banned at the same time as Khubeka, banished to Transkei, and later took up articles in Durban – where he disappeared, presumably at the hands of apartheid agents. Glenn Moss is MD of Raven Press. Elias Mohlabe is still heading the IAS.

<sup>8</sup> Phil Bonner and Peter Hudson are academics at Wits University. Taffy Adler is a housing consultant. Bernie Fanaroff is advisor on the RDP to Minister Jay Naidoo.

<sup>=</sup> NA was a medical doctor who later became a union organiser. He was killed in jail in 1982.

Pic: Eli Weinberg



*SACTU organisers, 1950: many union activists in the 1970s were influenced by SACTU members who were active in the 50s*

management recognise the workers committee.

The strike lasted the whole week. The management acceded to the demand of recognising the workers' committee, but did not accede to the reinstatement.

Elias Mancini was again instrumental in changing our direction. He said to us: "The workers have gone on strike for the whole week. They are showing signs of being tired of the strike and being worried. So we must accept the dismissal, and the struggle will continue. Let the workers go back to work. We should avoid divisions."

We accepted the dismissal. Workers went back to work. That factory became very strong. It became one of the strongest organised factories of the IAS.

There was a Siphon Kubheka versus Immextra case. But there was no law which could cover me. They had in fact acted according to the letter of the law. "You are reorganising your company, and the job of this person has become redundant. You have actually given him what he should be paid, so what?"

I started working for the IAS in 1974 and continued servicing that factory and other factories as well.

### THE STRUGGLE TO BE REBORN WITH UNIONS

The second struggle which I want to refer to is the Heinemann struggle. That factory had more than 600 workers. We produced out of that factory very key leaders. A person like Mam' Lydia Kompe. And there is the old man in NUMSA, Bab K Makama – a very strong worker leader. He was a supervisor of one key section in that factory called Bakerlight. Without that department working, the whole factory would not work. So he was strategic.

He had a SACTU and ANC background. So when we were starting to organise in that factory we were not saying anything new to him. He ensured that the other workers were organised in that factory. Again things were done very quietly.

\* Lydia Kompe became an organiser in TGWU is now on ANC MP and was one of the early shopstewards.

In 1975 we had transformed the metal wing of the IAS into the Metal and Allied Workers Union (MAWU). When we established MAWU, Gavin Anderson, a pro-ANC founder of the IAS, became the branch secretary. In 1976 he stepped down for a political reason – because our union was predominantly African and should be African led. I then became the branch secretary.

In 1976 there was a strike at Heinemann, again around recognition of the trade union – not of the workers' committee in this case, but of the shopstewards. Workers here were organised and they became very powerful. We achieved a majority in a very short space of time because of Makama and Mam' Lydia.

A letter was presented to management at Heinemann with the names of the shopstewards in the factory. They were bold because the factory was key to many industries, and so it was very busy. We never thought that the company would foolishly jeopardise that situation. We were wrong.

The letter requested a meeting with management. They refused to meet with us, saying that our union was illegal. They would only accept a liaison committee.

Workers pressurised management to recognise the union through their shopstewards. That did not shift management. We believe that management took a political position not to accept this because it was an Anglo American company.

So workers went on strike. We were fetched in the early hours of the morning at our homes. Workers said that they were going to take strike action because of the dismissal of 19 shopstewards.

The company thought that with a mass dismissal of shopstewards, workers would feel scared and move back to the factory. At the same time we did not ever think that management would dismiss 600 people.

The whole factory went on strike in March 1976. It went on for a long time, I think for more than two months. One day we were addressing the workers when the police came in. They told us the meeting was



## SACTWU

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The Canadian Labour Congress extends solidarity and greetings to the South African Labour Bulletin on the occasion of its 20th anniversary.

Pic: IDAF



*The historic Heinemann strike, 1976: Garvin Andersson and Sipho Kubheka address workers before the police attack*

illegal. They gave us the five minutes warning. We told workers that we should move because there was a possibility that these people would attack.

As we were standing up to go, these guys came at us. Many people got seriously injured. Some had broken legs and arms from batons and from dog bites. There were pregnant women who were trampled on.

We were defeated in that struggle. It took a long time and lots of canvassing, not just locally but internationally as well, but we did not succeed. The employers were very anti-union in that period.

## **BANNINGS AND POLITICAL CONFLICT**

There was a lot of security branch harassment from 1975, just before the strike. They were coming to my home, warning me and also trying to recruit me. But the strike at Heinemann was the last straw for the state. We got arrested – myself and Gavin – for incitement, for being in an illegal gathering and for obstructing the police in doing their work. That was a warning of

what was to come. Although we did not think that we could be banned, we used to take precautionary measures not to get ourselves exposed too much.

After the dismissals at Heinemann, I went there and started distributing pamphlets. It did not take three minutes before the police were there. I was removed forcefully from that place.

Then we were banned, myself and Gavin and others. You had the link between the trade unions and the liberation movement already in 1976. In the Heinemann strike we got support from students in Alexandra. They assisted in distributing pamphlets. They attended our general strike meetings and agreed to canvass in the township that no one in Alexandra should go to Heinemann, although Heinemann was in Elandsfontein.

The political differences in MAWU became very intense at the beginning of 1976. Some of us – myself, Gavin, Pindile and Jeannette Curtis – were labelled as populist because we were interacting with ANC-SACTU people.

To them, SACTU had not been a proper labour movement because it was in the congress alliance and did not form very strong factory-based workers' structures.

We were seen as populists who were going to create the same mistakes which were made by SACTU in being in the congress alliance. We were seen to be people who were endangering the workers' struggle. We managed

however to prevent those opposed to the congress movement from taking over MAWU, because we had access to workers, to their factories and to the townships.

At the same time we were shielding workers from these debates. The debates were held between ourselves who were in the offices, and the students and some of the lecturers.

People did some very wrong things. I remember there was a time when one of the anti-ANC people went to one of those who was pro-ANC. He said to him: "Look we think that you are now the target of the state. They know that you have links with the movement. Here is the money, skip." They were removing people so that they could gain entry and control the union. They used some dirty tactics.

Immediately we were banned this ultra-left group took over.

Well, there were positive and negative things in that. Let me start with the negative. They took workers through seminars and workshops which were mostly anti-ANC. They drew a dividing line between what could be termed a working class

Pic: Times Media LTD



*Heinemann worker after police attack*

organisation and a nationalist or populist organisation. They managed to influence a number of key leaders to be against those who were banned.

They influenced people like Moss Mayekiso, who I had organised when he was still a worker at Toyota. Chris Dlamini was also one of those who were turned against us.

You see we were discussed in the Federation of SA Trade Unions

(FOSATU) by these elements and we were painted negatively. We didn't have a chance. In 1982, after the banning order had expired, I applied to MAWU to work as an organiser. This matter was discussed at a FOSATU level, and it was agreed that I should not be taken.

I felt that MAWU was a strategic union. The ultra-left were controlling FOSATU through MAWU. So if you got into MAWU, you would be in a better position to put forward whatever politics you may have. But I did not get that chance. Then the Paper Wood and Allied Workers Union (PWAU), which had leanings towards congress politics, came to recruit me.

But not everything which people did was negative. I must say that the comrades did a lot of good work under the circumstances. By drawing a line between labour and politics, for a period the state did not closely watch and interfere with those people. Because the state knew of the differences within the labour movement at that time.

The unionists that were left were not

Both became leaders in COSATU, and both are now ANC MPs





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*MAWU: the struggle to build the union was marked by political conflict*

harassed because they were not posing any serious danger to the state. The state saw the ANC as the main enemy.

### **ANEW, RICH WAY OF WORKING**

That period gave comrades time to build very strong structures which were later instrumental in creating the period which we have today. With the formation of COSATU, the blending of the political and worker-based struggles was very useful. The blending of the culture of FOSATU and the so-called UDF unions brought together a very rich way of working. Our struggles were not just confined to the factories but our struggles were also outside the factories.

The November stayaway in 1984 was a very important turning point for FOSATU. And the turning point for some worker leaders, including people like Moss Mayekiso. That strike was as a result of workers supporting students' demands. We met with the leadership of the Congress of SA Students (COSAS) and mapped out a programme of action. When I say we, there were a few who happened to belong to the congress movement politics. Then after we

had done that, the idea had to be sold to all leaders in FOSATU.

That struggle was appealing because it dealt directly with the children of the workers. So no one could say politics and union struggles didn't mix.

One good thing is that we were also holding leading positions in the townships. For instance, in Alexandra I was holding a leading position in the organising of yard and street committees.

I was introduced officially to the ANC towards the end of 1976 when I was banned. All along I was just an ANC supporter. I only became a member in 1977.

What is interesting about Mancini is that he did not recruit us to the ANC. He just gave us the basics so that we could find roots ourselves. The accusations which were levelled against the ANC by the ultra-left grouping was that the ANC was only interested in recruiting people to the military and to the ANC. Yet the ANC was introduced to us differently. We were not told to join the ANC when we were still at Immextra. We were taught labour politics, the political history of South Africa and



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international politics. That is what the ANC-SACTU people did.

Now from experience, I was able to challenge people. Our own experience says the ANC did not recruit us to join the ANC.

Mance said that he was a member of the SACP. I only joined the SACP now, not at the time. We were attending schools in Soweto and Alexandra. We were not told that this was the SACP. We were just given some schooling. People like Manci and Joe Gqabi would organise things like parties. You would go to a party and you would get into discussions, without knowing that you were at school.

## FREEDOM

The changes which have taken place in this period of transformation have thrown a number of questions to the trade union movement. We have been involved for a long time in the struggles to bring about democracy in South Africa. Although we have not yet attained a full democracy, half of the work has been done.

 **NUMSA salutes the** 

### South African Labour Bulletin

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We used to talk about worker control. That term referred to control in the factories, not just worker control in your union. The seeds of worker control at work – worker control of production – were planted at that early stage. The question of decision making not being the prerogative of the employers was looked at.

The employers have hijacked those demands and made them their own proposals. We have been caught napping because we did not prepare ourselves for that eventuality.

The struggles which we waged in the past were nowhere near to the current challenges which are facing us as workers and as a country. We were bringing about democracy in this country, we were fighting to better the conditions of the workers at the workplace. We were defending our members from bosses' attacks and dismissals.

The question of being exposed to global competition was not there at all. And these are the things which we are now just learning about. We were not prepared for them.

Any restructuring should not be done unilaterally by management. It should not be to the detriment of our members. We need to come with a very clear policy on how our industries must be restructured, so to improve the lot of our members and to be able to create more jobs for workers who are unemployed.

The first democratic elections in SA were a lovely experience. The seeds which were planted in those early years, and even in years before, bore fruit. Trade unionism contributed to our ability to achieve our goals through negotiation and mass action.

At the time I was working in the COSATU elections campaign. It was a lovely experience travelling through the regions, knowing we were moving towards the goal we had spoken about for many years. The whole country was quiet on 27 April. People became humans waiting in the queus to vote - not black or white, or IFP or ANC. People showed love towards each other.

We had realised the dream we fought for. That is how I felt. ☆

**“We are committed  
to democratic principles,  
individual freedom  
and a socially  
responsible  
free enterprise economy.”**

An extract from  
AECI "TOWARDS 2002"



# Obituary

## TED FRAZER



*Ted Frazer (2nd from left, front row) with the executive of the Hotel, Bar and catering Trades Employees Association, 1989.*

The trade union movement in Cape Town lost its most stalwart leader last week, with the death of Ted Frazer.

The Grand Old Man of trade unions in Cape Town was born and bred in the East End of London, and retained his Cockney accent after half a century in South Africa. As a boy, he learnt about poverty the hard way. In London's East End after the first world war, conditions approximated the Khayelitsha of today. This helped Ted Frazer to understand the struggle of the African people here, in a way that many of his comrades in the trade unions appreciated.

Ted Frazer also learnt about politics in the East End. He came from a family of rank-and-file trade unionists;

he often talked of his father and grandfather who lead strikes in their own times. As a boy, he gained much of his education from the local workers' library; this formative experience impelled him in 1982 to become a founder member of the Cape Town Trade Union Library, which he served as chairman until his death.

During the second world war, he came out to the then Rhodesia in the uniform of the Royal Air Force, but was sent back to England before the war's end. Africa must have gripped his spirit then, as for so many others, for shortly after the war he emigrated to South Africa and worked in Johannesburg for several years. During this period, he

was a journalist on *Drum* and participated in many of the industrial disputes of those tumultuous times, including the white building worker's strike of 1946.

He became by degrees the secretary of three unions. And as secretary, he fought a thousand battles against unfairness and another thousand to improve workers' conditions. Ted Frazer was a street-wise negotiator and a stickler for correct procedure. Had he had a more privileged background, he would have been a top-flight lawyer – something he often spoke of with regret. His knowledge of labour law and the industrial agreements was unsurpassed.

There are many mysteries in Ted's life, and now that he has gone, we may never know the full

# Obituary

range of his experience. Certainly, he embraced left-wing politics at an early age, and developed then a number of beliefs about equality and justice from which he never wavered.

He was actively involved in left-wing politics in England and South Africa after the war, but broke decisively from Stalinism at an early point. This divided him from many erstwhile colleagues. But when repression made life uncomfortable for so many activists in the early 1950's, Ted Frazer stayed and continued the work in his own way; many of his comrades at that time left the country or dropped out, abandoning their principles as well as their friends. Ted Frazer never earned riches, nor popular acclaim. But he stayed the course.

Sadly, he was already an elderly man by the time that political opportunities arose again in the 1980's. He enthusiastically exploited the openings for the trade union movement then, and was one of the first to bring African workers into his unions, not only as members but as shop stewards and leaders. But he found it difficult to fit into the new style of work. After a brief and unhappy affiliation with FOSATU – the forerunner of COSATU – Ted Frazer withdrew from the mainstream. This robbed the union movement of his wealth of experience, and led to a certain bitterness which did not show him at his best.

He was an early and staunch proponent of non-racialism. But Ted's principles were inflexible. He could not tolerate the ducking and diving which he detected so often in the unions of the day. He

though the leaders were politicians, not real trade unionists. Many of the very people whom he catechised in the 1980's, are now cabinet ministers. He would have watched their activities in government today with a wry amusement; he had never doubted that he, old as he was, would outlast them as a trade unionist!

The new unionism of the 1980's had no room for Ted Frazer. One of his unions, the Brewery Workers' Union, was smashed in a raid by one of the new, national unions for black workers. Another, the Liquor and Catering Trades Employees Union, was merged with a national union after Ted had been summarily compelled to resign.

But Ted was a fighter and a survivor. Despite these setbacks, and despite the understandable bitterness which he could not always conceal, he soldiered on as secretary of the Jewellers' and Goldsmiths' Union. Poetic justice shortly made him secretary of the Hotel, Bar and Catering Trades' Employees' Association, rival to the union which had so abruptly found it necessary to dispense with him. His enemies found that Ted Frazer was not that easy to cast aside.

The 1980's saw the creation of a different type of trade union movement to the one he was comfortable with, and which was impatient of the lessons and experience

which Ted Frazer brought with him and could not forebear from using. But if he found it difficult to adjust to the new political conditions, he continued to play a highly progressive role in a different way. As a founder and chairman of the Cape Town Trade Union Library, and an enthusiast for the Labour Research Service, Ted Frazer contributed to the all-round development of the trade union movement, and especially its intellectual development. He supported particularly the training programmes for shop stewards which the Trade Union Library put on, and which produced many of today's senior officials. Ted Frazer was always dismissive of bureaucrats; anything which would enrich the trade union tradition would find him a strong and active supporter.

Now he has gone – another link with the past is broken, and the trade union movement is robbed of its most stalwart leader. Although sometimes jeered at as a maverick, Ted Frazer held firm to the basic principles of the great movement into which he was born and which he served in the ranks and as a leader. We can only hope that, amongst the thousands of ordinary workers whom Ted has trained and nurtured, there are a few indigenous Ted Frazers who will in time rise up from the ranks to serve their people as well as he did.

RGY, 14 September 1994



## FEDSAL conference: *the difficulty of change*

By ZOLILE MTSHELWANE

**T**he Federation of SA Labour, the self-styled "moderate voice" of labour, is experiencing rumblings from within over its future direction. This was evident at its annual conference held in Pretoria on 31 August.

Nearly 140 delegates from 16 affiliates sat in stunned silence when Ben Smith urged FEDSAL to join the mainstream trade union movement, a reference to COSATU. Smith is the general secretary of SA Society of Bank Officials (SASBO), the biggest affiliate of FEDSAL with 80 000 members.

"FEDSAL must join the mainstream of trade unionism, or risk being reduced to irrelevance," Smith said. He went on to say that the experience and expertise that FEDSAL possesses can be of great benefit to unions in COSATU.

SASBO has also made its intention clear: they have resolved to affiliate to COSATU, thereby robbing FEDSAL of its most important affiliate. Although Smith's paper on trade union

unity was to be followed by discussion, this did not materialise. Instead, it was decided that this issue be referred to the National Executive Committee or a subcommittee of this structure for debate and decision.

This was the only climax of a conference that was dominated by muted debate and dressed up delegates, the overwhelming majority of whom were white Afrikaner males. There was, however, a sprinkling of black delegates, most of whom came from SASBO.

The conference also discussed, behind closed doors, the image of FEDSAL. According to Ben van der Walt, the president of FEDSAL, conference looked at the federation's present position and how it should position itself in the changing climate within which trade unions operate. "We debated where the federation is at now, and looked at future options that are available to us," Van der Walt said. He added that this debate was an internal matter for FEDSAL and its unions. But, according to a source who was at this closed session, contributions from delegates reflected the anxiety of a class that feels threatened about its privileged status, thanks to



years of apartheid and white domination.

Other speakers at the conference were Ali Ibrahim from the ILO's Bureau for Workers Activities. Ibrahim spoke about the role of the ILO in promoting and reinforcing workers rights.

An unexplained speaker was a human resources manager of the National Sorghum Breweries, Ray Kwatsha, who spoke on "challenges facing management and labour in the new SA". Kwatsha faced a barrage of tough questions from mainly SASBO's black delegates. One of these could be described as a "hostile" questioner who wanted to know whether NSB is really black-owned, or the black management was only fronting for white owners.

Van der Walt argued that it was important to have a representative of a black-owned enterprise to share their views with FEDSAL. "It was useful to hear what black employers think about issues like affirmative action and how they see labour relations developing in South Africa."

Besides Ibrahim, there were three other international guests. There were two from the AFL-CIO and another one from the World Confederation of Labour. COSATU and NACTU also sent representatives to the open sessions of the conference.

In his opening address, Ben van der Walt said the SA Telcom Association has affiliated to the federation since the last conference. Van der Walt added that FEDSAL's membership currently stands at 260 000. He went on to state that FEDSAL has participated in a number of forums like the NEF and the NMC. "FEDSAL is now recognised as an important actor in the labour field," van der Walt said, and mentioned overseas visits that FEDSAL's delegates undertook together with COSATU and NACTU representatives to the ILO's conference as well as visits to unions in the USA.

Van der Walt said he is convinced that FEDSAL has a potential for growth. But, he said, the federation's leadership which is presently white-dominated will have to change if it wants to attract a growing number of non-white workers and unions. He also called on the federation's affiliates to support and actively participate in the government's RDP. "By doing so FEDSAL will enhance the RDP's impact on the lives of the poor and unemployed."

Van der Walt also said FEDSAL supports the

effective implementation of a national public works programme and other measures to improve the situation of the poor and unemployed.

Three office-bearers were elected for a one-year term at the end of the conference. These are: Ben van der Walt was re-elected president; Mary Maletse was elected 1st vice-president; Renier de Waal is 2nd vice-president.

The general secretary and his assistant are appointed positions, and they are, respectively: Dannhauser van der Merwe and Corrie du Plooy.

FEDSAL has no position of treasurer, its finances are handled by a finance committee of five people who are appointed by the NEC.

The rumblings by SASBO about FEDSAL's direction are bound to have a great impact on the federation. Although SASBO's disaffiliation from FEDSAL was not discussed at the conference, it seems like a certainty that cannot be reversed. When, and not if, this eventually happens, it will leave a big dent on FEDSAL's image and future prospect of attracting black unions. FEDSAL's loss will be COSATU's gain, thereby putting a strain on the informal relationship that has been developed between the two federations.

In his concluding remarks, Smith quoted an old cliché about being in the middle of the road: "When you are in the middle of the road, you run the risk of being run over." The responses of some delegates to Smith's words was that there should be a confederation of labour unions as opposed to a unified trade union movement.

Van der Walt said it would be sad when SASBO eventually leaves FEDSAL. "SASBO has members who have a lot of expertise that has been useful for FEDSAL. But I don't see their leaving FEDSAL necessarily affecting our potential of attracting other (black) unions into our fold," said Van der Walt. He added that FEDSAL's black membership is growing, and he estimates this at around 30%.

It remains to be seen whether FEDSAL will withstand the loss of one of its biggest affiliates, and whether the move by SASBO will lead to other unions reconsidering their position in FEDSAL. ☆

Pic: William Matlala

# COSATU congress



## *challenging elite anxieties*

COSATU's Fifth National Congress was marked by serious and focused debate. Delegates resolved that economic policy should be shaped by social and democratic goals. KARL VON HOLDT was there.

**S**outh African citizens continue to live in separate worlds, even after our first democratic elections. In early September some 1 800 delegates from the country's biggest and most powerful trade unions participated in COSATU's Fifth

National Congress. Debate was lively and serious, and focused on strategically important issues. A powerful vision of democracy and social development underlay much of what was discussed.

Yet according to the press the main issues at the congress were that "knives were out" for the federation's general secretary, that government ministers who addressed the congress laid down the line on the need for workers to tighten their belts, that workers were cowed and even sullen, and bowed to the need for tariff reform, that the federation is beset by organisational and leadership problems.

Truly, these read like reports from another world, reports penned by ignorant and anxious aliens unable to break with the prejudices of their own world. This clash between worlds is symptomatic of a deeper struggle in our society – a struggle over the

distribution of resources and power, a struggle over development. It is a struggle in which the beneficiaries of apartheid are attempting to shape public debate and policy in such a way that those who were dispossessed of citizenship and resources by apartheid, must now pay the price for reconciliation and reconstruction.

It is a struggle in which COSATU is the most powerful protagonist for a different view – that the poor and the dispossessed come first, and that the rich and powerful must give up some of their wealth and power. Delegates at the COSATU congress staked out this position in resolutions on the Reconstruction and Development Programme (RDP), tariffs, economic policy and the social plan.

### **“The RDP is about transforming ourselves”**

One of the most interesting debates – and one with far-reaching implications – centred on the proposal by NUM that COSATU should “campaign for a voluntary contribution by workers, with matching funds by employers” to finance RDP projects, and that “all production output on selected public holidays”, including workers’ earnings and employers’ profits, should be contributed to the RDP fund.

NUM motivated this on the grounds that “the RDP is about transformation, about transforming ourselves from beginning, from seeing ourselves as victims. As working people we should be at the forefront of the RDP.”

SARWHU added, “We used to have stayaways without pay – we as workers should take the lead in sacrificing. We said the RDP must be mass-driven – what did we mean, that we should go to the IMF and the World Bank and ask for money?”

A number of different objections and doubts were raised:

- ❑ that the idea had not been discussed with members and it would be impossible to sell to them (CWIU, NUMSA, SACCAWU);
- ❑ that it could strengthen the idea that

workers should pay for the RDP, and allow employers to pressurise and confuse workers (PPWAWU, POTWA);

- ❑ that public sector workers do not produce goods and would not be able to contribute in the same way (SADTU, SAMWU);

- ❑ and that there should be clarity on how such funds would be controlled and used.

SACTWU then motivated for a series of amendments to meet these objections, noting that “at the end of the day we face a choice as labour – either we pursue our own interests only, or we demonstrate that organised workers are the most selfless in pursuing the interests of the poor, and so lead social transformation again.”

The delegates finally reached agreement to contribute to the RDP through devoting output, profit, earnings, or other means including financial or labour contributions. Wealthy South Africans should contribute a special levy on incomes and profits. A national campaign would be developed around this.

If implemented this resolution would counter the notion that unions are selfish. It could also provide a powerful alternative vision to the idea that workers’ contribution to the RDP should be to tighten belts and stop striking. It is a radical innovation for the trade unions, in that it points beyond a history of militant struggles over wages, towards a struggle over the social use of production.

### **Social goals come first**

Other resolutions extended this approach. The declaration on international trade and tariffs stresses that “there are people and communities first and foremost”.

COSATU’s goals are to strengthen economic rights to work, a living wage and education; to create a strong industrial base and a comprehensive social infrastructure. Tariff reform, says the declaration, can be an *instrument* of economic restructuring to attain these goals – but COSATU rejects the “blind ideological commitment” to free trade,

open markets and low tariffs as a means of solving all problems of society.

COSATU will resist vigorously, continues the declaration, any tariff reform which is not preceded by negotiation with unions, and does not incorporate social adjustment programmes. The document also declares the "fundamental need" for a social clause protecting basic worker rights in all international trade agreements.

In other words, tariff and trade policy must be subordinated to *social* goals, and must be arrived at *democratically* through consultation and negotiation. Other resolutions place broader economic policy in the same social and democratic context. Tax and fiscal policy should promote the redistribution of wealth from rich to poor and end gender discrimination. A Social Plan Act should be drafted to protect workers from the effects of retrenchment through retraining for new jobs, and to create jobs. The public sector should play a fundamental role in economic development.

The financial sector should be transformed so that domestic capital develops the SA economy. Legislation should be drafted to ensure organised workers have a voice in economic decision-making at shopfloor, sectoral and national level. Industrial councils should be mandatory in all industrial sectors. These rights should be backed up by improved rights to strike and picket, and a ban on employing scab labour. State funding should be secured for building union research and education capacity.

While these resolutions set out a broad vision of a co-determined and socially regulated economy, the debate was also marked by serious silences. There was no discussion about the institutions for establishing co-determination at the workplace, or for securing union involvement in broader economic policy. A provocative clause on rejecting "flexible approaches to centralised bargaining" was adopted without debate.

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The Cape Town Trade Union Library is a resource centre and reading room for trade unionists and workers. It opened in 1983 to serve all non-racial unions in Cape Town and surrounding areas. The library's aim is to counter the imbalances between employers and workers, by providing workers with access to learning and information.



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*SACTWU organiser Theo Steel: engaged in focussed, serious debate*

Should workplace co-determination take place through workplace councils? Should there be workers on company boards of directors? Should industrial policy be negotiated in industrial councils or in other forums? What should be the relation of such forums to the National Labour and Economic Development Council? What relation does the federation envisage between centralised collective bargaining and plant-level bargaining? What are the rights of unions at all these levels? Would the union movement itself need a fundamental restructuring to match these new institutions?

The lack of debate on these issues is evidence that while COSATU has defined broad goals, it has not yet developed a clear model of the institutions of economic governance that it favours; nor has it developed a comprehensive wage policy or collective bargaining policy. This is not surprising, since currently each affiliate is focused on collective bargaining, in its own sector, with its own institutions, problems and demands.

### **Towards a stronger centre**

A proposal by SACTWU, however, indicates that things may change.

The union proposed that "affiliates should co-ordinate, through COSATU, their collective bargaining programmes, so that over a period of time wage policy is determined at federation level, and the basic wage agreement is reached at macro level, covering all workers in SA, through direct negotiation between COSATU and business South Africa."

In the debate on this clause some unions were cautious, some thought it was pie-in-the-sky, and others were enthusiastic. There was some discussion of COSATU setting up a collective bargaining department to co-ordinate union negotiations on collective bargaining, health and safety, pension funds and legal issues. It was eventually agreed that these ideas were so far-reaching in their implications that they should be referred to the Central Executive Committee, and the office-bearers mandated to draw up comprehensive guidelines for debate.

Organisationally this is perhaps the most far-reaching proposal debated in COSATU since the founding resolution to merge affiliates into broad-based industrial unions. The outcome would inevitably be a shifting of power and resources away from the affiliates and towards the centre. Although many affiliates might balk at this, a stronger centre – as in the labour movements of Italy, Scandinavia, Germany, etc – is probably essential if COSATU wishes to develop a new kind of class consciousness and to play the kind of broad social and economic role other resolutions describe. A global policy on wages, wage levelling, taxation, the social wage, benefits and investment can only be negotiated through a powerful centre.

Can COSATU restructure itself to play this kind of role? Can it develop concrete policies on these issues and institutions, and mobilise for them to be established in South Africa? This could be one of the most interesting debates in the next few years. Already there is a tension between this possibility, and the argument put forward by NUM – and agreed by Congress – that in striving towards self-sufficiency, COSATU should cut back its staff and devolve some functions onto affiliates.

### **COSATU and the government**

With virtually no exceptions the main stream press misinterpreted the significance of the speeches by government ministers, and the response of congress delegates. None of the ministers urged restraint on workers. Only President Mandela did that – and was listened to with good natured amusement. For their part the unions were not “cowed” or “sullen” – they simply decided that a public challenge in a mass forum in front of the press was not the best way to put forward their views.

The ministers did describe very clearly some of the constraints under which they operate and the limitations of national resources. This is the kind of honesty one would expect from ministers who intend to involve trade unions in consultation over the

allocation of resources. Minister of Trade and Industry, Trevor Manuel, for example pointed out that the controversial textile and clothing industry plan would require an investment of R4,5 billion. Was that the best way to use scarce funds, or should it go into building houses, or boosting other industries? A sensible question that the trade union movement needs to debate.

But the minister who really did say something substantial was labour minister Tito Mboweni. And what the labour minister did say was unambiguously supportive of trade unions. New legislation should establish trade union rights to workplace meetings, time off for shopsteward training, and access to information. Basic conditions of employment should increase annual leave from 14 to 21 days, entrench the right to maternity leave, extend leave rights to part-time and temporary workers, and start a phased process towards a 40 hour week and an eight hour day. Mboweni also pointed out that COSATU should not simply rely on him to achieve these goals, but needed to engage in a political struggle to build support for its positions publicly and in parliament.

Clearly the relation of COSATU to the new government is a complex and nuanced one. It has different relationships with different ministers and officials, and it can expect a different kind of interaction with different ministries, departments and issues. COSATU resolved to build its capacity to influence and lobby the ANC, to support the ANC component of the Government of National Unity, and to resist government decisions that challenge its interests.

For the majority of affiliates the Tripartite Alliance is the best vehicle for this complex process of shaping and engaging in struggle over government policy. NUMSA alone put forward a resolution to end the alliance: “future relations will be conducted with the ANC as part of the government of the day through such forums as the NEF, NMC etc”. It also called for unifying working class organisations and parties around a socialist



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*Tito Mboweni and Sam Shilowa: a complex, dynamic relationship between the ANC and COSATU*

programme – which “could take the form of a working class party”. This resolution fell away for lack of a seconder.

So, despite the expectations and assessments of many journalists, there is to be no dramatic parting of the ways. The relation between ANC and COSATU will continue to be a dynamic one based fundamentally on the RDP – with conflict and agreement at different times and on different issues.

### **COSATU vital for our future**

The Fifth National Congress showed a COSATU which continues to be a healthy organisation with the ability to engage in strategic analysis. Debate was serious and focused. Less time was wasted on political posturing than in the past. The emphasis was on concrete problems and issues. More resolutions than in the past were fully debated and agreed without being shunted off to other structures or railroaded into inadequate compromises. The challenge of course lies in the implementation. It is here

that the organisational and capacity problems in the federation could frustrate its goals.

None of the debates or resolutions was adequately analysed in the press. Yet the world represented by COSATU is vitally important for our country. COSATU is the most powerful and strategically sophisticated force from the world of poverty and hunger, the world of those excluded from education and a decent community life. It is an organisation shaped by the experience of apartheid oppression and grinding exploitation – an organisation whose members have developed a vision of transformation, democracy, and social justice. It is the best hope we have for ensuring that the ANC’s vision does not shrink to a concern for “investor confidence”. South Africans from the world of free market prejudices and elite anxieties should learn to understand COSATU’s world – for it is a world that promises to continue challenging their own. ☆



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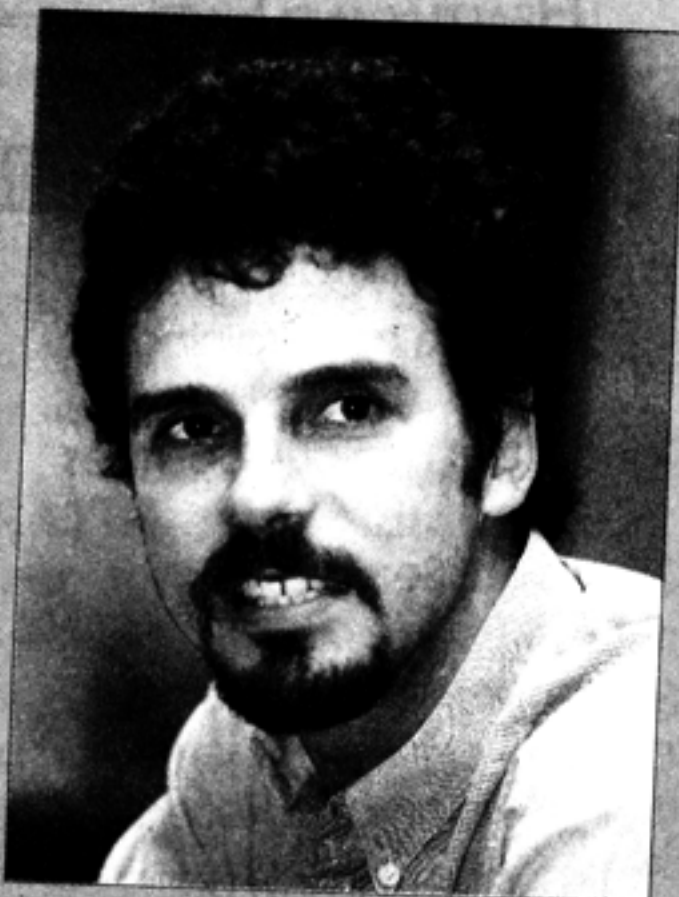
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**Sam Shilowa**

# Facing the future: *COSATU* defines its role



**Neil Coleman**

The national office bearers of the federation – president John Gomomo, general secretary Sam Shilowa, assistant general secretary Zwelinzima Vavi and information officer Neil Coleman – discussed their assessment of recent strikes,

their relations with the ANC in government and the federation's back to basics campaign with SAKHELA BUHLUNGU and KARL VON HOLDT.

### **Lessons of the recent strike wave**

Since the April elections South Africa has been hit by waves of worker mass action and strikes. Most of the strikes were triggered off by wage disputes, but in most cases included other issues. The militancy for which COSATU members are well known has in the past not only been used to fight for shopfloor changes, it has also been channelled to address broader economic and political issues. Recent examples are the VAT stay-away, the rolling mass action and the mass protests in the wake of Chris Hani's assassination. So, what is the significance and lessons of the recent strikes and protests?

According to Zwelinzima Vavi the strikes were important for the labour movement after elections: "It was an untested terrain for both us as the labour movement and the bosses. I think the bosses took the view that says 'we fight here and die here, we give in here and everybody else will have to give in'. For them affordability (of wage demands) was not the issue. They were showing workers they will not get everything they want simply because the ANC is now in government."

Vavi says the strikes, particularly the Pick 'n Pay strike, occurred against the background of a concerted media onslaught against COSATU. The federation was branded as the people who wanted to sabotage the RDP. This hostility, together with the heavy-handed actions of the police, put the shopfloor leadership under immense pressure to settle far below their original bottom line.



**John Gomomo**



**Zwelinzima Vavi**

❖ All pics in this section by: Cedric Nunn

At the same time, says Sam Shilowa, the strikes suffered from a lack of solidarity support – an important lesson for the future. He argues that unions cannot start calling for solidarity support when the strike is already on: “We’ve got to find a way of planning well in advance, particularly when we know we are going into a strike. There is an answer from our recent national congress that we must strengthen not only our locals and regions, but we must set up organisers’ forums which look at issues of collective bargaining.” These forums could co-ordinate struggles and solidarity, and would include representatives from the federation itself and its affiliates. They would also deal with issues like building capacity, building organisation and implementing the RDP.

Shilowa believes the strikes have helped COSATU confront important issues, like changes to bring about economic empowerment through, for example, challenging employers to reduce the wage gap and to introduce training programmes. The strikes also allowed COSATU to deal with the question of productivity: “We began to emerge with a view that productivity is not just switching on workers and the machine. If you have a low skills base you can’t expect to have high productivity.”

Are unions not facing problems trying to channel worker militancy from wage struggles into struggles to restructure and democratise the workplace?

Neil Coleman argues that wage struggles and democratisation are not mutually exclusive: “Democratisation also becomes the vehicle through which you tackle issues like closing the wage gap, the wage structure, affirmative action, training, etc. In the Pick ’n Pay example you had an initial focus on wages and at the end the key gains that they made were not around wages. It was around a programme of affirmative action, reorganisation and democratisation of the workplace and decision-making.”

“Each industry will differ on what the issues are,” says Shilowa. “The real problem was that the employers, both in the Pick ’n Pay and auto industry strikes, made

themselves the vanguard of the bourgeoisie. They said ‘we will lead the wages’ struggle on behalf of everybody else’. It was important for labour to focus on it as well, precisely because the argument was that workers’ wages in this country are too high. I’m not saying the focus must always be on wages. We should not focus on democratisation only during wage struggles. You should have a continuous contestation of ideas on the shopfloor.”

A strike of a different kind was the blockade by truck drivers early in August. While most drivers are members of TGWU the action was planned and carried out by an organisation called the Turning Wheel Workers International Movement. Vavi says one of the lessons of the blockade is never to “stay away from your base one day”.

“If you are not there somebody else occupies the space. TGWU, like everybody else, will learn the hard way that the most important thing is service. Service is not about how good your reputation is. Service is something that is material to members.”

John Gomomo says the truckers’ blockade highlighted the need to educate shopstewards so they can give direction to union members at all times. Such training should deal with basic shopsteward duties on the shopfloor, as well as issues regarding the current situation in the country.

### **Tightening belts**

The strikes have brought to the fore the debate about the sacrifices needed to be made to ensure the success of the RDP. Some people argue that unions need to reduce strikes and accept lower increases so that savings by employers could be used to improve competitiveness and create more jobs. This would also lead to the creation of an atmosphere, it is argued, that would attract foreign investment. President Mandela’s call to delegates at the COSATU congress for unions and their members to ‘tighten their belts’ added weight to these arguments.

Shilowa says COSATU does not feel threatened by what Mandela has raised:



“What he has done is to bring the thing into focus. Even the die-hard employers accept that there won’t be a wage freeze. We see it as follows: the wage structure for politicians, top bureaucrats and senior management is outrageous. People are living beyond the means of the country. You need to cut and freeze that side and also put in place a programme that brings up those who are at the lower rungs. We go further. In the public sector you regrade the jobs because the present grading keeps blacks at the bottom of the ladder. You work out a new career path for people to follow. And you do that in the private sector too.

“On the other hand, you can’t attract international investors unless local investors are investing (in South Africa). We must talk about beneficiation. Why should we spin and weave the wool outside of the country instead of here? The challenge to COSATU is not to recoil from this debate but to redefine it.”

Shilowa rejects the argument that one has to pay low wages in order to create jobs: “For all these years wages have been low. And how many jobs have been created?” I think that is what Mandela should ask them.

“The only way to create jobs is to expand the market... and look at training. You need to train those who are there, but also you need to train people who are unemployed. What the RDP envisages is a massive public works programme which has a training component in it. It means that as you restructure industry you bring on board other people.”

Vavi adds that while employers want to give workers wage increases in the region of 6 to 7%, research has revealed that employers have been “walloping themselves with 18 to 20-something percent increases in the past year.”

COSATU rejects therefore the notion that worker demands for increases are the main cause of rocketing labour costs. Shilowa pursues the point: “Of the wage bill they say we are consuming, between 49 and 52% goes into the pockets of senior management. Also, there are too many levels of management. All of those things must be tackled head-on. We will have to win the public debate on the shopfloor, not in the boardroom.”

“Let alone the wages that these managers get,” adds Gomomo, “look at other things

that they get – free petrol allowances, free cars (also for their spouses), allowances for their houses.”

Coleman continues: “It seems comrade Mandela is not being given balanced information by his advisors. Look at his example of the ‘Asian tigers’ where he was told that they are getting lower wages than we are in South Africa. In dollar terms workers in South Korea and Taiwan get three to four times what our workers are getting. Mandela wasn’t told that the management structures are much flatter in those countries, and that the ratio (of management to workers) is much narrower there than it is in this country. The level of investment in human resource development is also very high. The research and development of technology has given those countries their competitive edge.

“Balanced information needs to be put across not only to the president, but to the public as a whole so that we have an informed debate about what the economic options are.”

### **Relations with the government**

For the first time in our history South Africa has a labour-friendly government. Many commentators have discussed the opportunities (in terms of influencing and shaping policies) and the dangers (regarding the independence of labour) presented by the

close ties between COSATU and the ANC, the majority party in the government. The federation’s national congress resolved to continue the alliance, while ensuring that COSATU retains its independence.

According to the national leadership, COSATU will not be dictated to by the government.

Shilowa says media explanations of this relationship are simplistic and misleading: “Part of the interpretation given to the speeches by government ministers at our congress has been that there is a carrot and stick approach by the government. On the contrary we believe there is no coherent policy at this stage. The government is saying different things at different times. Some handle it better because they have chosen to involve the trade unions as they go along.

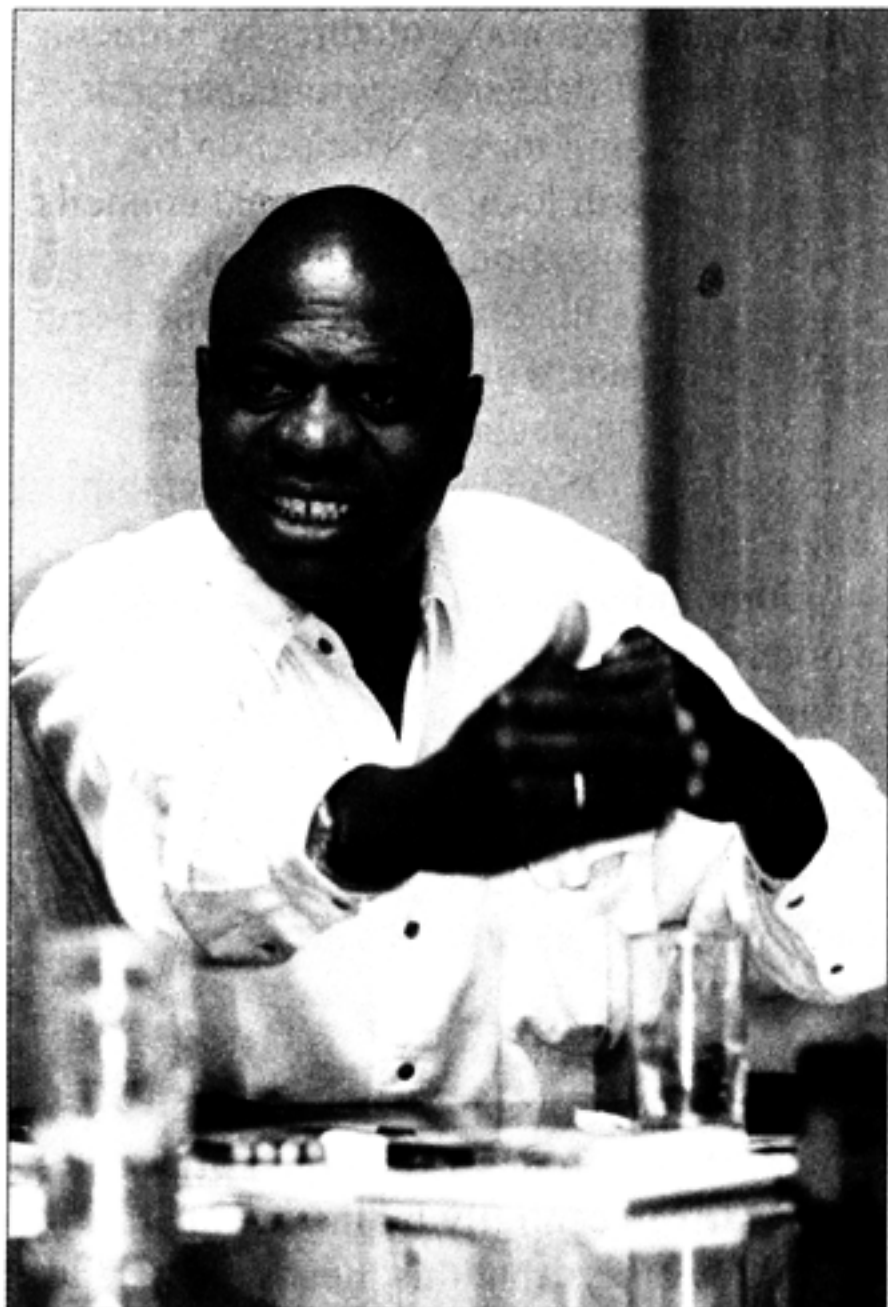
“I find it very difficult not to say some good things about Tito Mboweni, Minister of Labour. I think it is because he is not afraid to come to Vavi and say ‘hey, broer, there is this thing coming up, how do you think I should handle it’. It does not mean that he takes everything that Vavi says, but he knows that at least this is the thinking in the unions. There are areas where we think he could have formulated things better, but in the main his approach is that COSATU and the ANC are in alliance. There are things which we have all agreed way back

which we must win for workers. He sees it as his duty together with COSATU and the ANC to win these things for workers.

“The relationship with the government is going to be at three levels. The first level is based on the fact that the government of national unity (GNU) is a coalition government. Our

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role is to strengthen the hand of the ANC in the GNU. But that is not a blank cheque. We will support the GNU, and the ANC in particular, if the position and policies they advocate enhance our struggle.

“The second area is one of engagement in debate and negotiations. Take the recent

strike actions – before we had a high-powered delegation meeting the ANC there was no coherence. After we met them, if you listen to the debates in parliament, it was like we wrote their speeches. There has been that element of debate.

“The third area will have to be based on struggles. Struggles that say, ‘on this issue we are not going to budge. The ANC-led government will have to change on that issue.’”

The relationship with government is closely linked to what COSATU sees as its political role in the transition period. Says Vavi: “The first role is the consolidation of democracy, the power we have won at the political level. This means that we don’t unwittingly get taken up by slogans and end up supporting agendas of right wingers like the Public Service Association (PSA) and the Public Service League (PSL).

“The second role, of course, is the implementation of the RDP. We want to ensure that everything we do, including engagement with the government in standing committees of parliament, actually helps to... implement the RDP.”

“Thirdly, we want to play a watchdog role. We want to be able to criticise anybody whom we think is moving out of step or who is moving away from the policies of the alliance, and the RDP in particular. We

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didn't hesitate to condemn Joe Modise when he attempted to gag the *Weekly Mail*. We took on comrade Madiba when he attacked us publicly on the issue of strikes and international investors. Of course this watchdog role does not mean you just shout at whoever appears to be making a mistake. It also means that in a case where a minister has taken a correct decision, like justice minister Dullah Omar, we should be able to stand up and say 'we support that position'."

COSATU stresses that its only reason for publicly confronting allies is to set the record straight. Shilowa explains: "It's not like we want to create a name for ourselves. But the press will be the first to condemn us if we are seen to be accepting everything coming from the ANC. We are going to look at what best enhances the position of COSATU, and if it means differing with whoever, we will do so."

But COSATU will remain supportive of the ANC in dealing with the right wing, says Coleman. "We have to maintain that balance between the watchdog role – the critical role – and engaging sufficiently so that we are helping to drive the programme of those democratic elements within government. We are criticising the government for not doing enough to restructure the bureaucracy. But at the same time we strengthen their hand in relation to the PSA and the right wing. So it's a double-edged role."

"Still," says Shilowa, "we don't want to allow ourselves to become paratroopers of ministers. They must not think that they can do things incorrectly and later come to us and say: 'Hey chaps, we are really going to be under attack. Can you people now mount a campaign in our rescue.' We don't want to do that."

### **Organisational renewal**

Recently, there has been much debate about a 'brain drain' and organisational weaknesses in COSATU. What is the federation doing about this? According to Vavi there is a need to restructure COSATU in order to meet changing needs. This restructuring will involve the streamlining of

national and regional structures by reducing the number of delegate meetings per year and encouraging mass participation by shopstewards in local and regional councils. With regard to national negotiations in structures like the National Economic Forum (NEF) emphasis will shift away from dependence on 'technocrats' to forums comprising COSATU national leadership and affiliate representatives.

Gomomo adds that the involvement of workers on the ground must remain the real strength of COSATU, which is why COSATU has decided on a campaign to go "back to basics".

Vavi says the main issue is whether COSATU will become a "narrow, boardroom-oriented federation led by the leadership and isolate itself from the real concerns and aspirations of the members" or whether it will remain "an organ of people's power driven centrally by the members".

Shilowa says that this means affiliate unions should come to the CEC with mandates from their membership: "We want to ensure that the sort of positions that they put across to the CEC are mass-driven. The leadership of COSATU must be seen as the entire CEC, the entire REC, the entire local shopstewards council. In other words we must build a situation where we are able to carry the bulk of the shopstewards on policy."

"We want to build a strong organisation that is capable of confronting the new challenges that are being thrown up by the democratisation process. We must find a way of dealing with the new technical approach that employers are putting to us. How do we deal with the globalisation of the economy? How do we deal with the fact that the GNU will not always take views which are sympathetic to us?"

Gomomo stressed that going back to basics does not mean leaving new issues like restructuring on the shopfloor. If we ignore such issues they are going to break us into pieces."

Shilowa continues: "Going back to basics does not mean going back to the same issues





that we were talking about in 1980 or 1985. The key to COSATU's success in the past was its capacity for mass mobilisation. Back to basics does not mean abandoning the issues confronting us, it means as we deal with these issues we must carry our base with us." Take the issue of an incomes policy. Before we go the route of an incomes policy we must unpack it. What do we mean by an incomes policy, what are the ingredients of it, what is good about it. Let's have an open debate with workers.

"Back to basics means that the federation must ensure it remains rooted in its constituency and that policies at national level are informed by debates among the rank and file. In short, back to basics means back to the base by means of mandates, report-backs and mass mobilisation."

But how is COSATU going to achieve its objectives when it continues to lose experienced leadership, including shopstewards who get promoted in their workplaces?

Gomomo says the unions can't block the promotion of shopstewards into management positions: "We should define what we expect from those people who are taking positions

in management. We must work out a strategy so that they go in there and change the attitudes of management."

"Do we take this as a threat and react by saying that anybody who crosses the floor into management is a class enemy who needs to be treated with contempt?" asks Vavi, "or do we say this transfer of working class people into management positions actually gives us an opportunity to begin to fundamentally transform the industries of this country so that they move away from serving the interests of the bourgeois class into industries that serve the interests of the broader working class? My view is that we should deliberately infiltrate some of our most trained working class elements into management so that we can change their agenda focus and their priorities to the priorities of all the people of South Africa."

Shilowa says this trend poses questions about the character of COSATU itself. "If we are serious about saying that training should be rewarded in terms of new career paths, new grading and higher wages, it goes without saying that people will have to move from some of the positions that they hold. Do we want to remain a blue collar federation or

do we want to become a federation of all workers? I would argue we want to become a federation of all workers in this country.

“The problem at the moment is the manner in which these promotions happen. Because it is not part of an agreed programme of grading, restructuring, retraining and career pathing, employers choose who they want to promote.”

Vavi admits that the loss of leadership has had a negative effect on the federation: “There may be different layers of leadership but the reality is that people don’t have the same capacities. The question is, after having lost these leaders, what do we do?”

He says COSATU needs to implement a programme of capacity building that will “take this comrade through these courses in order for him to represent us with the same quality as Alec Erwin was representing COSATU in the NEF”.

“But,” Shilowa says, “it’s also an indictment on those comrades that they have not been able to empower or to pass skills on to other comrades.”

Coleman says in recent years a culture of reliance on experts began to emerge in COSATU, which was accelerated with COSATU’s involvement in the NEF and National Manpower Commission (NMC). But, observes Coleman, the level of debate and participation has improved tremendously in recent months. The reliance on experts in COSATU is disappearing and new leadership is emerging to fill the gap left by those who left. This is regarded as one of the positive effects of the ‘brain drain’.

“One of the tunes taken by the media after we had ‘donated’ 76 people to parliament, was that COSATU is finished,” says Vavi. “They knew they were lying. But it’s because they were fighting an ideological battle to then say *oongqondo-ngqondo bemkile basepalamente, kushiyeke amagogogo* (all the brains have moved to parliament). The reality is that the weaknesses that are here now are weaknesses that were pointed out years back in various debates including in debates in the *Labour Bulletin*.”

### Trade union unity

Unity has always eluded the trade union movement in South Africa. While COSATU’s stand in favour of one federation in one country is well known, the other federations point to COSATU’s alliance with political parties as a major obstacle. There was little progress on the issue until April this year when COSATU, NACTU and FEDSAL resolved to work towards greater unity of the labour movement in South Africa. On the ground though, some workers from the smaller federations seem to be voting with their feet by crossing over to join COSATU or its affiliates. This is best illustrated by the decision of one of FEDSAL’s biggest affiliates, SASBO, to apply for affiliation to COSATU.

“In past years the strategy was to hold worker conferences to discuss unity,” says Vavi, “but those conference always deadlocked because of certain differences. The best way of achieving unity is through unity in action – currently it is around our joint involvement in the National Manpower Commission, the National Economic Forum and so on. We have not been able to do anything fundamental since then (the April meeting) because we got engaged in preparing for the national congress.”

Gomomo says the notion that COSATU is being “led by the nose” by the ANC is unfounded: “...look which of these federations has been challenging the ANC government.”

“I think they (the other federations) have come to accept the leadership role of COSATU,” says Shilowa. “Whether it’s at the NEF or at the NMC it is our positions that are articulated. It is us who lead and make inputs on fundamental platforms. But we don’t intend to swallow anyone up.

“The one thing that we don’t accept is a confederation – that is, maintaining three or more federations under one umbrella. Either we merge all three federations or we merge the unions. But we don’t think that a merger comes by sitting idly – you engage in struggle.” ☆



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TURP, service organisation to the progressive trade union movement, extends warm congratulations to the South African Labour Bulletin on twenty years of significant contribution to debate within the South African labour movement.

■ *a response to Leslie Boyd and Karl von Holdt*

# Wages, wage policy, democracy

COSATU publicity officer

NEIL COLEMAN responds to a

range of issues raised in an

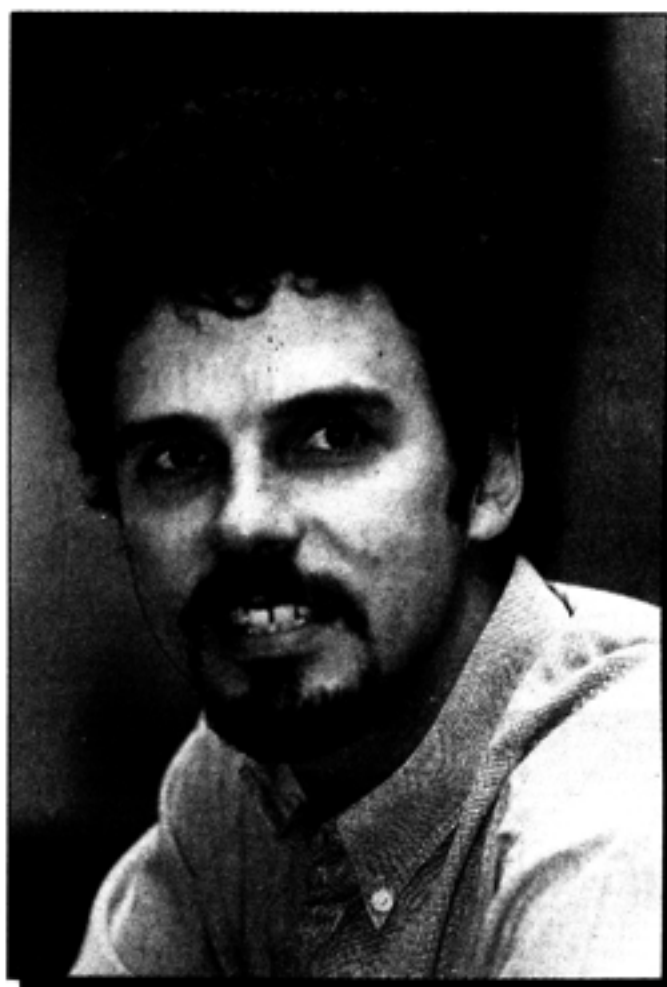
interview with Leslie Boyd and an

article by Karl von Holdt in the

last issue of *Labour Bulletin*.

**T**he interview with Anglo American deputy chair Leslie Boyd and Karl von Holdt's article in the last *Labour Bulletin* have one feature in common: they both believe, from opposing perspectives, that the trade union movement has not developed a vision which can drive the country's economy forward.

In Boyd's view, the trade unions have to come to terms with a low-wage, high productivity economy – with some higher-paying enclaves – if we are to compete internationally. He argues that the wage militancy of workers in recent strikes demonstrated the lack of leadership in trade unions. Further, he explicitly rejects any notion of economic democracy, and argues that it is the job of management to manage. He favours the Japanese approach to work organisation over the system of co-determination developed



in the social democracies.

Von Holdt suggests that the union movement has become trapped in a 'strategy of militant wage strikes.' This strategy, he argues, is a cul de sac economically, isolates the trade unions politically and acts as an obstacle to the transformation of industry. He proposes as an alternative route a Reconstruction and Development Accord (RDA), which would include an incomes and prices policy, expansion of the social wage, an investment strategy, an integrated framework of training and grading and workplace democratisation. The RDA would inter alia involve a 'degree' of strike and wage restraint.

Boyd would like us to look at the Pacific Rim countries as a model of economic development. Von Holdt points us more in the direction of the social democracies, although emphasising the need to develop a home-grown formula.

## **A low-wage, high productivity economy**

Boyd starts from the premise that the fundamentals of our economy are basically

sound – mineral wealth, a solid base for exports, good management, etc. The most important thing now, he argues, is to unleash market forces to encourage foreign investment. A combination of increased productivity and low wage, export-oriented industries will make us internationally competitive. Unleashing our productive potential will be achieved through the introduction of Japanese-style workplace reorganisation. All this will result in large scale job creation.

This is in stark contrast with the analysis provided by the RDP of the economic malaise in South Africa. The RDP identifies a five-pronged crisis:

- ❑ The crisis of industrial stagnation – an over-reliance on raw material exports; import of capital equipment, know-how and technology; lack of research and development; failure to develop affordable products for the domestic market; etc.
- ❑ The crisis of poverty – the abject poverty of over half our population excludes them from any meaningful economic activity, as producers and consumers; the poverty cycle is exacerbated by the collapse of rural subsistence economies and concentration of productive land in white hands.
- ❑ Investment crisis – the unproductive circulation of tens of billions of rands, inside and outside South Africa, is accompanied by the longest and most crippling strike in our history, the investment strike. The failure to invest in productive activity has systematically marginalised our economy in international terms, led to obsolescence in plant and equipment and generated unemployment. The monopolisation of ownership and control, combined with apartheid protectionism, have removed any competitive forces which might have led to innovation and pressure to invest.
- ❑ Human resources crisis – the suppression and destruction of South Africa's human resource development is one of apartheid's most notorious legacies. This

is linked to the irrationalities of workplace organisation which have been generated by the apartheid division of labour: many-layered hierarchies, proliferation of grades and fragmentation of education and training. The result is a production structure unable to adapt to world-class manufacturing methods, and a contradiction between the over-supply of labour and the shortage of skills.

- ❑ Crisis of transformation – faced with these structural flaws, the obvious problem is how we move from the present situation to where we want to be. The RDP argues we need to harness the energies and resources of the major stakeholders to negotiate solutions. The most serious obstacle to this at the level of production is the culture of unilateral management decision-making. This has led to what is glibly referred to as 'adversarial industrial relations'. The institutions, culture and legislation needed to drive our economic transformation are vigorously resisted by employers.

In relation to each of these elements, the economic route proposed by Boyd would either exacerbate the crisis or defeat the objectives which Boyd is wanting to achieve.

For example, the development of an Indonesian-style low wage economy would stifle the market he is so keen to create for Amic television sets and cars. In contrast, the RDP proposes to boost our manufacturing sector by unleashing the economic potential which has been stifled by poverty.

Further, it is a pipe-dream to think that in a democratic state, with a strong trade union movement, South Africa could make cheap labour its competitive advantage, when successive repressive regimes failed to achieve this.

Boyd argues that high wages depress economies, and low wages create employment. Therefore where there is high unemployment workers must accept low wages, and economic growth will follow. If this were true one would expect to see mass unemployment in the social democracies and full employment throughout the Third World.

### International examples

The international examples Boyd uses to back up his formula for growth are contentious. He claims that high levels of growth in the Pacific Rim resulted from workers in countries such as South Korea and Taiwan 'accepting low wages'. He suggests that the experience of these 'Asian Tigers' has been fundamentally similar to countries such as Indonesia and Malaysia. While repressive regimes in Indonesia and Malaysia certainly have opted for the cheap labour route (workers earning as little as a fifth of South African workers' wages), it is simplistic to suggest that the fundamental characteristic explaining the 'success' of the Asian Tigers was their cheap labour (workers in South Korea, Taiwan and Singapore earn up to three times the wages of their South African counterparts).

While there is no doubt the Asian tigers have adopted authoritarian anti-union policies, key features of their success include:

- ❑ decisive, but selective, state intervention in strategic areas of the economy, including nationalisation of significant elements of the financial sector;
- ❑ draconian measures to force domestic businesses to invest in the local economy;
- ❑ huge resources being ploughed into the development of human resources, and research and development into technology;
- ❑ narrow differentials, in comparison to South Africa, between management and production workers.

If these features were adopted in South Africa, they would constitute radical changes in our economy.

A further factor was the preferential treatment these countries received, particularly from America, to develop them as bulwarks against communism in the region. Extensive assistance was given on a range of fronts, including the transfer of technology which had been denied other developing nations. In our country, for example, investment is being withheld as a stick to 'encourage' acceptable economic policies.

International experience also does not

bear out Boyd's claim that low wages leads to economic growth and international competitiveness. In fact the reverse may be true.

In analysing the qualitative advance of Italy since the 1970s from having a backward economy to a more competitive economy, Michael Porter identifies the fact that they could no longer rely on cheap labour and subsidies to compete internationally: 'Italian industry upgraded when pressure built to jolt it from this path. Wage escalation, a rising lira, the threat of low-wage NICs, and globalisation, forced Italian industries to seek more sophisticated forms of competitive advantage... (As a result) Italy has emerged with a vibrant economy in the last two decades' (*Competitive Advantage of Nations*, 1990, p449).

In South Africa cheap labour, combined with subsidies and protectionism, has resulted in an economy riddled with inefficiency, wastage, nepotism and corruption. The *Financial Times* reported in a survey of South Africa's investment prospects (18/7/94) that rather than 'high wages' being the factor inhibiting foreign investors, their main concern was 'the presence of big conglomerates without a proper anti-trust legislative framework.' Anglo American for its part has fiercely opposed the introduction of anti-trust measures. New-found converts to the cause of non racial control of the economy are now arguing that anti-trust measures will jeopardise black economic empowerment. We need a multi-factored analysis of elements which result in high-growth competitive economies. Simplistic formulae such as those offered by Boyd do not advance our understanding of this issue.

Furthermore, the union movement is questioning whether the current obsession with international competitiveness is what South Africa should be concentrating on. We need to ask ourselves what leads to the promotion of social development and equity as part of our growth pattern. Such a perspective then helps us to assess if we want to adopt the Indonesian growth path advocated by Boyd of super-cheap export

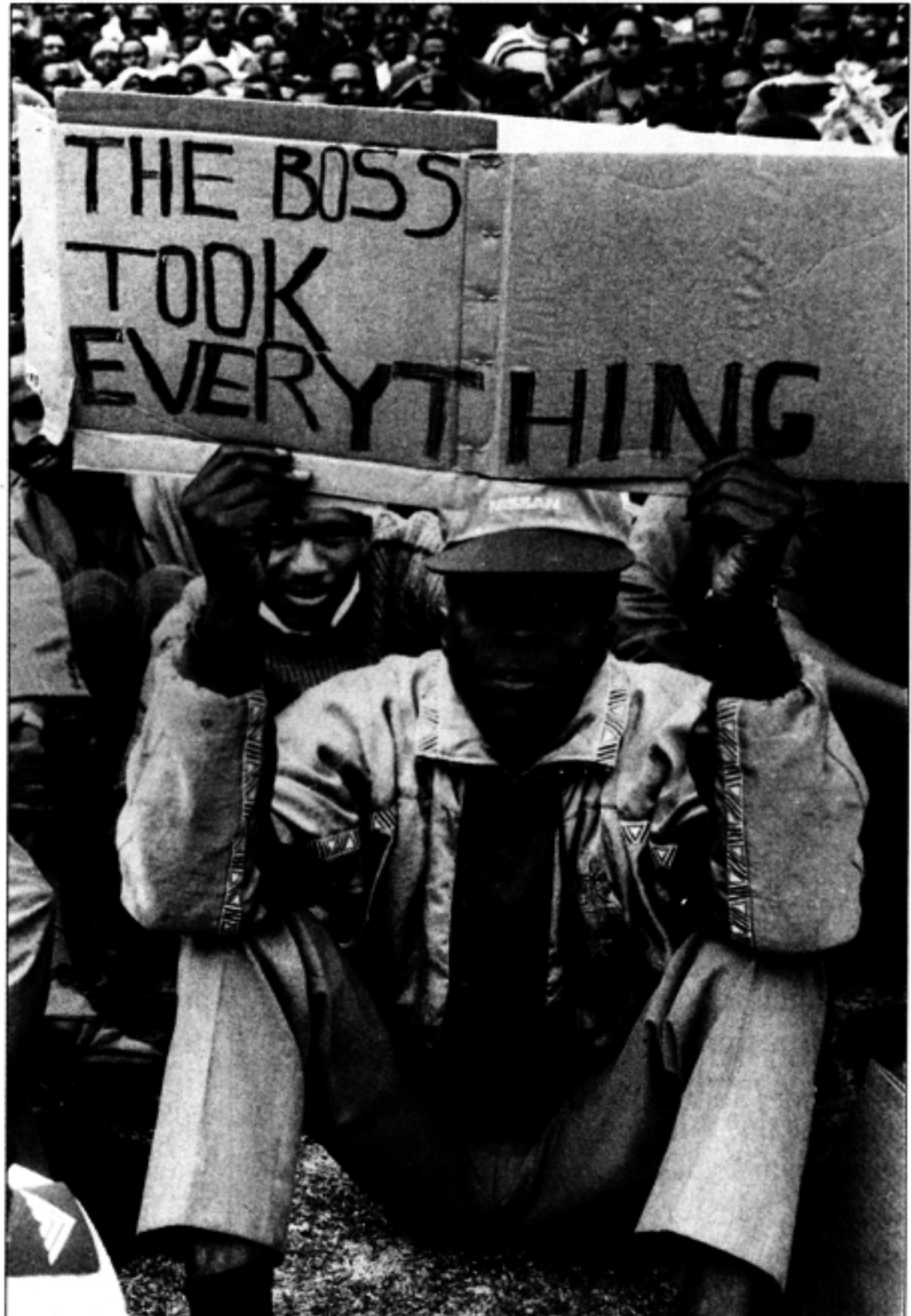
processing zones, with all its attendant evils, including abuse of human rights, child labour, starvation wages, etc.

### **A Reconstruction and Development Accord?**

Have the unions become trapped in a 'strategy of militant wage strikes', as Von Holdt suggests?

Reading press coverage of recent strikes one could be forgiven for supporting Leslie Boyd's view that trade union leaders are engaged in mindless wage militancy. Alternatively, looking at events from the perspective of workers, one could take the view that employers have been mindlessly involved in union-bashing, rather than taking a sober view of what they can afford.

A deeper analysis reveals that the issues are more complex than a fight over wage increases. If we look at the motor industry strike, the real battle was not whether employers agreed to ten or 12%. At the heart of the strike was the battle for restructuring of the industry. NUMSA had put forward a two-year plan for the reorganisation of the apartheid-based grading system, linked to a new system of training and a skills-based wage system. This was linked to a campaign to reduce the racially-based wage gap in the industry. NUMSA's proposals were designed, in their view, to address the major structural problems of the motor sector, to make it more effective and competitive. But through a sustained propaganda offensive employers were able to caricature the strike as being about the bloody-minded pursuit of half a percent. They were allowed, and we must partly accept responsibility for this, to escape scrutiny as to



Pic: William Matlala

why they were refusing to engage constructively with a comprehensive proposal to restructure the industry.

Even the Pick 'n Pay dispute was not purely wage-related. At the end of the day the key issues on which the union made advances were issues relating to affirmative action and democratisation of decision-making. The strike also served to highlight continued racism and discrimination at South Africa's 'most progressive company'. The wage issue was an important trigger in mobilising workers around these 'non-wage' questions.

Very few of the recent major strikes have been purely wage-related. Strikes have begun to challenge workplace discrimination on a range of issues, including wages. What we are seeing is the redefinition of wage battles in a



*Striking workers: deeper analysis reveals complex issues of workplace democratisation*

way which is potentially linked to the transformation of our industries. The challenge for the union movement is not to suppress this militancy, but to direct it in a way which achieves precisely the strategic vision of transformation which Von Holdt is attempting to map out.

If we follow Von Holdt's logic that there is tremendous inequality in the wage structure within companies and between companies, surely this is not an argument to abandon militant struggles, but a compelling reason to focus struggles on addressing these inequalities. This does not mean that 'militant wage strikes' become the strategy to address a problem of transforming our industries, but one weapon among others, which can never be abandoned, suspended or 'restrained' by the trade union movement. This obviously does not mean either that trade unions should use the strike as a blunt instrument.

The linking of bread and butter demands to demands for transformation and democratisation is not without its contradictions. This is becoming particularly clear in the public sector, where NEHAWU and COSATU are currently opposing a

proposed strike led by conservative white-dominated staff associations. While the latter are calling for 15% across the board increases, progressive unions are calling for a wage freeze, or even a wage cut, for those at the top of the hierarchy and the total reorganisation of the wage and grading structure.

This needs to be seen against the backdrop of the huge wage disparities in the public sector; the over 300 grades which exist; and the 20% increase for high-paid civil servants last year as against the 5% for low-paid public sector workers. The fact that these staff associations are taking on board NEHAWU's demand for a R1 500 minimum wage cannot escape the reality that a living wage for public sector workers is only possible with a radical reorganisation of the sector, involving a major sacrifice by higher paid civil servants. This is further compounded by the fact that the staff associations have systematically blocked NEHAWU's proposals for restructuring, affirmative action and reorientation of the public service to deliver the RDP.

If the assessment by the NPI is correct that



total remuneration in the manufacturing industry is made up of 60% salaries (to white-collar employees, supervisors and management) and only 40% wages (to blue-collar workers), this has far-reaching implications for the wage strategy of the trade union movement. It also has potentially contradictory consequences for COSATU's growing involvement in organising white-collar and white workers. Before making premature conclusions on this issue, however, a comprehensive analysis of the wage and salary structure is needed in all sectors. This makes the introduction of legislation compelling access to information all the more urgent.

Most of the elements of Von Holdt's proposal for a RDA are moving in the same direction as COSATU's proposals for restructuring industry and the economy. Proposals for an integrated training and grading framework, workplace democratisation, a social wage, progressive taxation and other elements, are not controversial or new. The trade union movement is only beginning to grapple with the question of ways to regulate and channel investment in a productive direction, and to end capital flight and speculation. Proposals in this area need to be developed further if our industrial strategy is to have any hope of leading to large-scale job creation.

### **Incomes policy**

Von Holdt's proposal for an 'incomes policy', however, is not clearly defined. This is the most contested terrain in our economy today, and broad, vague statements in this area will be appropriated by parties with totally opposing agendas. Von Holdt does indicate that an incomes policy would aim to redistribute income from the highest paid to the lowest paid, and elaborates on various mechanisms to achieve this. But he does not define the dividing line between 'low paid' and 'high paid'. According to Boyd and the IMF, all workers in employment are an 'elite' and therefore should accept wage restraint or a total freeze (while top executives need to maintain high increases to ensure that their

salaries remain 'competitive').

Von Holdt's definition clearly differs, but he vacillates as to whether he is confining wage restraint to the true elite – the 'highest paid' – or whether he includes in this category well-organised blue-collar workers – 'higher paid union members'. Concern that he may be straying into the latter area (workers who are barely earning a living wage) is reinforced by Von Holdt's earlier statement that 'the best organised workers in the bigger and wealthier companies make real gains, while the rest fall back into real poverty'.

While we share concerns about wage differentials between low-paid workers, and the necessity for centralised bargaining to address this, wage policy cannot uncritically accept the notion that organised blue-collar workers in large companies have somehow reached a 'threshold', which needs to be maintained by inflation-pegged increases, while other workers catch up. There needs to be a simultaneous process of raising the standard of living of all low-paid blue-collar workers, at the same time as reorganising the wage/salary bill in a way which drastically reduces the wage gap. This may require more militancy, not less, in struggling for a new wage policy and restructuring of industry.

The need to clarify the idea of an incomes policy is linked to the question of the 'social wage' which Von Holdt raises as part of the Reconstruction Accord. While apartheid was a virtual social welfare state for whites, the majority had little social security, were denied access to physical infrastructure and had to travel long distances because of apartheid geography. This has placed an enormous burden on the income of formal wage earners, who have to support the unemployed, and supplement the limited housing, health, water, education, transport and other facilities made available to them by the state.

It has been suggested by a number of people that because the RDP envisages the comprehensive provision of a 'social wage', this could have a radical impact on wage policy, and in the view of the IMF, provide the basis for wage restraint. It is true that the expanded social wage envisaged in the RDP

will raise the quality of life for large numbers of working people. It should also relieve some pressure off workers currently supporting the unemployed. However, it is not clear yet how extensive the social net will be, and what elements of the social wage will be fully subsidised by the state. The implications of the new housing policy, as well as the resumption of payment of rents and services, still have to be properly analysed.

Further, if the social wage is to be linked in any way to an incomes policy, including the question of price control, taxes and subsidies on essentials, the sequencing of this process must be clarified. It is ludicrous to think, as the IMF suggests, that workers would be prepared to accept a wage freeze now, for a 'social wage' which is still a concept which has little bearing on their daily lives. If after the next couple of years, the RDP has established the social wage as a reality for working people, it then becomes possible to meaningfully determine the relationship of this to an incomes policy, with the various elements which Von Holdt describes. One of the first priorities of the National Economic Labour and Development Council should be to address the issue of a radical restructuring of our wage/salary structure.

### The need for democratisation

If we look at the five-pronged crisis of the economy described by the RDP we have to ask ourselves whether employers in South Africa have the vision or the will to address the problems.

The challenges of a reorganisation of the grading and wage structure, linked to affirmative action and a flattening of hierarchies; a new system of training and education; investment and industrial strategies which develop innovative technologies, create jobs, and expand our manufacturing base; reorganisation of production to develop world-class manufacturing techniques; restructuring of our public sector to orient it towards



delivery... all this requires democratisation of decision-making in our economy, despite Boyd's statement that 'I don't believe in workplace democracy'.

Management will have to come to terms with the fact that, at company level, real decision-making goes way beyond Japanese-style consultation through green areas, quality circles, or suggestion boxes. It will have to involve institutionalised forms of decision-making, resourced and provided for in legislation, for workers to participate in strategic decisions over everything ranging from organisation of production to investment decisions.

### Challenge

It remains to be seen exactly what type of institutions of workplace democracy will emerge in South Africa. But it is becoming increasingly clear that a voluntarist approach to the introduction of such institutions is a cul de sac (see paper by Streeck on p86). In this regard both the RDP and the RDP White Paper are too vague and open-ended. They broadly support the concept, but fail to commit government to a legislative and institutional framework, beyond a commitment to introduce legislation on access to information.

At the level too of sectoral industrial restructuring, this should not be something which is extended out of generosity of employers, or withdrawn at their whim. The setting up of comprehensive, statutory, centralised bargaining structures in every sector is indispensable if there is to be the coherent formulation and implementation of industrial policy.

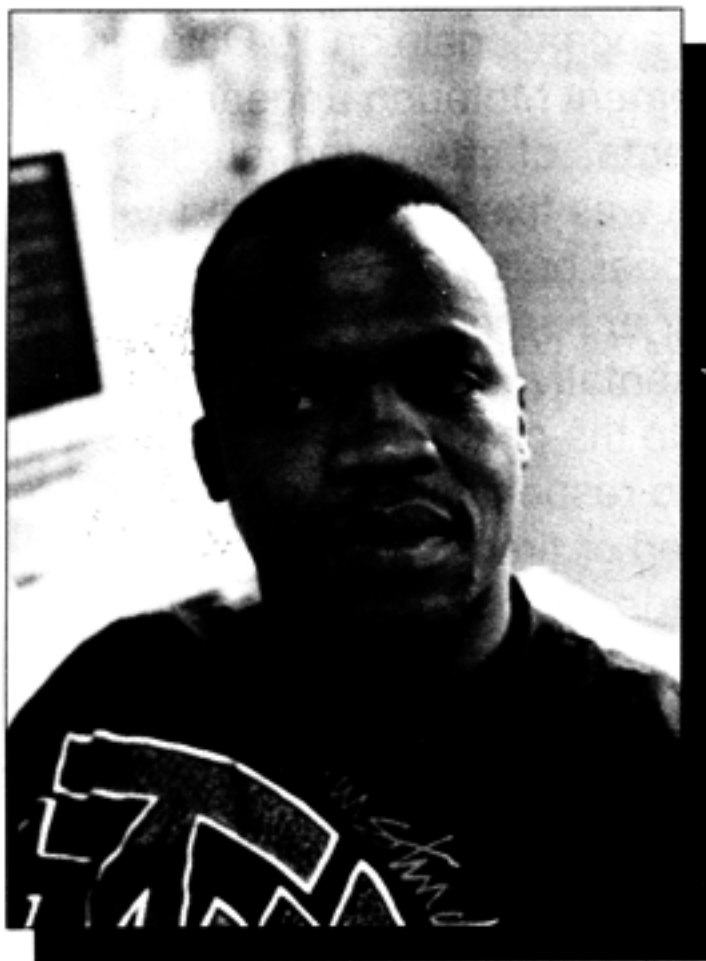
Only with the development of these first and second-tier institutions of workplace and industrial democracy, will the third-tier level of national economic negotiations begin to be effective and take on concrete meaning for working people. ☆

NOTE: A full unedited version of this article is available from COSATU.

# Truckers blockade

*"If you leave  
your base  
others will  
fill your  
space"*

Over 2 000 truckers blockaded the main Durban – Johannesburg highway in August. Union officials were caught by surprise. ZOLILE MTSHELWANE reports.



**W**hen over 2 000 truck drivers blockaded the Mooiriver toll plaza on 22 August for three days, Transport and General Workers Union (TGWU) officials were caught by surprise. As the major union organised in the road goods transport industry, TGWU had no prior knowledge that some of their members were party to planning this kind of action to highlight their grievances. What baffled the union more, was the support that truck drivers showed for the blockade.

According to Thulani Dlamini, national organiser of TGWU's goods, the main demand of truckers for the establishment of a national industrial council was already being addressed by the union. "We were nearing completion of counting membership forms to be submitted to employers to verify our representivity," Dlamini said.

There had been a one-year delay by the union in completing the verification process. According to Dlamini, this was caused by the need to recruit more members in the industry. "In December 1992, agreement was reached with employers for the establishment of a national industrial council for the road transport industry (goods). The only requirement left was for unions in the industry to submit proof of representivity."

But, Dlamini said, the other unions (about six of them) then pulled out of the process. "We needed to prove to the bosses that we represent at least 19 500 members in the industry, which is 51% of the total workforce. TGWU had about 15 000 members at that stage." Dlamini said the other unions might have pulled out for fear that TGWU might dominate the envisaged council.

TGWU officials acknowledge that their members were involved in the blockade. "The fact that truck drivers, including their shopstewards, are always on the road, makes it difficult to keep contact with them and inform them of developments," Dlamini said. He said although the goods sector meetings are being held regularly, truck drivers are hardly ever present.

But Julius Matroos, assistant general secretary of the union, went further: "That there

is a lack of qualitative service to members by unions is a fact. Workers are disgruntled because they never see organisers, and we as officials have turned into clerks. We sit in our offices and do administrative work, we only see workers when they come to the office.”

The demands that were put by truckers at the blockade reflected the terrible conditions under which they work. These are:

- A minimum wage of R2 500 per month;
- A basic wage of R700 per week for a code 14 driver, R650 for a code 11;
- Non-taxation on overtime pay;
- The setting up of a national industrial council.

### The advent of the Turning Wheel

International Workers Movement baffled TGWU officials even more. Press reports attributed the blockade of 22 August to this hitherto unknown movement, quoting a certain Richard Madime as the leader of the action. It later transpired that Madime, at the time of the blockade, was a TGWU shopsteward employed by International Transport Corporation in Vereeniging.

Madime argues that the Turning Wheel was never meant to be a union, but rather an all-encompassing movement for truck drivers and their assistants, both unionised and non-unionised. “Some of us realised that our unions

had become liberal and had lost their strength,” Madime said. He went on to say that the blockade was meant to regain the initiative on behalf of truckers, thereby strengthening the positions of unions within the industry.

But TGWU officials dismissed Madime and his Turning Wheel as “opportunists” who are using the workers’ genuine grievances as a means of fulfilling their own political agendas.

The agreement that led to the lifting of the blockade, signed on 25 August, provides for, amongst others, the speedy establishment of a national industrial council for the road transport industry (goods). Dlamini said the action, although not sanctioned by TGWU, spurred the union branches to expedite the counting of signed up membership.

### Truckers plan action

Madime claimed that drivers started planning the action in February this year. “The blockade was the culmination of individual company actions that workers embarked on. At ITC, where I was employed, for example, we were engaged in three strikes since February. “Madime said workers were disappointed by TGWU’s insistence that workers should follow procedures, and were always discouraged by the union from embarking on wildcat strikes. “This approach has dampened the militancy of the workers,” he said.

Four workers were arrested at the second blockade on 19 September. They were all charged and appeared at the Mooiriver magistrate’s court.

- Samuel Mokoena of Cargo Express was charged with obstructing traffic. His bail was set at R300 and the case was postponed to 21 October;
- Meshack Khuthelo was charged with drunken driving. Bail was set at R500 and will also appear again on 21 October;
- Mpikayipheli Zebulon Mbele was charged with failing to comply with the directions of a traffic officer. He

- will appear again on 19 October; and
- Clement Motaung appeared on charges of attempted murder. His bail was fixed at R700 and will also appear on 19 October.

All four appeared without any legal representatives, and they pleaded guilty to the charges. TGWU said they take no responsibility for any worker arrested or fired due to the second blockade. Madime said the Turning Wheel knows nothing of the arrests and subsequent court appearances. He claims he had to leave Mooiriver in a hurry at the second blockade because of threats to his life.



*Truckers catch the union by surprise*

Madime said a core group of nine truckers from different unions met at Mooiriver under the banner of the Turning Wheel on the Friday before the blockade. "We listed eight demands that we felt were burning issues for workers. We then decided to call a broader meeting of truckers and assistants on Monday 22 August." He went on to say that they distributed notices of the meeting on the weekend, and also used the two-way radios fitted into trucks to announce the meeting.

By Monday at noon, according to Madime, about 50 trucks were parked on the side of the road at the toll plaza. "We had agreed that we were not going to block the road, so that motorists could pass." Many truckers knew about the meeting, so they stopped of their own accord to attend. "By 5pm, the number of truckers had swelled to over 100, and no cars could pass." Madime added that by 8pm the number of trucks had swelled to about 700 and the numbers were growing by the hour, culminating in 2 000 by midnight.

Madime said a delegation of five truckers

went to the Mooiriver police station to negotiate with the local station commander. "Our immediate demand was to talk to Tito Mboweni, the Minister of Labour, and the MEC for roads and transport of KwaZulu-Natal, Sibusiso Ndebele." Madime said the drivers wanted Mboweni to come and address them on their grievances, especially those relating to non-taxing of overtime pay and the removal of repressive labour laws. "But we also wanted Mboweni to facilitate a meeting with the employers and their associations. The employers refused to negotiate with the Turning Wheel on Monday, arguing that they have no knowledge of our existence in the industry."

### **Roadside negotiations**

Mboweni arrived in the evening on Tuesday and talks started, with Mboweni chairing the negotiations that lasted until the early hours of Wednesday. TGWU, TAWU, and other union representatives arrived after Mboweni.

According to Madime, TGWU said they had come to observe. But according to the union,

Fana Mdluli has been working for his current employer since February 1992, although he has been a truck driver for more than 15 years. He is a long-distance driver and travels all over the country delivering and collecting goods.

His major problem is wages. Mdluli is on the road for 10 hours almost everyday. He says his employer does not pay him any basic wage, only an allowance as follows:

- ❑ From Durban to Johannesburg he gets paid R200;
- ❑ From Johannesburg to Durban he is paid R100;
- ❑ From Durban to Phalaborwa in the Northern Transvaal he gets R300; while
- ❑ a trip from Durban to Cape Town earns him R400;
- ❑ and a trip from Durban to Welkom in the OFS gets him R200.

"I only get paid when the truck is loaded. If I come back from Welkom, for example, with no cargo, I am not paid anything on that return trip."

Mdluli is not a member of the union, because, he says, the company employs only three people. "This is a very dangerous job. I have seen a number of drivers being burnt to ashes in accidents. When a truck overturns, the gas explodes while the driver is trapped inside."

Mdluli said because of the low wages and lack of adequate stopping places, truckers always push themselves too hard. "When you drive through the night, you usually get night shift allowance and/or overtime pay. Many of us hardly ever rest as we need the money. But when we want to stop, the truck stops are normally full and traffic officers fine us when we stop on the side of the road, forcing us to keep moving."

Mdluli added that many truckers have been divorced more than once. "The fact that you are away from home many days of the week puts a strain on marriages. I have been divorced twice because I suspected that some of the children I was supporting were not mine."

Madime and his Turning Wheel people had insisted that TGWU be granted observer status. The union rejected this: "We are the biggest union organised in the industry, there was no way we could be given observer status by unknowns like the Turning Wheel."

Madime said before Mboweni left his Cape Town office on Tuesday, the minister had assured him on the phone that he would attend to the truckers' demand on non-taxation on overtime pay. "It was a verbal undertaking. We felt we could trust Mboweni, that is why we did not insist on a written undertaking," Madime said.

However, the agreement leading to the ending of the blockade does not say anything about truckers' demands on wages and other conditions of work. The agreement, signed by employer associations, TGWU and the Turning Wheel states the parties agreement "in principle that it would be in their mutual interest to improve the standard of living of all employees in the industry," and stresses "the urgency with respect to the re-commencement of negotiations on the issue of a national industrial council".

COSATU's Zwelinzima Vavi, who was part of the negotiations to end the blockade, said that Madime, after the signing of the agreement, gave a false report to truckers at the blockade. "He claimed victories that had not been achieved. He told workers that all their demands have been met." It is interesting that the truckers demanded that Madime should report back, as opposed to TGWU or COSATU officials. Matroos said the unions managed to extract undertakings from employers that no worker would be disciplined for participating in the blockade, as well as full payment for the duration of the blockade.

### **Forming an industrial council**

Negotiations on the formation of a national industrial council started on 26 August.

According to Dlamini, the combined paid-up membership of unions that are participating in these talks stands at 31 095, of which 19 339 are TGWU members. Two subcommittees dealing with representivity and the constitution for the council have been established. A plenary session will be held on 13-14 October

where a full report will be given to unions on progress made.

TGWU officials believe that the establishment of an industrial council will go a long way in addressing many of the truckers grievances. "Negotiating at a central level will make life easier for us," Matroos said. "Agreements reached at the council will be gazetted, thereby become binding on non-members of the council as well." Dlamini added: "We are arguing strongly for this envisaged council to negotiate actuals as opposed to setting minimums. This will give the union enough time to plan and implement an aggressive recruitment strategy, revive the sector's regional shopstewards councils and concentrate on other workplace issues like health and safety."

Although Dlamini acknowledges that there are disadvantages for the union negotiating at the industrial council level, he said these are far outweighed by positive aspects of this approach. "One of the disadvantages is that it will be difficult to reach agreements at the council. This is because of the number of unions that will be represented, and the differing approaches of each of these unions. This will be further complicated by different, sometimes conflicting mandates from workers."

### **Losing touch with members**

Among other approaches that TGWU is looking at implementing is the holding of shopsteward councils at truckstops and the possibility of setting up offices at these stops. According to Dlamini, the Western Cape region of the union has already started holding shopsteward council meetings at truckstops.

Both COSATU and TGWU officials agree that TGWU's lack of constant contact with truckers has made it possible for the Turning Wheel to exploit the workers' grievances, promising them quick results if they take action. Vavi said the one lesson for both TGWU and COSATU in the wake of the blockade is: "Never stay away from your base for even a day. If you are not there, somebody else will occupy your space completely."

Both Matroos and Dlamini are convinced that the Turning Wheel has no prospect of



*Richard Madime, Turning Wheels leader*

winning over their membership. "The Turning Wheel is finished," Dlamini declared, while Matroos opined: "Our members are loyal to TGWU. Many of them now realise that they have been misled by people like Madime." But TGWU has also decided that any of their members found to have any connection or dealings with the Turning Wheel will be dismissed from the union.

Dlamini points to the way the second blockade flopped as a reason for his declaration that the Turning Wheel is finished. The second blockade was at Mooiriver again, nearly three weeks after the end of the first one. This lasted several hours, when troops moved in with dogs, forcing truckers to disperse. "The second blockade proved that Madime and his Turning Wheel have no support among truckers," Dlamini said.

Maybe Dlamini is right when he said the Turning Wheel is finished. What is not finished though, are the deep-seated feelings of injustice amongst truckers on the road. Like all sectors of disadvantaged communities, truckers expect that with the advent of a

democratically-elected government, their conditions must improve. Therefore, the appearance of an eloquent speaker who calls truckers to action in support of redress to their grievances might sway a certain number on to his side, as Madime's case showed.

A trucker and TGWU member at the second blockade told us he had no idea who the Turning Wheel was or how the blockade was organised, but that he would join any blockade he encountered on the road as a protest against his working conditions.

Madime is a member of the Workers List Party, which has accommodated him and his Turning Wheel in its offices in Johannesburg. The ability of the WLP and/or the Turning Wheel to organise an effective organisation or trade union is doubtful.

It is possible that the WLP is desperate to win workers over by showing themselves up as champions of worker rights who are not afraid to confront an ANC-led government. Madime said the Turning Wheel is now in the process of forming itself into a union, with the aim of becoming a permanent feature in the industry.

There is nothing suggesting that the Turning Wheel's tactic of orchestrating blockades can be matched by their ability to organise a coherent industrial force. But they have proved their potential to be a pain on the side of TGWU. The growth or demise of this potential will, to a large extent, depend on TGWU.

The ability of TGWU to put in place an organising strategy for truckers will be an interesting development to watch. The question is whether the union is going to use the national industrial council as a means towards an end, or whether it will become an end in itself. Madime has vowed that his Turning Wheel, now that it has formulated itself into a union, will go all out to organise defections from TGWU.

However, Dlamini said one lesson they have learnt from the blockade is the need to establish and maintain means of communication with truckers to keep them informed of developments. Maybe TGWU needed the blockade and Madime to make them remember how important it is to always keep in touch with the membership. ☆

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# The auto industry strike: *industry restructuring or wage militance?*

What was the five week auto strike really about? ASHWIN DESAI and KARL VON HOLDT ask why the strike lasted so long, and what happened to the agenda for industry restructuring.

**A**fter five weeks 25 000 motor assembly workers ended their strike, settling for a pay increase of 10,5%.

The strike raised some very important questions. How did NUMSA get involved in a strike exclusively about money that in the end cost workers some R90 million in wages and the fiscus R500 million in taxes? What happened to the agenda for restructuring the industry and empowering workers? Can the union successfully combine militant wage struggles with struggles to democratise the workplace?

## What was the strike about?

In the lead-up to the strike, NUMSA press statements made it very clear that the dispute was "not fundamentally about the annual wage increment", but rather was about "ending apartheid in the factory and not just in parliament". To this end, NUMSA focused on the "apartheid wage gap", education and skills development. The union presented these demands as part of a programme for restructuring the industry to meet international competition.

However, in the second week of the strike, NUMSA shifted focus to the wage demand

For a detailed account of the first two weeks of the strike see Ashwin Desai's article in the last issue of *Labour Bulletin*.

alone. It was agreed that negotiations on wage policy could be dealt with in a different forum (see Desai 1994: p59). The strike became a simple wage strike.

This, despite the fact that NUMSA (and employers) are acutely aware that with the lowering of tariff barriers and the concomitant threat of international competition the industry requires a speedy and fundamental restructuring. The preamble to the draft Motor Industry Task Group (MITG) overseas mission report based on a tour to Australia, England and Germany by both worker representatives and the employers, recognises this.

So why did the employers and the union lose sight of these issues? Why did such a lengthy strike happen at all, if both parties are aware of the need for restructuring?

## Different agendas

Part of the answer is that employers and the union have different agendas for restructuring. Employers want a moratorium on industrial action, wage restraint and a better work ethic. NUMSA, on the other hand, wants to roll back 'management prerogative', increase skills on the shopfloor and lay the basis for industrial democracy.

The union had not prepared itself for any national strikes this year, since all its energy was on the elections. "We under-estimated the expectations that would be unleashed by

democracy,” says NUMSA general secretary Enoch Godongwana. When it became clear that the dispute was heading for a strike, the union expected it to be a short one – lasting at most a week.

Employers, however, took a tough stand. Toyota’s Harry Gazendam – who is also vice-president of manufacturer’s association AMEO – believes the union sees the auto industry as a “soft touch” which sets the pace by winning the highest increases. He believes NUMSA wanted a major victory before the COSATU congress.

Consistent with their agenda for restructuring, employers held the view that wage increases of more than a couple of percentage points above the inflation rate would fuel inflation and raise production costs. What particularly angered the union negotiators was that employers did not deny that they could afford the increase – it was simply a matter of principle. Employers told NUMSA that in the new SA wage increases would not be brought about by strike action.

For the union it was equally a matter of principle not to concede that wage restraint should be the basis either of macro-economic stability or of industry restructuring, especially as it had settled below inflation for two years running and because its members’ wages account for only 50% of the industry’s salary bill.

So the strike became a trial of strength. In the highly organised and militant auto sector, this would mean a long strike. In the end the union forced the employers to drop their principles. The final settlement was 10,5%, “the highest ever on actual rates in the industry”. Employers had sought to make wage restraint a central issue of post-apartheid economic restructuring – and failed to impose this view on militant and well-organised workers. But in financial terms it was a paper victory, since strikers forfeited more than a month’s wages.

### **Losing control of the agenda**

While different agendas for restructuring underlay the strike, the union was unable to assert its programme for ending the apartheid

wage gap and democratising the workplace. Such a failure on the part of a union which has put more effort than any other into policy on industry restructuring is highly disturbing. What happened?

The union and employers had in fact reached a wide-ranging agreement on wage policy issues before the strike began. The dispute centred on the time frame for implementing them. By the second week of the strike it was clear to NUMSA that this issue would not easily be resolved. Meanwhile, comments national organiser Gavin Hartford, “our priority was to try to settle the strike.” This was when the union proposed de-linking the wage demand from the wage policy issues, which could then be negotiated in a different forum.

Hartford says both the union and employers had actually reached the limits of the kind of agreement they were able to negotiate. “Employers were having real difficulties making the complex calculations over cost implications of reducing the time frame from four to three years. On our side we could not cope with an agreement with so many variables covering such a long period.”

Godongwana admits that the union “lost control” of the strike agenda. Part of the problem goes back to the lack of preparation for a strike. The union had not done sufficient groundwork among members on the complex demands around restructuring and the wage gaps. The worker leadership mobilised members on the simple demand for a wage increase. “Once you are in a conflict situation workers forget everything except money,” comments Godongwana (see also the comments by Toyota workers, p78).

This accounts for the highly embarrassing proposal from NUMSA, late in the strike, that employers divert their contribution to the Work Security Fund into their wage offer so as to raise it from 10,5% to the 11% demanded by the union. The Fund had been established in response to a union demand for the re-training of employees who might be retrenched as a result of restructuring. Since NUMSA had argued that such a fund was essential to its

participation in restructuring, and its establishment was regarded as a path-breaking achievement, the union's proposal to divert funds into a wage increase was highly damaging to its claims to be acting in the long term interest of workers, the industry and the community.

**New agenda, old tactics?**

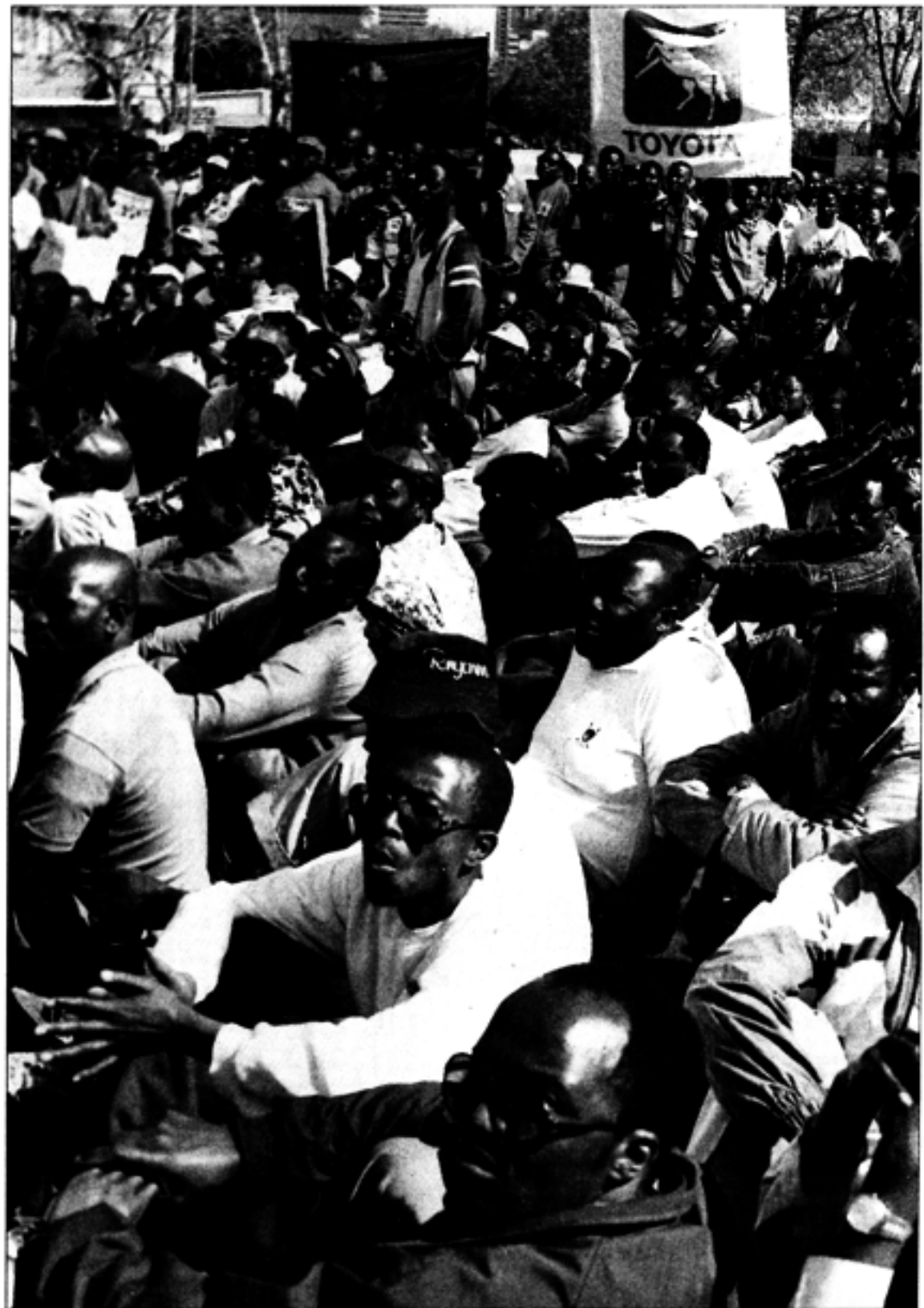
Perhaps the major question to arise from this strike is how the strategy for industry restructuring adopted by NUMSA can be pushed forward.

The restructuring agenda adopted by the union consists of extremely complex proposals on training, career pathing, wage-gaps and work organisation. At the same time, they are proposals that take a long time – several years – to negotiate and implement. This makes it difficult to mobilise worker support for them. On the other hand, management only accepts these proposals when confronted with union power.

The result is that the union has to keep linking the longer term more complex proposals to mobilisation over short term more immediate demands – especially wages. There is a constant trade-off between the two – which sometimes produces gains, but can ultimately undermine the union strategy. This year's strike is a clear case of this.

Godongwana agrees that “we need to re-evaluate our mobilisational strategies and the traditions we come from”. The question is how – or whether – the tactics of mobilisation, resistance and wage militancy of the 1980s can be used to achieve the goals set by the union in the 1990s.

These difficulties do raise some important questions: should restructuring issues and



Pic: William Mattala

*Auto strikers march in Pretoria*

wages and conditions be negotiated in the same forums and in the same way, or should they be separated? Should the unions lobby for *legal* rights to be involved in restructuring issues (via a Social Plan Act as proposed by NUM, or via co-determination rights) so that they do not have to rely on strikes to assert their agenda? Should the unions lobby for stronger state intervention in restructuring, so that they can avoid huge trials of strength over wage gaps, training, access to information, etc?

**Centralised bargaining**

These issues are, of course, linked to the debate over centralised bargaining. Employers stated clearly that they want the relation of centralised bargaining in the national bargaining forum (NBF) to plant

level bargaining reconsidered. NUMSA also believes a new discussion on the “balance between centralised and plant level bargaining” is necessary.

The strike itself appears to have created some stress in workers’ unity, with rumours that Mercedes Benz workers would return to work alone in the fourth week of the strike, and VWSA workers clearly unhappy with the settlement. Ironically, Godongwana feels that one of the reasons the strike was prolonged was that all manufacturers were hit, so none felt it was losing market share.

Gazendam argues that NUMSA’s approach to centralised bargaining resembles a command economy. “Everything must be the same in the industry. This is reflected in their approach to team-work – they insist the guidelines must be laid down at national level. This results in a bizarre attempt to take companies with German and Japanese cultures and produce a homogeneity. The result of this is to reduce everything to an average mediocrity.

“While Mercedes has a plant level productivity scheme, NUMSA has told the rest of the industry that only when a new wage model is implemented will they consider plant level productivity schemes. This is some three to four years away.”

Gazendam says the NBF “has too many complicated, far reaching proposals” which neither party can see through. He believes the NBF should focus on economies of scale, retirement, health care, generic training matters, housing assistance, job security, and creating an “enabling framework of minimum standards, including wages”. Bargaining at this level would be adversarial.

At the plant level “the emphasis should be on productivity, with results producing benefits”. At this level the culture of identifying with the company interest would develop, and relations would be “collaborative” rather than adversarial.

Gazendam’s comments indicate employers are also grappling with the issue of what issues should be addressed in which forums. However, NUMSA will have to counter a vaguely defined “collaboration” on

management’s terms with a far stronger and uniform framework of co-determination rights established in law and through centralised bargaining.

### The state

Finally, what of the role of the state?

Very clearly the success of dragging South Africa’s sheltered, unproductive and racist motor industry from the past into a future that is internationally competitive and less white in its upper echelons cannot be achieved without state intervention. In this context the MITG’s recommendation for the establishment of a Motor Industry Authority (MIA) as a statutory body reporting directly to the Minister of Trade and Industry needs to be instituted speedily. Part of its responsibilities would include provision for the monitoring of the performance of and outlook for the motor industry; to encourage the development of the motor industry in a way that is consistent with economic policy; and to provide change in the motor industry that will improve the efficiency of the industry (MITG, 1994:49).

### New conditions

The auto strike was one of the most significant strikes of the year. It showed that employers will be unable to impose wage restraint unilaterally on militant and well organised workers. It revealed the difficulties unions will have in combining wage militancy with struggles over industry restructuring. It will sharpen debate on centralised bargaining. And it taught the union that the conditions of struggle are changing. “Reconstruction and growth are the key issues,” reflects Godongwana. “Public opinion played a major role. We were ill-prepared for that. Under the new conditions we have to win in the arena of public opinion as well as on the shopfloor.” ☆

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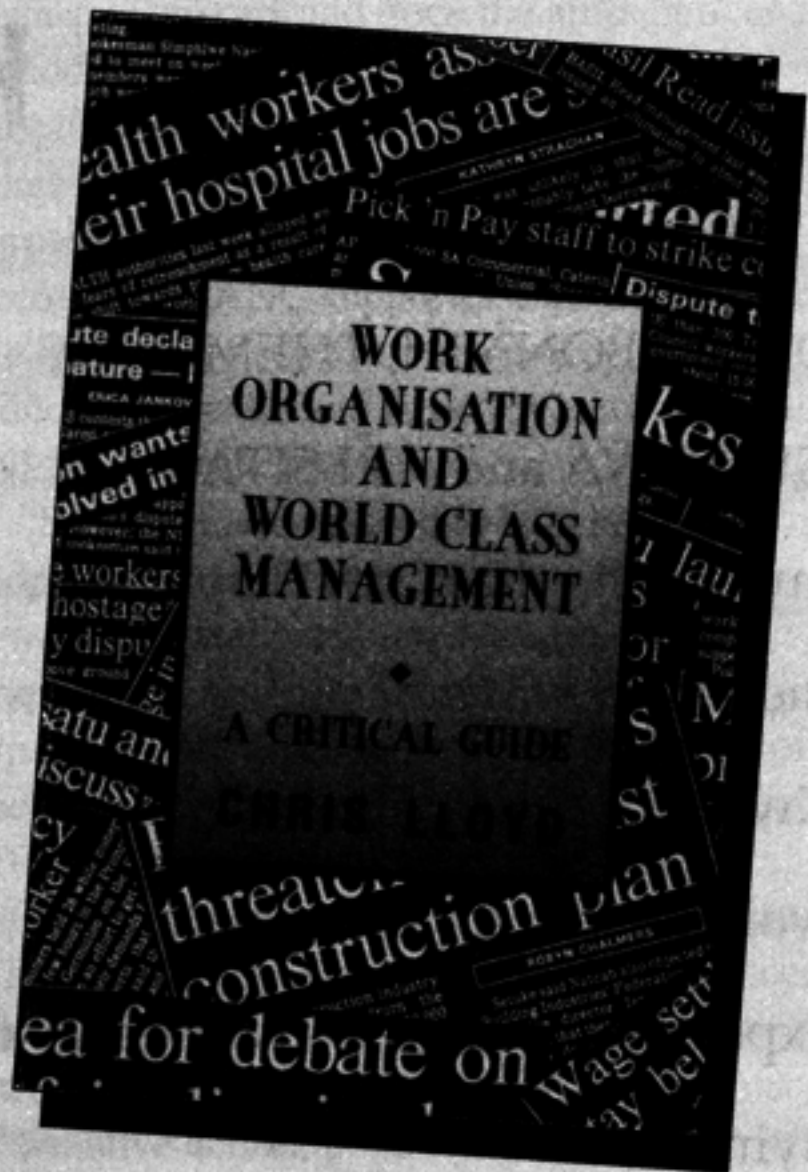
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# Strikes and worker expectations in KwaZulu/Natal

DEBBY BONNIN, THEMBEKA GWAGWA and ARI SITAS\* investigate three key disputes in the recent wave of strikes in KwaZulu/Natal. They find workers talking about new expectations and new standards of living.

**T**he political strikes, boycotts and stay-aways of the 1980s and early 1990s occupied much editorial space in the South African media. After a period of relative disinterest by the media, strikes have again received much national prominence – and notoriety.

The strike-wave took place in KwaZulu/Natal as well, and has been accompanied by a flood of comments from various quarters urging workers to come to their senses, and urging the government to make workers come to their senses.

This strike-wave has not been as extensive as the 1973 Durban Strikes, nor as dramatic as some of the stay-aways of the 1980s. Unions, employers and government would be unwise,

however, to underestimate its significance.

The strikes reflect a clash of two 'moral economies'. The first is emerging from organised and unorganised black workers. It reflects the new mood of expectation among black workers, and provides its own interpretation of the concepts of affirmative action, racism, economic hardship and adequate living standards. In KwaZulu/Natal these 'interpretations' are amplified by the results of a decade of violence. This mood is particularly acute in the public sector.

These expectations have clashed fundamentally with the second 'moral economy' – the priorities of employers. Supported by the mainstream press, employers argue for worker discipline and wage restraint for the sake of economic growth and the success of the Reconstruction and Development Programme (RDP).

Not only do workers feel 'entitled' to their demands, but they expect the government – their government – to rally around their grievances. An estimated 48 000 workers in areas as diverse as the clothing and textile, food, chemical, plantation horse-racing and public sectors have gone on strike since the beginning of May. At least two workers have been killed. Threats and intimidation have been on the increase. Patients throughout KwaZulu/Natal have suffered from the hospital strikes.

It is difficult to analyse all these events in detail. However, three particular case studies can be used to illustrate the significance of these actions: the health workers' strike at King Edward VIII Hospital, that involved 2 000 people; the Toyota strike, involving at its height nearly 6 000 workers; and the Pick 'n

\* The authors all work for the Centre for Industrial and Labour Studies at the University of Natal. They would like to thank Shafika Isaacs for her contribution to conceptualising the article.

Pay Strike, involving 600-700 workers. The Toyota and Pick 'n Pay strikes were part of national industrial action.

### Health workers

The recent industrial action at a number of hospitals, clinics and provincial ambulance and emergency services almost brought the entire health service in KwaZulu/Natal to a standstill. In less than six months industrial action has affected King Edward VIII, Wentworth, Addington, Prince Mshiyeni, Clairwood and King George V hospitals (all within the Durban functional region). Outside Durban the GJ Crookes, Edendale, Osindisweni, Madadeni, Ngwelezane, Nkonjeni, Eshowe, Bethesda, Kokstad, Matatiele and Stanger hospitals have all been affected.

The industrial action – in the form of demonstrations, sit-ins, pickets and strikes – started before the April election and continued while the health services were being restructured. The action reflected not only the grievances of workers and staff, but also frustrations about the political process.

The King Edward strike, for example, had its roots in the pre-election period. In April, health workers at Edendale struck over both political and bread and butter issues. Go-slows and a strike by Natal Provincial Administration (NPA) ambulance and emergency services drivers followed. The drivers spoke of “long-standing discontent” and warned that the “paymasters in Pretoria” would be blamed for any loss of life. The strike ended when the NPA committed itself to improving conditions by 7 July 1994.

No sooner had the first wave of strikes been settled when nurses, cleaners and administration staff at Prince Mshiyeni hospital stopped work. They were followed by Edendale workers. At that stage COSATU's public sector forum was centrally involved in the disputes. The traditional professional associations of nurses, such as the SA Nursing Association and the Public Service Union, were marginalised.

On 15 April, as the region was teetering on the brink of civil war, King Edward workers joined the strike wave. The Central Workers'

Forum (CWF) was formed in an attempt to unite workers from all sectors of hospital staff. It led a second strike in May and another in June.

At Prince Mshiyeni the strike was resolved after two months when management agreed to back-pay strikers and dock the amount over a period of time. This caused a counter-mobilisation. Non-strikers intimidated the wage clerks not to pay the strikers. They formed a Concerned Workers' Group which, according to ANC supporters, were assisted by the KwaZulu Police in intimidating National Education Health and Allied Workers Union (NEHAWU) shopstewards.

By June there seemed to be a lull in industrial action. The Minister of Health in KwaZulu/Natal proposed a commission of enquiry into the grievances of workers and a bipartisan task force to look into the issues of security and weapons, and the problems of effective management.

But by August the strikes had restarted at King Edward, around old and new grievances. These grievances included low salaries; corruption; nepotism; lack of serious affirmative action; poor communication between management and workers; lack of transparency; and bias towards staff associations.

Workers decided that so many organisations operating in one workplace was divisive, and so the CWF took firm control. This was the body that would handle negotiations with management. The management initially welcomed the CWF, but they later adopted a hostile attitude. Negotiations broke down as a result and the strike became increasingly volatile.

The demands tabled by the CWF were that:

- housing subsidies be given to all workers;
- parking bays not be reserved for certain categories of staff;
- staff members get free medical services;
- security be tightened to avoid loss of property;
- night duty allowances be given to all workers;
- the R500 bonus that was given to Transvaal health workers also be given to

them;

- the merit system be restructured;
- the hospital social club be democratised;
- promotion be applied equally to all racial groups;
- bridging courses' selection committee be transparent;
- the 5% increment that workers were supposed to get in November 1993 be granted.

When negotiations broke down the MEC for health was called in to defuse the strike.

Proposals from the CWF, endorsed by the MEC, included:

- the appointment of a commission of inquiry;
- an explanation from a professional person on how government monies were distributed;
- the transfer of a staff member allegedly involved in sexual harassment; and
- speeding up the process of night duty allowance allocation.

But some workers rejected the proposals. NEHAWU and COSATU lost much ground, and were seen by many as working against the workers' demands. The CWF itself became divided on the issue – some members were pleased with the proposals and others were not.

COSATU, NEHAWU, SANA and NPSWU each followed a different approach in trying to defuse the strike. Consequently, when the workers returned to work, the four organisations decided to disband the CWF and to form a new body consisting of their representatives. The press reported "sinister" forces out to undermine the government, the "alliance" and COSATU. This angered the leaders of the original CWF who then called for a second strike. Workers responded to the call, demanding that the new forum be disbanded and the old one reinstated. In response management moved to dismiss all the workers who had participated in the strike.

After COSATU's intervention and some tense bargaining, workers were readmitted with a promise from management that the issues would be looked into. Workers grudgingly returned to work without having achieved a satisfactory solution.

## Auto workers

Toyota began its in-company negotiations before the national standoff between NUMSA and the auto employers. Long before the national strike Toyota workers and management were locked in arguments, go-slows and stoppages.

The disputes at the Prospecton plant started around May. Dissatisfaction among workers over dismissals, wages, provident fund contributions, car leases and medical aid plans sparked – in the words of management – "ongoing and unprocedural industrial action". Sporadic stoppages led management to close down the factory. After heated exchanges and a promise to work hard at finding a settlement, operations restarted on 26 May. On that day canteen workers, organised by the United People's Union of South African (UPUSA), started their own strike which almost spilled into solidarity stoppages on the assembly line.

The national motor industry strike marked a second round of conflict at Prospecton. A day before the decision by unions to launch the national strike, workers in five of the nine plants stopped work. This well-publicised trial of strength had its own peculiar features at Prospecton. Not only were its costs enormous and its impact on the supply and service sides of the industry great, but it also led to a range of unexpected tensions.

Together with the wage demand, there was anger over perceived racism in promotions, training and the hierarchy of the company. This was fuelled by the national demand to close the gap between grades – what NUMSA general secretary Enoch Godongwana called "the twin evils of a racist wage structure and the results of discriminatory education".

A small core of a few hundred younger black workers were particularly militant. They were opposed to the lowering of the wage increase demand from 15 to 12%. They wanted less emphasis on "education packages and other nonsense" and more on wage demands.

When a misunderstanding arose between the trade union and these young workers over a march to Durban, they occupied and trashed the trade union offices. Some left NUMSA,





*Truckers blockade, Mooi River, Natal: unions and employers should take note of new expectations*

encouraging their co-workers to join the Azanian Workers' Union. Little came from that initiative.

There were also larger groups of workers who wanted the quickest settlement possible. They were impatient with other motor plants for dragging out the strike, and were content to settle for less. The shopstewards at Toyota were sandwiched between two vocal groups that both wanted fast results, but for completely different reasons.

The strike ended on 7 September with both management and labour counting their losses and claiming marginal victories. One Toyota shopsteward said they were glad it was over – “now we can earn”. Another shopsteward said: “I was disappointed that our labour ministers did not come and make the motor bosses look after their workers. We are not asking for too much.”

### **The Pick 'n Pay strike**

The main reason behind the Pick 'n Pay strike was dissatisfaction among workers with the

process of implementing a wages increase. The union and management began negotiations in November 1993 for an increase which should have been implemented by March 1994. But workers felt that management was delaying the process and “negotiating in bad faith”. Workers felt that their demand for R229 across the board was a reasonable compromise on their initial demand of R291, and were consequently not prepared to accept management's offer of R175.

Aligned to this were two other issues: the agreement on the flexibility of labour and the non-replacement policy. There was a feeling among workers that they would be working harder as a result of these agreements, without being paid for the extra effort.

There were a number of unarticulated grievances which contributed to the dissatisfaction among workers. These included dismissals, for what workers regarded as petty issues and a feeling that management was using dismissals to retrench, the increasing use of casuals and job insecurity, lack of

promotion for African workers, and the spending of money on outside projects at the expense of employee's needs.

When the strike was over the return to work in many stores was hampered by casuals employed during the strike still being at work. This led to further stoppages.

Even after the final settlement of R180 across-the board for 15 months, was reached workers felt there were still a number of outstanding issues. They wanted the 15 months to be reduced to 12 months; for workers injured during the strike to be compensated; and for disciplinary action against workers who took part in the post-strike stoppages to be stopped.

Pick 'n Pay workers were happy with the support they received from SACCAWU, COSATU and other workers.

They believe their strike will be of long-term benefit to the labour movement because of intervention of the labour minister. "The strike set up a foundation on which a completely new worker-friendly LRA can be developed. We believe in an investor-friendly economy but not on the basis of a worker-hostile economy, you need a healthy balance."

### **Common themes**

As we have argued, the strikes reflect a "clash" of moral economies. For black workers this involves a new standard of living and a new horizon of expectations. They expect the government to empower them. This mood has magnified the issues around industrial bargaining. Given the mood, it will be difficult to convince workers to abandon strike action when parliamentarians are getting such big salaries.

According to a Pick 'n Pay organiser there are likely to be a lot of strikes provoked by employers. "There is an attitude on the part of employers that even if they have money, the workers have taken the presidency. And why should we also allow them to get everything that they want. Let's show them that Mandela may be president but we are still employers. We can still decide what is best for them. My view is that strikes are wild spots in the collective bargaining process, but employers

will bring in a political element."

Expectations are particularly high in the public sector, where workers want to see change in the old structures. At King Edward, as in other areas of the public sector, the demand is to change the whole management. Workers maintain that government ministers cannot continue to be advised by supporters of the old government.

Affirmative action has become a major issue in public sector disputes. Workers have demanded that they be promoted, that blacks move into managerial positions, and that there be equal opportunities for all.

Even at Pick 'n Pay, where the dispute was essentially about wages, shopstewards observe that the expectations of workers are much higher.

Workers complain about the lack of promotion opportunities. They maintain that when management does promote shopstewards to the position of supervisor, it is with the intention of undermining the union. The promotion is not accompanied by any education and training, which limits the person's capacity for further advancement. There is a perception, shared by Toyota workers, that racism is still active on the shopfloor and in managerial structures.

Although there is a sense of an economic upturn, economic pressures on households have not declined. Economic pressures are particularly marked in KwaZulu/Natal with its high level of unemployment and the economic consequences of eight years of political violence. These pressures strengthened workers' resolve not to accept less. As one shopsteward said: "Everyone can see that Pick 'n Pay is the richest company in this country. But why are the workers starving? Pick 'n Pay doesn't look after its employees."

The economic climate also means that any threat during a strike of dismissal, retrenchment or replacement can make the situation more volatile. This pressure "makes some people believe it is a life or death situation". SACCAWU organisers feel that violence can only be prevented through the Labour Relations Act: "The solution is to broaden the right to strike. In South Africa

workers don't have the right to strike, they have the freedom to strike."

Many of the workers we interviewed, from a number of different sectors, talked about the issue of job insecurity linked to casualisation of labour and retrenchment. For example, Stevedore companies and Portnet has retrenched workers every year for the last 10 years and replaced them with casuals. This year dockworkers marched through Durban's streets in support of their demand of no retrenchment – they won a stay-of-execution. But Deter security guards who went on strike over unfair retrenchments were fired and replaced. The possibility of losing ones job makes workers more determined to achieve their wage demands.

While these are economic issues, they have political repercussions. The government will need to address the changed expectations of workers. Workers don't perceive the Alliance to be falling apart, but view it as operating "in terms of our different constituencies", as a Pick 'n Pay worker put it. Workers interviewed were prepared to

"tighten their belts" and give the government a chance, but only if it benefitted the unemployed. "If it's going to only benefit shareholders and employers, then strikes will be part and parcel [of the new South Africa]," said one worker. "We need a clear programme for employment. Workers can't be chickens."

The new Labour Relations Act will pose a further challenge to labour, capital and government. It also provides an opportunity to address these problems. After all, a worker-friendly LRA is one of the most important – and realisable – of workers' expectations. ☆

Thanks for their time and energy to Aaron Masondo (Natal Chairperson Pick 'n Pay Shopstewards Council), Raphael Makhanya (Shopsteward and Interim Strike Coordinator), Petros Mbambo (Shopsteward and negotiator), Themba Malinga (Interim Strike Coordinator), Bukani Mngoma (SACCAWU National negotiator), Petrus Ngema, Derrick Khuzwayo and Siza Nene (the Toyota shopstewards), NUMSA, the Concerned Nurses' Group, Alison Coates.



## THE SOUTH AFRICAN UNION OF JOURNALISTS

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# Workers down tools over killer blast

By ZOLILE MTSHELWANE

**M**ore than 3 000 AECI workers from the Modderfontein factory went out on strike on 16 September protesting against the deaths of eight fellow workers. The strike follows an explosion in the factory on 14 September, when nitro-glycerine exploded, killing the eight workers.

The workers, the majority of whom are members of the SA Chemical Workers Union, put the following demands:

- ❑ That nitro-glycerine be phased out and replaced by another substance;
- ❑ that the packing house be separated from the cartridge house;
- ❑ a danger allowance of R500 per month;
- ❑ the suspension of a manager responsible for the department where the explosion occurred; and
- ❑ an end to casual labour.

The workers were also demanding that workers in the explosives department as well as supervisors be upgraded. Management refused to meet any of the demands on upgrading of workers, arguing that grading is determined by the job appraisal system.

On the demand of phasing out nitro-glycerine, management undertook to present recommendations to shareholders on the issue, and committed themselves to consult with unions after shareholders have made their decision.

According to Godfrey Ramothata, local organiser of SACWU, over the past 20 years, nearly 50 workers have been killed in explosions at the factory.

- ❑ 1973 – 6 workers killed;
- ❑ 1975 – 5 killed;
- ❑ 1976 – 2 workers killed;
- ❑ 1982 – 7 workers were killed;
- ❑ 1985 – 14 workers died;
- ❑ 1994 (Feb) – 4 workers killed;

- ❑ 1994 (April) – 3 workers died;
- ❑ 1994 (Sept) – 8 workers killed.

Ramothata added that four of the dead workers were employed as casual labourers. Siphso Ngozi, a shopsteward, said that the explosion was so powerful that the eight bodies were badly mutilated. "The workers were buried in only two coffins, as we were picking up pieces to put together for burial."

"The demand for a R500 monthly danger allowance stems from the risks to which we are exposed at the factory on a daily basis," one worker said. Management has responded to this demand by offering a once-off ex-gratia payment of R2 000 to those workers who were on the afternoon shift in Factory 1 when the explosion occurred.

On the ninth day of the strike, management issued an ultimatum to workers to return to work by 28 September or face dismissal. On 1 October SACWU dropped the demand on danger allowance and modified its demand on upgrading of workers and supervisors. Manene Samela, national organiser of SACWU, said the union wanted management to make an undertaking that job appraisal will form the cornerstone of centralised bargaining. "But management refused to make this undertaking," Samela said.

Management fired about 2 800 workers. At least 21 workers were injured when management called in the police to disperse demonstrating workers. The main issue then became the reinstatement of workers. The workers were reinstated without any of their major demands being met. The principle of no work no pay will apply, although workers will not lose their benefits.

Although workers have embarked on some form of industrial action previously in support of health and safety, this is the first recorded strike of its length with a heavy emphasis on safety and health at work. The other action similar to this was the stayaway by mineworkers in 1988 when 188

### *AECI workers striking against danger*

Kinross miners were killed in an underground accident. There was also a case of a five-month go-slow by ERPM workers who were protesting against management's decision to change the underground shift system without consulting with workers. Management dropped the new system and reverted to the old system, only then did the go-slow end.

According to Shirley Miller, CWIU's health and safety officer, her union's members at AECI argue that nitro-glycerine can be made safer, although the demand by SACWU to phase it out and replace it with a less explosive substance is reasonable. "The main problem with the bosses is that they don't see it necessary to involve workers and their unions in ensuring that the workplace is safe. Workers need to be constantly trained to recognise dangerous work environments and substances."

Miller said two international experts have arrived to participate in an inquiry to 'determine what went wrong'. "The problem with inquiries like this is that there is hardly evidence left after the explosion. The cartridge house been completely destroyed." Miller said her union and SACWU are co-operating at this inquiry which started on 30 September and is being chaired by the Department of Labour. "Management was surprised that we sat together, held joint caucuses and presented a united front." Samela confirmed this, saying: "When we are facing management, SACWU believes that we should present a united front."

The tensions between the NACTU-affiliated SACWU and COSATU's CWIU were visible at a report-back meeting on 28 September. Samela said workers calling themselves CWIU members had not joined the strike, and were therefore aligning themselves with management against other workers. Samela however, later said that he had communicated with Muzi Buthelezi, general



Pic: William Matlala

secretary of CWIU, who said he would ensure that CWIU members join the strike.

But the battle for supremacy at AECI between the two unions dates back many years. Although SACWU has a majority of members at AECI, CWIU sources said they have been gradually increasing their membership at the plant, thereby heightening tensions. Samela said the poaching of each other's members has been going on for the last ten years. "SACWU members leave to join CWIU, and vice versa, that does not worry us at all," Samela said. According to him, what angered SACWU members was the arrival of CWIU officials accompanied by management on 15 September, a day after the explosion. Samela said they expected CWIU to deal with his union directly, not through management.

The inquiry into the causes of the explosion will continue on 17 November. Two international experts were present at the inquiry, at the invitation of SACWU, to help determine what went wrong on that fateful day of 14 September.

#### **The dead workers have been identified as:**

1. KJ Ramoshai
2. VA Dlakana
3. MA Mbewu
4. EM Mahlangu
5. BG Khambule
6. MW Moabelo
7. T Mokoka
8. TP Phaka ☆

# Labour tenants' strike

By ABIE DITLHAKE of Farmworkers Research and Resource Project

**F**or rural workers in Isepwe in the Eastern Transvaal, change is not coming fast enough in the "new South Africa". Over a thousand forestry and farm workers were met with razor wire and bullets when they went on strike in early September, demanding payment of outstanding wages, an end to subcontracting in forestry, and land reform.

Although the strike started with 210 forestry workers employed by Silvercell, a subcontractor to the forestry company HL&H, it was co-ordinated by the Panbult-Iswepe-Idalia sub-regional committee (an affiliate of the South Eastern Transvaal Labour Tenant Committee). Workers at Silvercell had not been paid for three months. Subcontracting allows the forestry companies to avoid the costs of social benefits like pension funds, and keep the workforce highly flexible. For workers it's a shoddy setup. The subcontractors employ the same workers who used to work for the big forestry companies, in the same jobs – but without benefits or job security, and reduced wages. The Silvercell workers' action sparked a powderkeg. Workers from HL&H, Mondi, Sappi and individual farmers joined the strike, in solidarity and to put their own demands. The strike became a political action by rural people of these areas rather than mere demands for wages. They want companies to take responsibility for subcontractors. Also, they want farmers in general to acknowledge their land rights. The strike lasted for a week.

Paper, Printing, Wood and Allied Workers Union and the provincial government intervened. An urgent meeting was convened between labour tenants (PPWAWU, Farmworkers Research and Resource Project, COSATU on the one hand, and HL&H, Mondi, Sappi and local structures of SA

Agricultural Union on the other). An interim forum was formed to look into these grievances. It was only then that the strikers agreed to return to work on condition that there is no victimisation, and that they receive full pay for the period during the strike. In return, the workers promised to work the hours lost during the strike. HL&H also agreed to pay outstanding wages owed by subcontractors. The forestry companies have guaranteed that they will facilitate recognition of unions by subcontractors.

But the issues run deeper than wages and subcontracting.

The Eastern Transvaal is renowned for conservative white farmers, who have responded to the "threat" of black majority rule by lashing out at workers. It is alleged that, when police fired on strikers, a few white farmers took advantage of the confusion to get in some shots themselves.

Workers link their low pay and poor working conditions to the legacy of racism. Many complained about the racist attitudes of "the Boers and Germans" in the area. And alongside the demands for an end to subcontracting and payment of outstanding wages go demands for land reform.

Labour tenants in the area have been fighting the forestry companies since the '80s, to defend access to land. Thousands have been evicted in the last decade. Labour tenants feel that they have as much right to the land as the companies. Most have lived there all their lives, as their parents and grandparents did.

Attacks on labour tenants gained pace with the prospect of a black majority government, since the forestry companies fear that the new government will entrench labour tenants' rights to land. Forestry and farm workers do not see their problems as separate from those of labour tenants. For many, it is the legacy of racist land dispossession which has left them at the mercy of white farmers and forestry companies.

One of the strikers' demands was for rights to be granted to workers resident on farms – including recognition of their right to land. Most



Pic: Abdul Shariff

*Forestry workers, Eastern Transvaal*

farmworkers live in tied housing – their accommodation comes with the job. But because of the Prevention of Illegal Squatting Act, losing your job also means evictions.

Farm and forestry workers want more than guarantees against evictions. They want rights to the land that they have lived on and worked for decades.

The strike was a culmination of many attempts by labour tenants in the South-Eastern Transvaal to highlight their grievances. It started in late 1993 when they petitioned the Transitional Executive Council to intervene on their behalf against escalating evictions and assaults by farmers and police. They also presented their specific demands for land reform to the Community Land Conference held in Bloemfontein in February 1994. These demands were also presented to various political parties (including ANC and National Party). The ANC promised to address their problem when it assumes government power.

However, three months after the ANC won this elections nothing has happened to address the problem. Instead, eviction and alienation

from the land is increasing. Both the Interim Constitution's property clause and the Restitution Act does not recognize the rights of labour tenants on the land.

It was against this background that a two-day stay-away and marches by labour tenants in Piet-Retief and Wakkerstroom to present their demands took place. Among these demands were:

- an end to subcontracting and the establishment of a commission to investigate possible regulation of this system
- review of the interim constitution
- an end to police collaboration with farmers and the eradication of the police reservists on farms
- a clear programme from government on how they are going to deal with their problems.

Unfortunately, forestry companies and farmers have little to worry about for the moment. ANC land redistribution policy is still up in the air and the process is very slow. ☆

# Co-determination and worker participation: *What does it mean for unions?*

**T**rade unions have put forward demands for more power in the workplace, for an end to unilateral restructuring of firms, for full disclosure of company information. Now that the labour ministry of our new democratic government has started a full review of labour legislation, it may be possible to establish these demands as rights in law. But there has been no discussion within the labour movement of how these rights should be institutionalised – in other words, of co-determination. *SA Labour Bulletin* decided that its 1994 seminar should focus on this theme, and invited two international speakers: world authority on corporatism and co-determination Wolfgang Streeck, and trade unionist and writer on worker participation Andy Banks. They were joined by two South African trade unionists – NUM's Gwede Mantash and FAWU's Peter Malepa. The seminar was co-hosted by Sociology of Work Programme (Wits University) and National Labour and Economic Development Institute. We thank the Dutch trade union federation, FNV, for their financial support.

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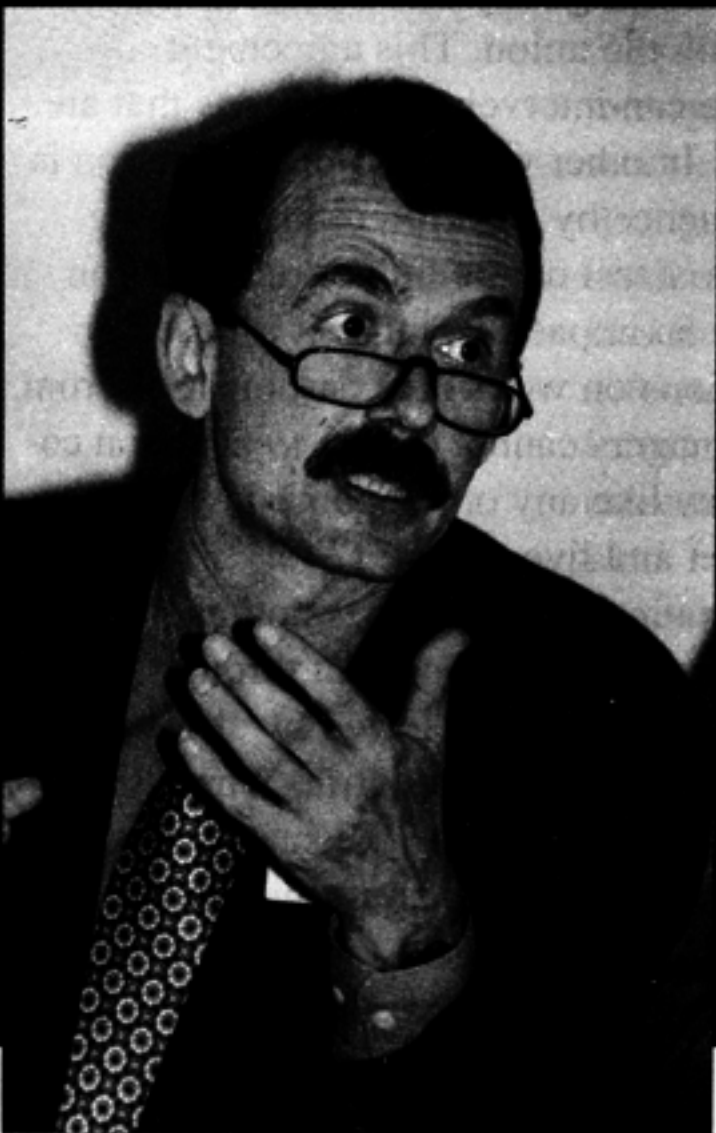
■ All pics in this section by  
William Matlala



# Co-determination and trade unions

**C**o-determination is a form of accommodation between capital and labour at the workplace. Co-determination presupposes that unions assume that somehow they have to come to terms with capital. On the other hand co-determination presupposes the recognition on the part of capital that unions will be around for some time, and that one has to come to terms with a unionised workforce that makes its interests heard at the workplace. It is only under these conditions that co-determination can emerge – as a *modus vivendi*, an arrangement between management on the one side, and labour on the other.

Wolfgang Steeck



## There are five basic points which should be made about co-determination:

Firstly, co-determination is the collective participation of workers in the management of the workplace, or in the management of production. Issues affected by co-determination include the deployment and re-deployment of labour; the hiring and firing of workers; the organisation of work; matters of discipline at work; introduction of new technology; the restructuring of the enterprise; and training and re-training issues. These issues usually come up in societies where there is a co-determination system.

Secondly, co-determination, almost by definition, limits managerial prerogative. Managers often have to do things that they would otherwise not do. In particular, this involves:

- providing information to representatives of the workforce;
- consulting with workforce representatives – to ask for proposals, counter-proposals and listen to alternatives; and
- in some systems achieving consensus with a workforce.

Information, consultation and co-determination in the narrow sense are the three modes by which managerial prerogative in co-determination systems is limited. It is for this reason that managements very often don't like co-determination. This is

especially so where workforces have a right to veto any proposed action on the part of management. Then management has to change their course and do something else that meets with the agreement of the workforce.

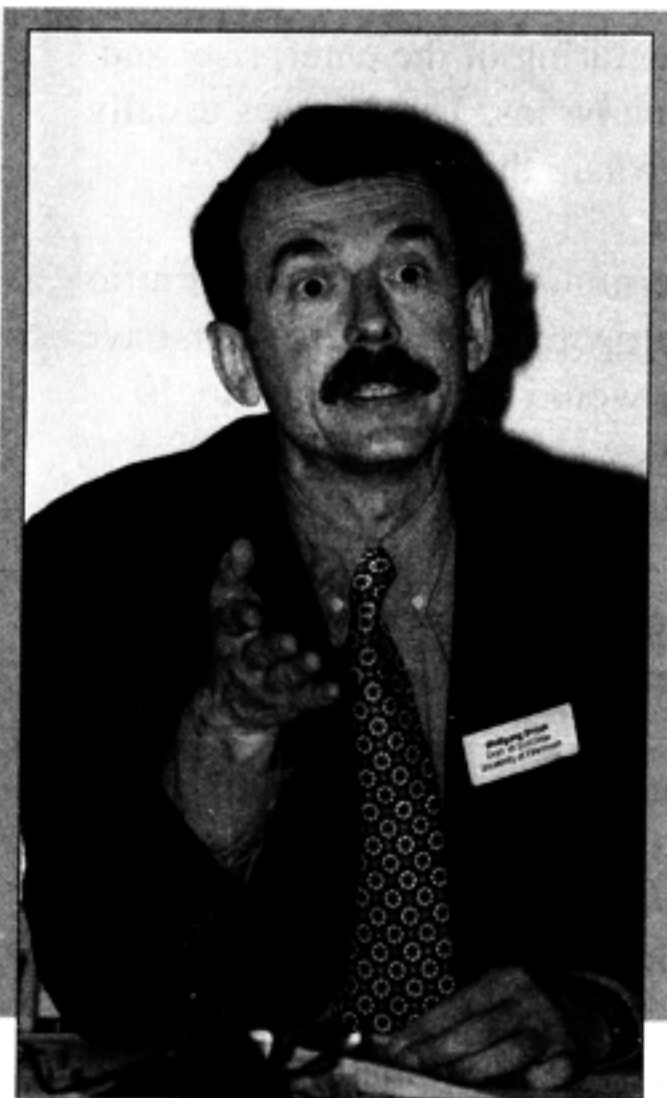
Thirdly, co-determination involves workforce representatives in issues of production, as opposed to distribution. It is therefore not about wage bargaining, but about how capital and labour interact in the workplace to produce the product that later gets distributed. Through co-determination labour at the workplace affects the way in which the product is produced, and it does so moreover in a pro-active rather than a reactive manner. Where there is co-determination labour has an institutionalised opportunity early in the decision process to either be informed or make their voice heard, to be consulted or even intervene. Under co-determination workers do not just hear about a decision after it's been made, and then react to it maybe by taking industrial action. In a co-determination system labour becomes involved in the managerial decision making process *as a decision is slowly forming*. In other words, they are involved not only in the output of decisions, but in the making of the decision itself.

Fourthly, such intervention in managerial decision-making and in managerial prerogative is usually based on legal rights or a legally backed industrial agreement, not just on the sheer power of the union at the workplace. In the Swedish case there is a national law which makes it obligatory for firms to have a co-determination agreement with the union. This agreement regulates how the workforce can intervene in decisions that are subject to co-determination. In other words, co-determination is a system of regularised influence by workforces on a routine

basis. It doesn't require a test of strength or mobilisation each time so as to have an impact. Because it is based on rights it removes decisions on workforce participation from managerial choice. Managers cannot decide to abandon co-determination. It is a law like any other labour law that the two sides have to accept and live with.

Fifthly, co-determination typically does not take place through unions or collective bargaining, but through works councils. A works council is a body elected by all workers regardless of union membership. In countries where such bodies do not exist then co-determination usually takes place through a union body which is carefully separated from collective bargaining over wages. Typically in such systems wage bargaining is centralised, and the union at the local level exercises co-determination rights over issues other than wage bargaining. This is because negotiation over distribution of the product is often conflictual. To avoid conflict interfering with the regulation of production, the role of labour in the production process is separated from its role in distribution of the product.

There are two concepts often attached to co-



determination which are misleading. One is joint consultation and the other is labour/management co-operation.

Joint consultation differs from co-determination in that all consultation means is that the two sides sit down together, and management informs workers about what they want to do, and then listens to a response. Where there is a strong co-determination system workforce representatives, in addition to having the right to listen and respond, also have rights to co-decision making. They can say no, and ask for a different decision. So it is more than just joint consultation, it involves an element of representation of interests.

Co-determination is not necessarily identical with labour/management co-operation either. Indeed, co-determination can be quite conflictual. Very often under co-determination labour and management argue for a very long time over a decision, for example the introduction of new technology. And they will have very different views on this at the beginning and they will need a long time to come to a consensual solution. This is not necessarily co-operative. Indeed it often requires that workers make their voices heard very strongly before management is willing to make a concession, and in this respect it is not so different from collective bargaining.

Co-determination is not identical either with what is frequently called a participatory work organisation, or team work, or decentralisation of decision making to the worker on the production line. Co-determination is the relationship between management and labour. It is not about workers in their everyday work exercising discretion or judgement. These things may spring from co-determination and very often they are debated in co-determination bodies. In the United States, for example, we find that in those workplaces where there is something like co-determination over work organisation, the introduction of new forms of work organisation like team work is easier and often more stable. However, co-determination is not a new form of work organisation, but a form of representative intervention by the workforce in the way in which management works.

### **Co-determination in international perspective**

Turning to the international picture, co-determination through some form of works council exists in all advanced industrial countries except the United States and Britain. On the European continent and in Scandinavia systems of co-determination have emerged over the years and have become very much part of the local labour relations scene.

The two countries that have had considerable problems with their industrial relations, Britain and the United States, and where unions have not fared very well in the last 10 to 15 years, were countries where there was no such thing as works councils or co-determination. Whereas in countries like Germany, Sweden and Italy in the 1970s and 80s, council-like structures

emerged that contributed significantly to the strength of these labour movements and to their capacity to survive the pressures of restructuring and internationalisation. So rather than being the exception, co-determination is part of everyday practice in most advanced countries and industrial relation systems.

The traditional distinction between union and non-union based participation at the workplace has been withering away in most countries. The main distinction is between works council-based participation (non-union) and union-based systems of workplace participation, the latter being through collective bargaining, the former through co-determination.

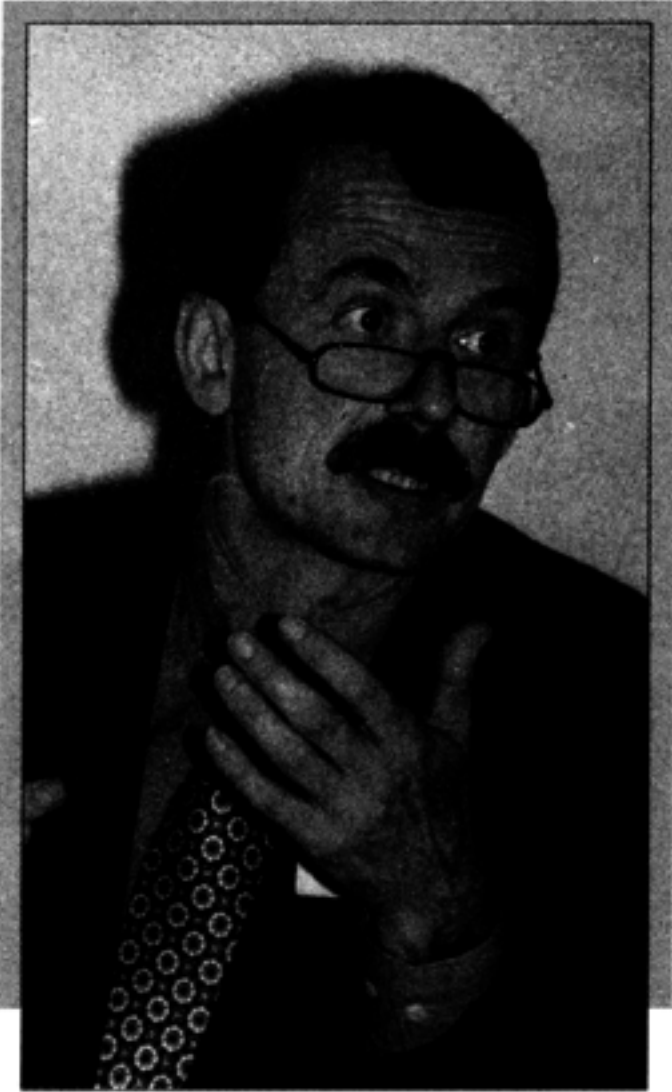
In the last 20 years though, this distinction has become increasingly blurred. Where there were councils, they have increasingly become unions, as in the German example. Works councils that were originally merely consultative, over the years were taken over by the workplace union and assumed functions that were more co-determination like – that is, the right to co-decision making. Germany and the Netherlands are such cases, where consultation was increasingly infused with representation and unionism.

In other countries in which unions were the only players at the workplace, such as Sweden and Italy, workplace unions increasingly assumed works council functions. Unions became councilised by separating wage bargaining from bargaining over other issues and establishing, together with employers, joint councils that became involved in the organisation of the workplace.

The reasons for this are numerous, but largely they have to do with the way in which modern workplaces operate. It is impossible in the operation of a modern workplace to separate *technical* problems of work organisation and management, from problems of the *interests* of the workers in the work organisation. The reason is that decisions have become so decentralised and frequent in flexible technology and a flexible workplace, that managements have to build consensus for their decisions every day, and in a large number of decision sites.

At the same time, workers and unions can no longer afford to sit back and let management decide, and wait for the product to be produced and then distributed, because the many decisions that are made in a modern workplace affect labour deeply in their everyday work. It becomes important therefore for workers to know what management is up to, and to influence managerial decisions at an early stage.

For this workers need not just power but also information. They need to know what management is doing. They need to know the economic situation of the firm and the technology that the firm uses. They need bodies therefore that become informed early on. They need representatives that understand the economic, technological and organisational conditions of the firm, and then have the skill and power to intervene on a current



basis in these decisions.

Such interventions cannot however be based on immediate mobilisation since they are often about difficult technical issues. Influencing these things at an early stage through strike mobilisation is something that no union can do on an everyday basis. There would be no production if one tried to do that.

It is important that workplace representatives have rights to intervene, to be present at an early stage, to get the necessary information and to make themselves heard. Pressure politics alone will not get you where you want to get in order to influence these very complex decisions.

The statistics for six European countries illustrate the relationship between union strength and co-determination agreements. The percentage of the workforce which is unionised in each of these countries is as follows:

- Germany – 38%
- Netherlands – 26%
- France – 10%
- Spain – 10-15%
- Sweden – 85%
- Italy – 39%.

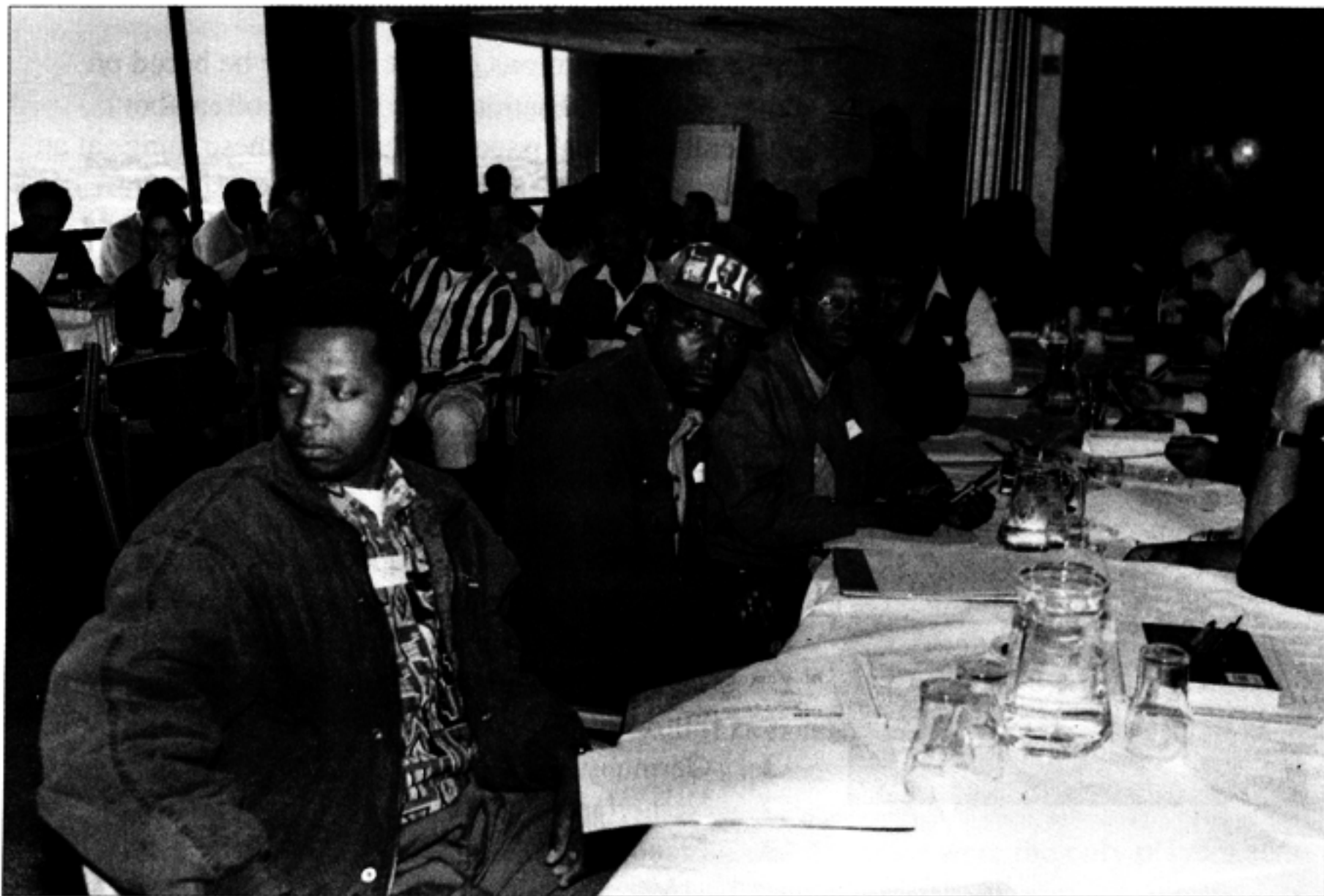
Those who suspect that co-determination rights undermine union strikes can be put to rest by the examples of countries like Italy, Sweden and Germany which have strong or moderately strong labour movements, and at the same time strong co-determination rights. On the other hand countries like Spain and France, with weak co-determination rights, also have very weak unions.

In different systems the relationship between the union workplace organisation and the works council varies. In Germany there is sometimes a union workplace organisation in addition to a works council. This is rarely the case in the Netherlands; frequently the case in France where councils are weak; and normally the case in Spain where councils are even weaker.

Wage bargaining is something that strong work councils are not usually involved in – the German and Dutch councils are not; the Italians only sometimes; the Swedes never. In a country like Spain, with weak councils, this is what councils usually do.

The size of a council varies with the size of establishments. A typical 500 employee establishment in Germany would have a works councils with nine members – in the Netherlands it would have 11, and so on. Although there is considerable variation from system to system, the common factor is that the law regulates how many people are elected by a given workforce.

In these countries a very large number of the workforce that is eligible to have works councils actually have them. In large firms they are almost everywhere. In Germany about 50% of the eligible workforce is actually represented by works councils. In



the Netherlands, where there are two different systems, it varies between 50 and 87%. In Italy it goes as high as 70%.

Works councils have legal resources – that is, under the law the employer has to furnish them with resources to perform their function. In some countries councils have a legal right for some of their members to be released from work full time on employer's pay.

In all countries works councils have rights to information and to consultation. Co-determination *rights* – that is, the right to co-decision taking – exist only in a few countries, like Germany, the Netherlands and Sweden. In other countries there is very little in terms of co-determination rights – this is the decisive difference between consultative councils, and councils which have the right to co-decision making.

In some countries works councillors can call in outside advisers and pay them from a fund that the employer has to provide in order for the works council to perform its function.

### **Works Councils and trade unions in Germany**

The example of Germany provides some insights into a works council and co-determination system where there is a strong legal base for co-determination. Works councils and co-determination are provided for in a special piece of legislation called the Works Constitution under which all workers in establishments above a certain size can elect works councils.

Everybody has the right to stand for election. Unions, as well

as other groups of workers, can put up lists of candidates. Seats are allocated according to proportional representation. In the German system union candidates usually win about 80% of the seats on works councils. Works councils are therefore overwhelmingly unionised. In most of the other countries this is also the case. In countries like France the number declines to 40-45%, but essentially unions are in a very good position to win seats in such elections. Indeed the national legislation usually gives them certain prerogatives with respect to running candidates, putting up candidates and in the allocation of seats, on the assumption that it is good to have union representatives on the councils.

Works councils are entitled to close connections with unions. In the German case, the unionised councils work very closely with the union office either at the local or, if it is a large firm, at the national level. This close relationship involves, in particular, advice given by the union to the works councils. Works councils have to deal with very complex issues of personnel policy. Frequently they are not able to handle these things on their own, and then they can turn to the national union officer and ask for advice. In the large firms in Germany each works council is connected to an advisor – a special liaison person – at the respective national union headquarters. Much of the work that unions do in such a system consists in training and advising works councils. Union officials are often involved in negotiations between the works council and the management, helping and influencing these discussions.

Under German law unions have privileged access to works councils. If, for example, a large works council is having a meeting, the local union can ask to be present at the meeting. Even when works councils wouldn't want the union to be present, the union has the right to attend.

Works councils are also used by unions as an organising tool. Under the German system works councils are not obligatory. A firm does not have to have a works council, unless at least three employees or a union ask for an election.

Once this election takes place, unions can begin to put up candidates. Even if at the first election of a works council the majority of the council members are not union members, with time they often become members, because they find that without the training and the advice provided by the union they cannot perform their function effectively. As a result the most common organising tactic a German union uses these days is to begin by setting up a works council, and everything else follows.

The works council members then become the union organisers in the plant, the core of the workplace union organisation. Most of the shopstewards or stopstewards' convenors in German plants are at the same time elected to works councils. The difference between the leadership of the union at the workplace and the works council disappears in practice. The legal rights of works councils becomes a legal resource for the union.

The union, in its everyday operation at the plant level, uses the rights of the works council to pursue its objectives. What the works councils do with these rights is then influenced by the advice and the training given to the works councils by the external union. A complicated relationship of mutual support exists between unionised works councils and external unions. This works to the advantage of the councils because they get advice and information from the union. And it works to the advantage of the union, in that it has a strong foothold at the workplace, which management cannot remove. It is impossible to do away with an existing works council. A works council can only cease to exist if nobody wants to run for the council – which is an unlikely occurrence.

Once management has come to terms with this, they generally become more co-operative. They then see this relationship in the long term perspective, and are more willing to make concessions to maintain a good working relationship.

Where works councils have veto powers they can use it to extract concessions from management – which is the everyday situation in German plants. One such example of this is where councils may have an absolute and complete veto over overtime. The works council may use this as a bargaining point – saying they'll agree to overtime if management installs a new ventilation system at the workplace, arguing that overtime is hard work, that it gets hot in the plant and that the council wants their members to work in healthy working conditions.

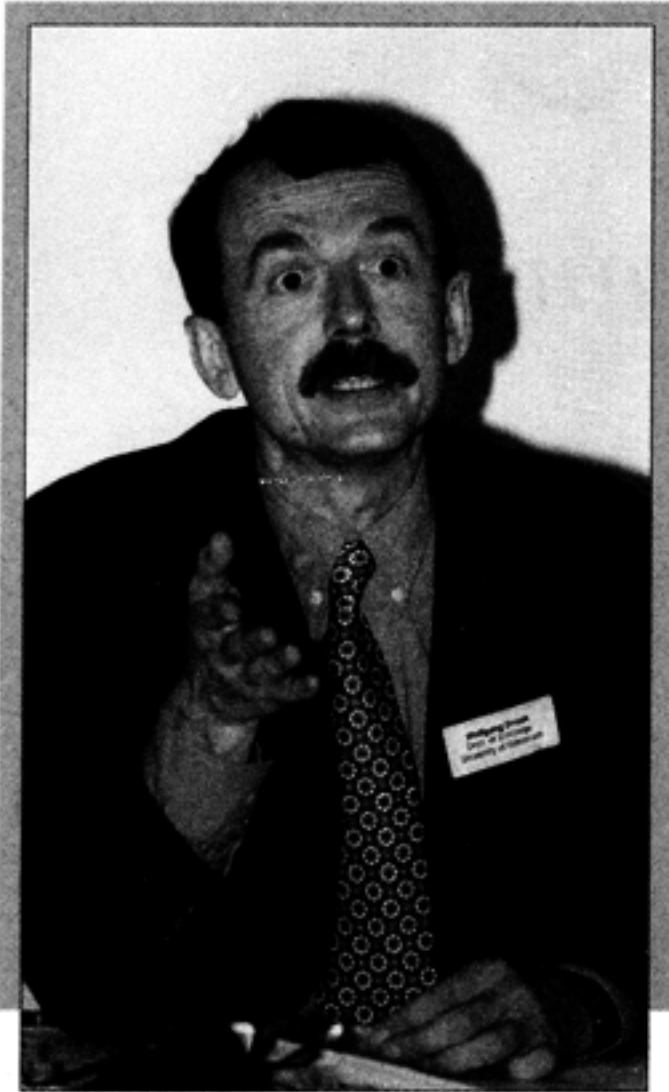
The works council, which is de facto the local union, can then also use the various rights to information, consultation and co-determination to extract concessions from management. At the same time it remains as a council involved in the organisation of production, and remains bound by the need to have a productive production cost, and for the firm to survive as a competitive entity.

### **The works council and centralised bargaining**

Under the law works councils are not able to engage in wage bargaining. They can, for example, use their full co-determination rights to extract a few additional wage concessions. This is not necessarily illegal, but certainly not legal either. Although this happens all the time works councils can't fundamentally interfere with the national union negotiating centralised national wage bargains.

This is something the national unions like because it neutralises the local workplace organisation as wage bargainers. It diverts the bargaining power and attention of local unions to the productive side of the labour/management relationship. Industrial unions like to be able to call the strike from the centre, and not to be faced with strikes that they have not authorised. One cannot be a centralised industrial union if every workplace organisation can go on strike on their own – the union will necessarily break apart. For any union that wants to have a





national agreement, the problem is how to prevent the local level going out after the national wage bargain has been settled, and get 20% more – thereby undermining the national agreement and destroying wage solidarity.

If one wants to contain these centrifugal tendencies it is important to have an institution set up that gives local workers co-determination rights that they do not have to strike for. Since they can use different methods to make themselves heard, the strike and the wage bargain remain in the hands of the industry union.

This relationship between co-determination at the workplace level and national industrial bargaining has been changing in the last 20 years in many of the countries that we've looked at – it has become more flexible, and new methods have been invented to co-ordinate these two levels of interaction between management and labour.

The German unions, for example, have learned that national industrial agreements are often too rigid and too uniform to apply to all the workplaces that are covered by them, and as a result they have learned to write into national agreements so-called “opening clauses”. In other words, agreement is reached with management that on certain issues, clearly defined in industrial agreement, works councils at the local level can make their own agreements; can choose between a pre-defined set of solutions; or can within a certain range negotiate additional or lower levels of provision.

This flexible mechanism of interaction between the local and the national level has worked well. There's also the reverse relationship – Volkswagen is a case in point – where works councils in large firms negotiate innovative agreements, for example on training or worker re-deployment, which then are taken over by the industrial union, and after a few years can be written into the national industrial agreement with the employers association.

There is a give and take between these two levels – very often the same people are involved in both nationwide and local bargaining. The works council chairperson of a large firm will often also be an office-bearer in the union at large. So there is a flexible connection between these two arenas, although the two arenas remain separate.

A final question: does co-determination make unions co-operative and domesticate labour? Yes, to a certain extent it does. It does so because it reflects the need for labour in today's economies to somehow find a *modus vivendi* with capital. But it also makes management co-operative. Management perceives co-determination as a constraint on what they can do. Co-determination makes union co-operate, but at the same time it also gives labour more power in the workplace and hopefully, makes management co-operative as well. ☆

# Co-determination: *questions and answers*

**Q**uestion: Where co-determination structures are separated from collective bargaining – where issues are not subject to pressure in the form of withdrawal of labour – is the co-operation between the two parties relatively equal? Is there something approaching real power-sharing in co-determination, or does managerial domination still occur? Is co-determination not a vehicle which subordinates workers to management hegemony?

**Streeck:** In every system of industrial relations you need the capacity to go on strike. The strike doesn't disappear in the German or the Swedish industrial relations system. Every six or seven years you will have a major strike – to renew the mobilising capacity of the labour movement, and to renew the impression on the part of management that these people know what they want.

This doesn't detract from the fact that mobilisation and strikes are not good instruments to intervene in the manifold decisions that are being made in the modern workplace every day and that affect workers lives deeply. The tool of strike mobilisation is just too blunt for these things. In order to be able to make yourself heard in these respects you need the finer instrument of the application of rights.

In a capitalist society, in which the livelihood of workers depends on the prosperity of private enterprise, both unions and workers have to be careful not to take on board completely managerial ideologies or capitalist views of the world. At the same time they will recognise that if their industry or their company loses its competitive power then they, like the shareholders and bosses, will be negatively affected. That is a fact of life.

Co-determination is a process of changing or adding to the world view of workers and unionists. It's also a gigantic management re-education programme. In countries like Germany, Sweden and Italy – northern Italy in particular – it is today no longer possible for management to introduce a major restructuring project in a firm without taking into consideration the interests of workers, in terms of job maintenance, adequate re-employment, re-training and wage maintenance.

This practice has become deeply embedded in these countries not because managements are in any way less capitalist or



management-like than they are in South Africa, but because they've learnt that their projects will not move forward unless they take these viewpoints into account.

**Question:** You spoke about trade union independence as being crucial to the workings of this arrangement. I would imagine that it is difficult to maintain this independence at the micro-level given that workers there have less clout. It is no wonder therefore that many of the unions in Western Europe are quite weak. I want to know what you understand by trade union independence, and how it is important in this process.

**Streeck:** I disagree with you on the weakness of unions in Western Europe. Unions can be quite strong without necessarily always going on strike. In fact, strike frequency is often an indicator of union weakness, and not of union strength. The country with the strongest union movement in the 1970s and 1980s had very few strikes, whereas America, where the unions were being done in by the employers, was very high on strikes. Strikes are often the last resort of a union movement that is being pressed to the wall by the employers. You know this from your practical experience.

As things become more complicated for the unions the main challenge is to move from the mobilisational mode of unionism

towards a mode of unionism that is capable of intervening in the more detailed, more complicated subjects of everyday working life. Unions in many countries have begun to embrace the idea of industrial democracy and co-determination as a tool for this.

A works council must be able to do two things at the same time. It must be able to talk with management about the technology that will be used in restructuring work on the factory floor two years from now – and expertly argue for one technology against another because it is better for workers. Then it must be able to explain to its members that the difference between the two technologies is relevant to their interests, and that the works council is defending these interests by engaging management so deeply and so early on the subject. This is not easy. But then being a union in a world in which capitalism has become globalised and more competitive is not easy generally.

**Question:** There seems to be an assumption in these discussions that the economic and political processes in South Africa are the same as those in Western Europe or industrialised countries generally, whereas they are very different. In South Africa we are dealing at the moment with some aspects of a first world economy, but also many aspects of a developing country – high unemployment and so on. We're coming out of a period of protectionism where there's enormous pressure for industries to restructure. And the industry restructuring process of the scale that is needed in South Africa cannot be a workplace issue – it's got to be an industry-wide issue with a strong input at a national level.

We're also dealing with a nascent and fragile political democracy. In these conditions the playing field needs to be levelled much more fundamentally before one can even begin to talk about co-determination working. There must be rights for all workers; a basic floor of organisational rights; a system of centralised bargaining; and much more effort given to human resource development. Without those things in place, co-determination will be more like a period of co-option of unequal partners at a workplace level.

**Streeck:** You're talking about human resource development and about basic rights for workers at the workplace. That's what you get through co-determination. Do you expect to have human resource development at the workplace just because management does it? Don't you agree that to have human resource development programmes that workers can live with, you need a strong representation of the workforce to negotiate these problems with management?



I don't agree that this country is 100% different from other countries. Spain and Portugal in the 1970s and 80s are examples of countries in transition from dictatorship to democracy with high unemployment and a very strong underdeveloped component – unemployment in the southern regions reached up to 50%. There was a need to institutionalise a democratic labour law after a period of fascist oppression. I'm not saying the conditions here are the same as in Spain, but you're not in a totally different league.

Everywhere in the world industries are being restructured as a result of the opening of world markets. The fact that tariff barriers are falling is not unique to South Africa. Maybe it's unique that everything comes at the same time, but the restructuring experience is global. You can learn something from these experiences.

**Question:** Co-determination makes decision-making a longer and slower process. Yet in this modern day the way companies and countries survive is through flexibility – the ability to make quick decisions, change products quickly and so on. Does this longer decision-making time not contradict the flexibility?

**Streeck:** What we find in the countries that we've looked at is that these complicated mechanisms of representation, consultation, co-determination and so on provide an excellent

background for the negotiation of flexibility. In a democratic labour relations system flexibility cannot just be based on workers doing what management tells them they have to do in order to respond to flexible or volatile markets.

Flexibility increases the insecurity of workers at the workplace, because in the old regime workers knew they would do the same job all the time. In the new workplace they would be told to do new things. This needs to be negotiated so that it is acceptable to them. They need representation in order to have flexibility. The more flexible the workplace becomes the more urgent the need to have some co-determination rights for representatives of workers.

Otherwise you have a kind of flexible despotism.

**Question:** Firstly, you've said that some of the issues that we would consider to be restructuring issues, like human resource development, are discussed at the local level, whereas the distributional issues are discussed at the national level. Isn't there a danger of issues that are properly national issues, for example the training framework or tariff protection, being localised rather than being discussed at a national level?

Secondly, can you tell us whether it's possible for co-determination to be managed by unions in the absence of works councils, and if so when. What are the implications both for unions and for the process of co-determination?

**Streeck:** I certainly did not mean to imply that restructuring questions can be dealt with only at the micro-level. I do think that a country like this needs a national industrial policy. That again is different from collective bargaining – it is about creating the conditions for industrial prosperity and competitiveness. It is about training and the education system. But it's also about technology transfer – the technological upgrading of small firms for example.

However the macro-strategy for industrial restructuring needs to be supplemented by on the ground enforcement mechanisms that make sure that if one has a national vocational training policy it is actually implemented at the local level. There again something like works councils and co-determination are extremely useful.

If you have training schemes that involve the workplace someone has to watch that employers do not use trainees as cheap labour. Who can do this better than either a union or a works council?

One can have unions and not works councils as agents of co-determination. Northern Italy is a place where this is widely done. What unions do in such circumstances is actually to set up workplace based councils that frequently are elected by all workers, not just union members. These are then treated differently from collective bargaining bodies.

They work very closely with the employer to see what the employer is up to, and make agreements with the employer on information, consultation and sometimes co-determination rights. Where unions drive this and where there is no supportive legislation there is very often a lot of information and consultation but little co-determination.

In Sweden where there is some legal facilitation you get union based co-determination with actual co-determination rights. It is possible for unions to drive co-determination, without legal co-determination rights, but it requires a strong, centralised, skilled trade union movement, that you may not necessarily have.

**Question:** Firstly, I would like to know to what extent co-determination is linked to the evolution of social democracy as an ideology and a framework. Social democracy came about in particular because of the post-war boom and the conditions that were there for capital accumulation. Those conditions have now come to an end. How does that impact the future of co-determination? To what extent therefore would one be able to have co-determination in a context like South Africa that does not have some of those characteristics?

Lastly, I perceive a prison of co-determination that only looks at the micro-foundations. It is not looking at other things like investment decisions – some key questions that I think workers would like to influence. Why is that and what is the future therefore of co-determination?

**Streeck:** On the question of social democracy as an ideology and to what extent it is linked to co-determination, I would think that although social democracy has very great problems today for many reasons, one thing that is also clear is that there's much in the heritage of social democracy that will survive independent of the general context of social democratic government.

The idea of co-determination is something that has not only survived, but that has become more important with the restructuring of the workplace. In such a world co-determination, regardless of its social democratic background, may still be a very important tool for workers.

The privileged position of Western Europe in the globalised economy is rapidly eroding. They have to struggle very hard to maintain their position and their standard of living. The important thing, however, is that in Europe workers' movements in the last 100 years have been able to build up power resources and institutional conditions and rights. From your perspective these countries are not so much something to study for the wealth and the prosperity that they have achieved, but for the tools and instruments that the labour movements have developed in the last 100 years to defend themselves. ☆

# Participating in management: *union organising on a new terrain*

**V**irtually all American manufacturing firms have instituted some sort of employee involvement programme, whether they're called QWL, Total Quality Management, Quality Circles or Labour-Management Co-operation Teams. Large portions of other sectors, such as the public and health services, have followed suit.

Employee involvement teams utilise a small group talk process to extract from workers ideas and insights about their jobs which can be generalised to help the enterprise increase productivity and quality and reduce costs.

Behind these consultant-driven programmes is what we term an ideology of co-operationism. Its basic premises are, firstly, that co-operation between management and labour will increase efficiency and, secondly, that the adversarial relationship between management and labour which exists under traditional trade union collective bargaining situations is the chief culprit in the current world-wide slump in productivity.

Both these assumptions are wrong. Studies have shown that in the rare instances that these programmes do show success it is not because of any euphoric sense of co-operation between workers and bosses. Instead, the relatively few but significant success stories can be directly attributed to the fact that workers were given the power to participate in deciding how their work was done and to some degree how things should be managed.

It was irrelevant whether this participation took place under adversarial or co-operative conditions. What was relevant was that some degree of power was ceded by, or usurped from, managers and transferred to workers.

Studies have also shown that unionised manufacturing plants which have employee involvement programmes are 50% more productive than non-union plants with employee involvement programmes. Participation programmes will only deliver on the promise of increased productivity and efficiency if the focus of the

**Andy Banks**



Andy Banks is education officer of Public Services International. This talk is based on an essay which Banks wrote with Jack Metzgar in 1989 for *Labour Research Review* in the United States.



programme is the full participation of workers and there is a strong enough union to enforce an agreement to get managers to cede their power to the workers. Typically these are unions with reputations of adversarial bargaining approaches.

Many good unionists in the United States have opposed these programmes out of fear that a sort of competition or dual unionism controlled by the employer will be created by these programmes. This, they fear, will be used to weaken existing unions. There is evidence that some programmes have been used by employers for such purposes. But in most cases unions have only been weakened when they have taken a passive role, letting the employer implement programmes without union input.

There are a small but significant number of cases where unions aggressively took these programmes over and redesigned them to further union goals. Based on these experiences, Metzgar and I developed what we term a 'union empowering model' of worker participation.

### **Participation to empower unions**

This model is designed to accomplish two things. Firstly, it empowers workers through greater worker decision-making. Secondly, it builds stronger union structures, giving unions greater control over the shopfloor and over traditional collective bargaining issues. While employers and most employee involvement consultants have their programmes grounded in the ideology of co-operationism, the basic philosophy behind the union empowering model is the 'organisation model' of unionism.

Rather than viewing a union as an institution which solves problems for members, the organisation model of unionism sees the job of the union as being to bring workers together and mobilise them to solve their own problems. It borrows the word 'organising' from the very style of unionism that is used when a union first organises a new group of workers.

If unions approach worker participation programmes using the organising model they will increase their bargaining power by increasing both the members' identification with union goals and their participation in the union.

To accomplish this unions must reject any of the fancy canned participation programmes being hawked by expensive corporate consultants. Instead, participation programmes should be based on a collective bargaining approach – an approach which unions already understand.

The future of trade unions depends on their ability to get access to top management-level information and to participate in workplace decisions currently being made by managers. A successful programme does not depend on receiving management's co-operation, however.

### **Bargaining approach**

The traditional labour relations model shown in *figure 1 below* has

three important features. Firstly, the union has a corresponding relationship with each level of the company.

Secondly, the union has no structural relationship with certain areas of the enterprise. Some of these areas, such as the finance, sales and marketing and purchasing departments, have a tremendous impact on the workplace. However, unions typically have no influence in these areas.

Thirdly, the union structure is independent of the management structure of the enterprise. When the labour relations system breaks down, during a strike or a lockout for example, the union is able to function separate from the employer and is independent to pursue whatever strategic course of action it feels will win the day.

### Generic employee involvement programmes

Most consultant-designed employee involvement programmes impose a very different model on the workplace.

As illustrated in figure 2 on page 105, the structure of this programme appears to be totally autonomous from both union and corporate structures. This is true in the case of the union's structures – there is no evidence in the diagram of the union executive committee or the shopstewards.

But what figure 2 doesn't show is that the corporate management's structure still exists. Even though management appears to be on equal ground with the union in the Labour Management Policy Committee, they have more control over their

supervisors than any union could (or should) ever have over its members.

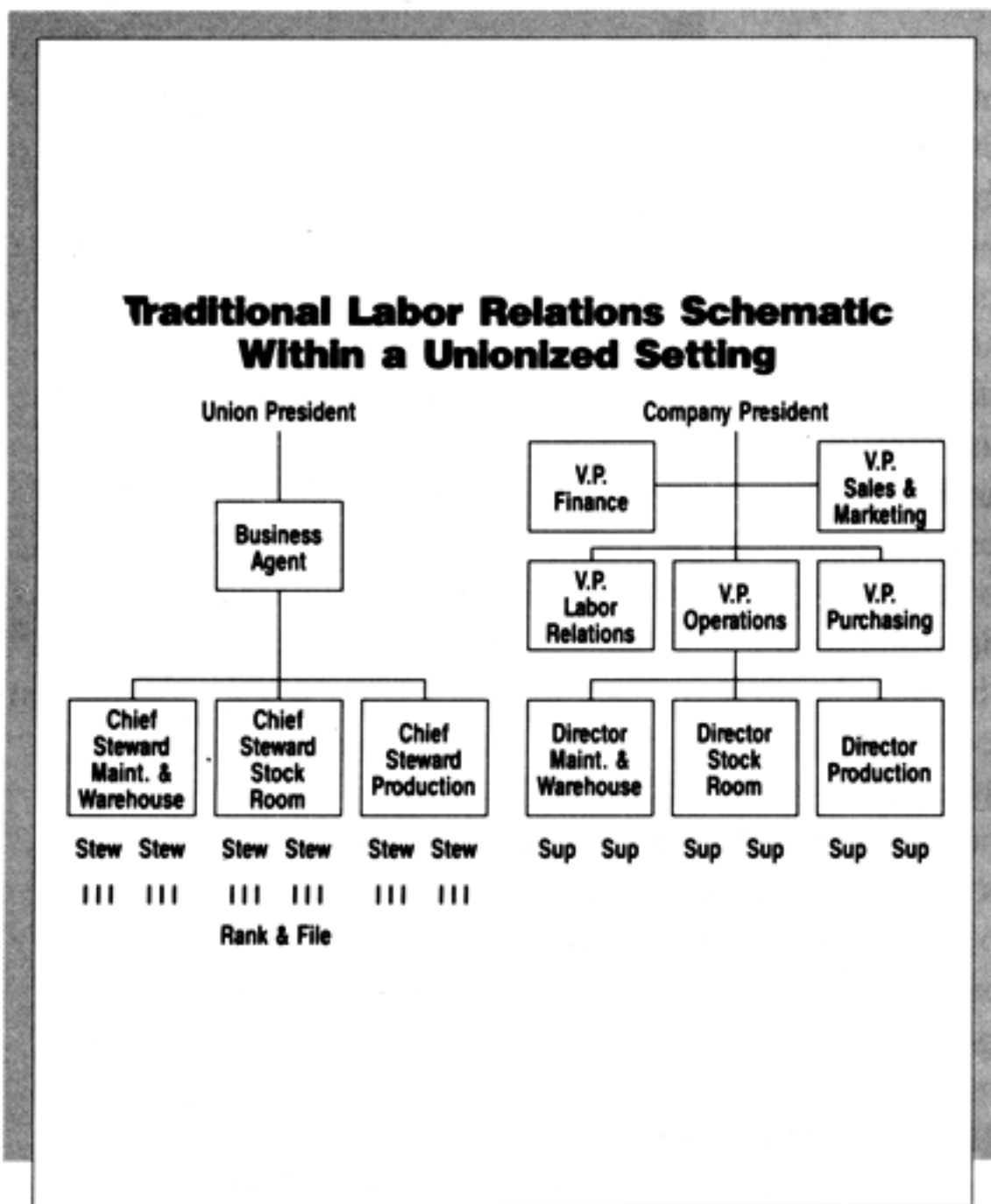
Unlike the traditional labour relations model we saw in figure 1, figure 2 makes no allowance for the union to exist as a free-standing, independent institution. It is not surprising that union officers often feel these programmes compete with the union.

### Union empowering model of participation

The union empowering model of participation is based on the traditions of collective bargaining familiar to most trade unionists.

As in collective bargaining, union empowering worker participation programmes are negotiated between unions and managements. As in the first sessions of contract negotiations, it is important for each party to

**FIGURE 1**



establish to the other side what their basic bargaining goals are.

If management were to present their goals for an employee involvement programme, they would not be some vague sense of co-operation with workers. Rather they would seek higher productivity, better quality and lower costs.

The union should also include lower costs as one of its goals. But not necessarily labour costs, which is what management would most likely push in an employee involvement programme. Unions should demand that the cost of management, or more accurately mismanagement, be a target of any such programme. Even business consultants who do not stand favourably towards unions estimate that 90% of the cost savings available in the average company are to be found in areas of management decision-making and performance. Only through a union negotiated and enforced participation programme would workers have the power to point out and change this management-generated waste (and sometimes corruption).

Another union goal in a union empowering programme is to get union influence at other areas of the company – such as the finance department, purchasing department and the sales and marketing department.

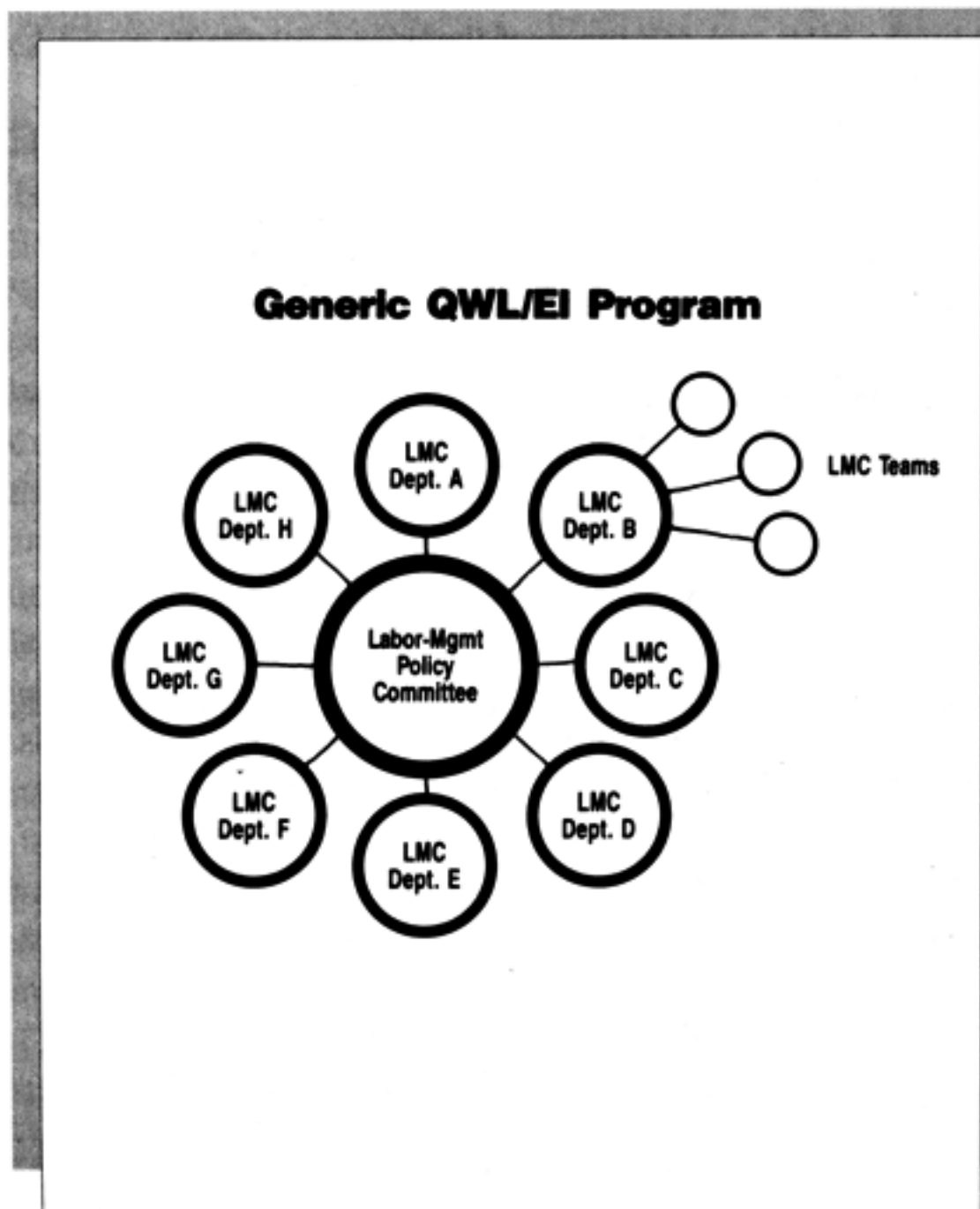
A third set of union goals is to have the programme help the union in more traditional areas such as better wages, better working conditions and a stronger union structure.

The final goal of a union empowering programme is for the

union to have control over the shopfloor or office-floor component of the programme. The programme must exclude management representatives from having a direct relationship with the rank and file in the programme.

Figure 3 below shows how the union empowering model of participation is actually two separate programmes – one run by management and one run by the union – which come together in joint committees at different levels to discuss and implement ideas from rank and file workers. These ideas are generated through area union committees in the various workplaces, thus meeting the union's goal of excluding management from direct contact with the workers in the participation programme. The union also sponsors special task

**FIGURE 2**



forces to deal with areas or subjects larger than any individual work area, such as the company's business and investment plan, identifying costs savings from managerial areas or contracting in work which has been done by outside contractors.

As in figure 1 the union programme can stand independent of management. While participation in workplace decisions and access to company level information is vitally important to the future of the trade union movement, by using the union empowering model unions are not dependent upon management's co-operation to run their programme.

**Unions should participate**

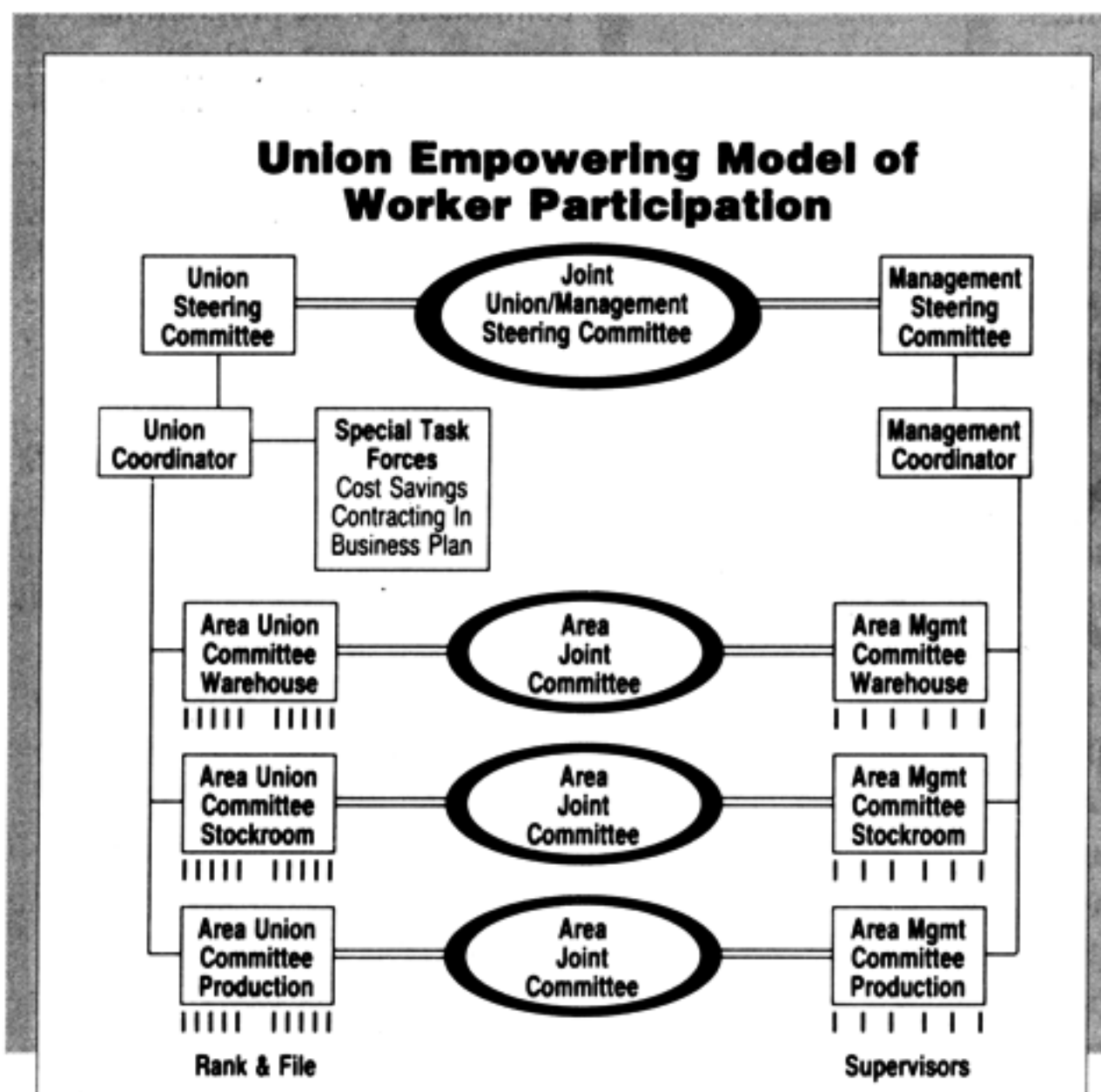
Unions should be aggressively involved in the new participatory programmes. The introduction by management of this new type of labour relations is not a passing fad, rather it represents an attempt by employers to tap the most promising source of future productivity improvement – the insights and knowledge of the workers. On the union's side, this insight and knowledge, which is so strongly coveted by employers, represents a chance to regain the negotiations leverage which unions have lost over the past decade because of multinational corporations' ability to shift work and money to the far reaches of the globe. The union empowering approach to participation programmes offers unions a chance to exchange worker insight and knowledge for more power in corporate decision-making.

Unions will fail in these efforts if they allow themselves to be seduced by the high-tech language of the guru consultants

pedalling labour management co-operation programmes which break from the old, confrontational style of labour relations. Instead, these programmes must be approached within a traditional adversarial collective bargaining model.

By not adopting an organising model of unionism, unions will miss the opportunity to address mismanagement at all levels. Unions must begin to view these programmes as an opportunity to organise members and build stronger union structures. ☆

**FIGURE 3**



# Participation:

## *the Eskom experience*

**A**ny worker participation scheme, whether called co-determination or not, will be driven by two different programmes: the labour movement's and the employer's.

In the modern economy the corporate programme, informed by the desire to have a competitive edge in the international market, is driven by profit-maximisation. Consequently it pays very little consideration to any social consequences it may have. If participation is informed by partnership the union becomes part of the corporate programme.

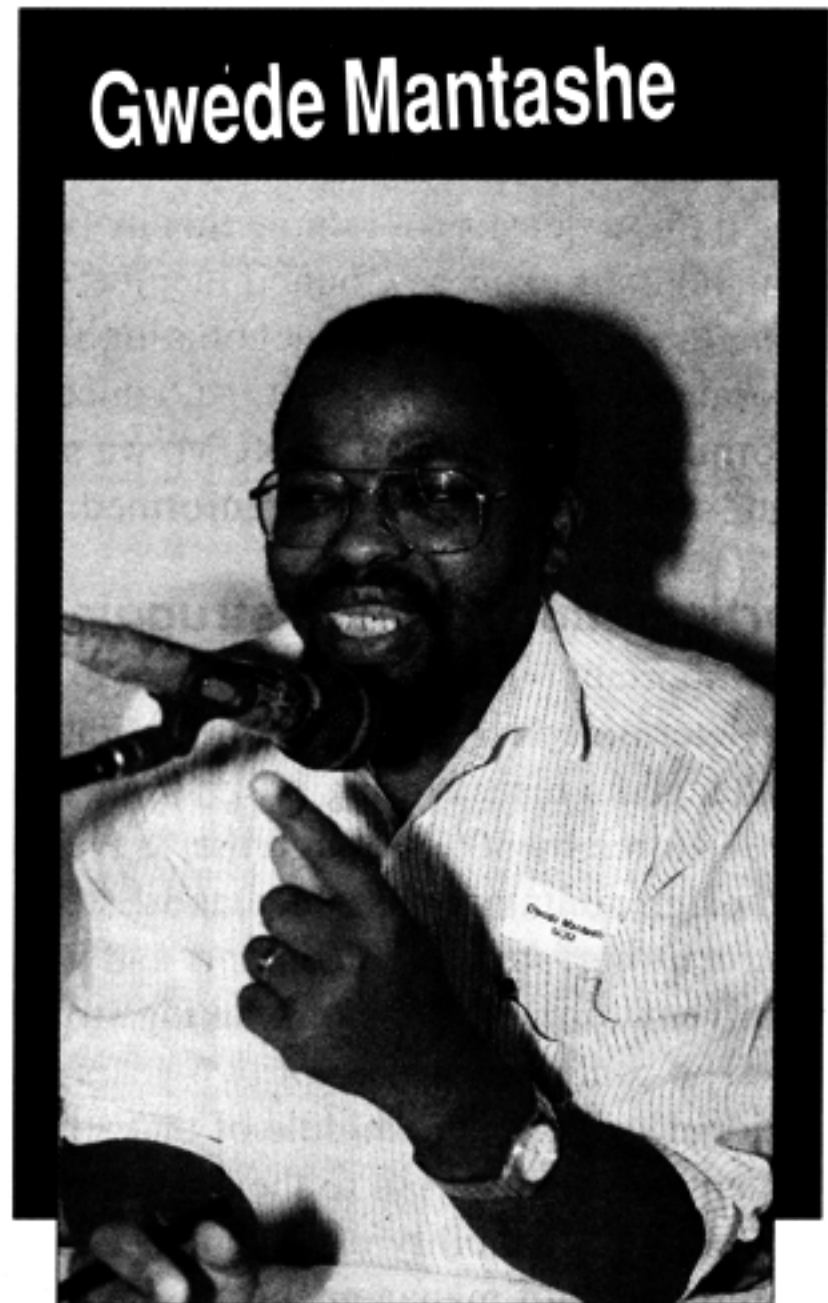
That is why we have opted for leadership rather than partnership. The starting point in participation is to open up space for the labour movement to strengthen itself and develop the capacity of workers to challenge employers.

### **Different levels of participation**

There are different levels of participation. The first level and the one which is most prevalent in South Africa is the participation inherent in trade unionism itself and in collective bargaining. We don't see a distinction between the trade union and the workers. In participation the trade union is the instrument of the workers, and workers have collective power over trade unions. One of the characteristics of the first level is that it is confrontational – it is a “them and us” type of approach.

In the Eskom case, we have moved a step forward. Because it wasn't fully fledged co-determination, we called it meaningful influence of decision-making by the labour movement. This second level is a form of ‘low-level’ co-determination in the sense that it merely begins to corrode the management prerogative in running the utility.

Workers are starting to demand involvement in the early stages of decision-making. What mostly happens in South



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African participation is that employers will plan behind closed doors and only call in trade unions at the implementation stage. For example, management will discuss problems in the company and take a decision to retrench. They will only call the trade union to manage the retrenchment. Therefore our discussion is about a cut-and-dried decision. As unions we want to be involved before the decision is taken.

Eskom three years ago mothballed power stations. We couldn't stop it because by the time it was brought to us, that decision had already been taken and all we were discussing with management was what to do with workers from the various stations. Now there is major shift. Already in 1994, because we are sitting in the Electricity Council (EC), we know that the four units that were closed will be opened in 1996. We know because that decision cannot be made without going via the EC. We are able to say to them, if you want to rehabilitate Cahora Bassa, what about the mothballed power station? We've raised these questions. I know this in 1994. We are able to demand their plans as Council members, they are forced to bring them. If you go to a negotiating forum and you want this information, you won't get it. And once we get this information, in our NEC of NUM, we strategise around them. Your strategy becomes more informed.

### **Participation through struggle**

An important point about the Eskom exercise was that it was not determined by management, but rather through struggle. We challenged a restructuring programme in Eskom which cut the labour force by 30% through the "Save Eskom campaign". The campaign contained three demands: stop unilateral restructuring, stop retrenchments and we demand worker involvement in all decision-making structures.

The campaign lasted for two years and culminated in a national strike. In the middle of that strike Eskom met a number of demands that we put to them. We argued that the question of the long-term viability of Eskom as a utility couldn't be seen as a prerogative of management. We said that one can only talk of retrenchment after all other options, like transfer within the utility, retraining and redeployment, have been explored. That was accepted.

For workers to be able to influence the decision-making process they must be part of the structures of decision-making. You cannot influence decision-making over the negotiation-table, you need to be part of the structure. The company must have an obligation to share its strategic vision with trade unions.

### **Joining the Electricity Council**

We have developed a mechanism that imposes an obligation on the employer to ensure there is optimal disclosure of



information.

In that strike to save Eskom we reached an agreement that labour would be represented in the Electricity Council, the highest decision-making body in Eskom. This has given us access to information that wouldn't have been available in a negotiating forum. And it has allowed us to intervene in decisions that previously we would only have been informed about after they had been taken.

The three labour representatives sitting in the Electricity Council have made it clear though that they are not EC members. It is important to be identified as labour representatives, to be able to say, "I cannot be part of this decision because it affects labour negatively". For example, in one EC meeting they proposed a cost-recovery approach to rentals for company housing. We said the formula for rentals for hostels cannot be the same, because they are sub-human. We cannot be party to such a decision. The right to go out there and mobilise against that decision must be maintained. It goes with the right of labour to recall you if you don't represent their interests in that structure.

### **Full time shopstewards**

But levelling the playing fields requires more than just information. At Eskom we have had to participate in the context of a relatively well-informed and proactive

management. To improve our position we have managed to force Eskom to accept the concept of full-time shopstewards. They differ from plant-based shopstewards in that they would be responsible for an area, like a union organiser. Eskom provides the car and petrol for the shopsteward to do union work. We have 11 full-time shopstewards, covering almost every region.

Those shopstewards were not just left there – we demanded that they be trained. They went through a Wits Business School four-month programme which gave them basic management skills. That is part of capacity development. We don't want to break the union orientation and transform them into pure managers. We want them to acquire the management skills and use them for our own benefit.

We must maintain membership-driven mass action. You participate in decision-making but in the process you always try to sharpen the contradiction so that workers can take control of the process.

The participation of labour should be informed by the gains you make. If you are not able to make gains as labour there is no reason to participate in a structure. That is the starting point.

### **Co-determination and socialism**

The third level of participation, co-determination, holds a number of dangers:

- ❑ When integrating labour representatives and capital representatives into a single structure there is a possibility that the distinction between which constituency each represents will become less clear.
- ❑ The practice of labour being encouraged to have shares in their employer's company – workers becoming owners to a limited degree – can be used to 'water down' the militancy of labour.
- ❑ Labour is being asked to put 'national interests' before their 'narrow constituency interests'. When you water down the inherent contradiction between capital and labour through a social pact, labour is going to come off as the weaker partner in that relationship.

Any participation by labour must have the objective of ultimately empowering us to move forward and attain a socialist era in South Africa – the fourth and highest level of worker participation. And if it doesn't do that, it isn't going to be in the interest of labour in this country.

The four levels of participation must give the labour movement progressively more power. In the Eskom experiment we are still on the second level. We are left with two more. What we achieve with these will be informed by the power we gain as we move upwards. ☆



# Don't let management go it alone

**W**e have recently negotiated an agreement with one of the companies in which we are organised, and I want to share with you the experience that we got through this negotiation. It is difficult to say whether what we negotiated is co-determination or worker participation.

All trade unions are experiencing similar problems – companies are going through processes known variously as restructuring, rationalisation, transformation, etc. All of these concepts end up retrenching workers. So we have had to abandon the attitude that management alone can decide these issues and we'll protest afterwards – that we will take them on the streets with baseball bats, and the one who hits hardest wins. We must now force the company to agree that we must be part of decision-making.

The structure of these companies operates in a top down manner, while we would prefer a bottom-up approach. In the case of Premier Food Industry, the company invited the union about two or three years back to sit on the Board of Directors – doing what was not clear.

The union refused because we did not have a position on the matter. And we still have no position. In the meantime, though, the company took up the question of restructuring and rationalisation. Decisions were taken at the very same level that we had refused to be part of.

When they had decided already on the restructuring the union was asked to help in implementing what had already been decided. It became clear that the decision involved retrenchment of workers. So we approached the company with a proposal for participation in decision-making.

In the five weeks of negotiations that followed one danger we discovered was around the issue of 'accountability'. The company agreed workers could take decisions, and so we defined the scope of those decisions together. But they wanted to hold workers accountable for those decisions. In other words,



\* Peter Malepe is first vice president of FAWU



if members of a team take a decision on the production line, which later causes a problem, the company wants to hold them liable. Which means that if the disciplinary measures require dismissal, then the individuals in that team will have to be dismissed.

We argued that if the company wanted workers to be responsible in this way, then the same management status and benefits should be applied to the workers who are participating in decision-making. The company refused.

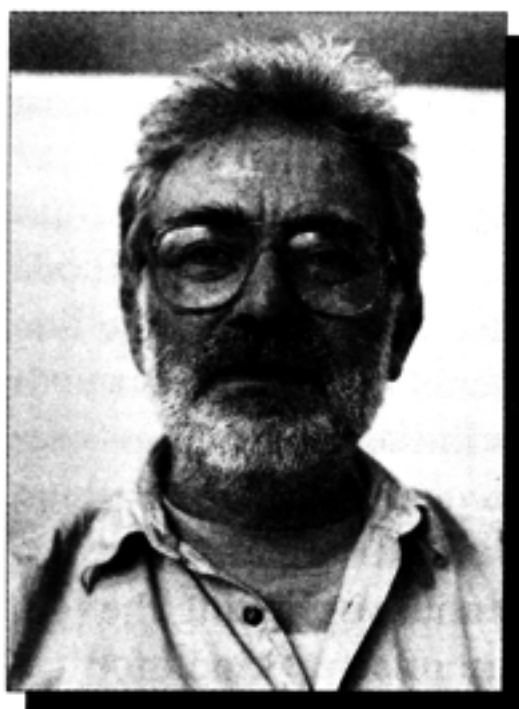
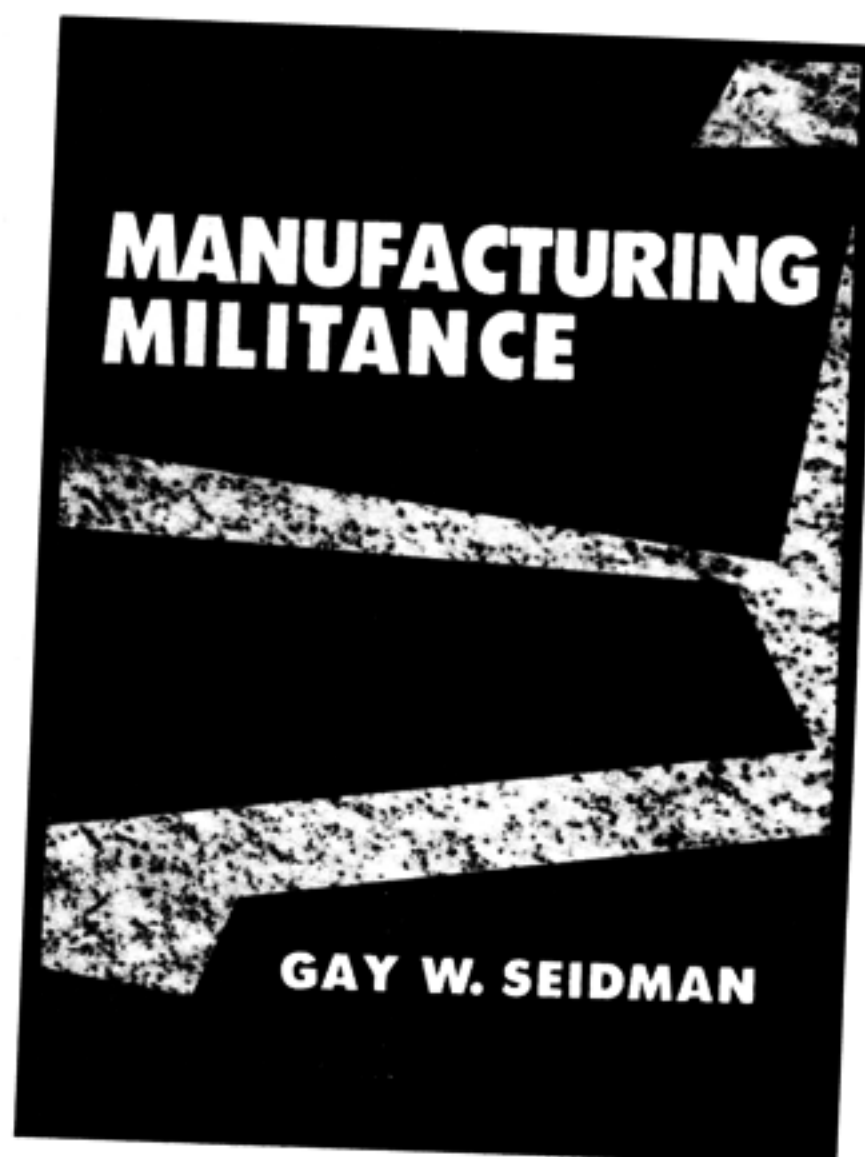
Another problem is that worker representatives in South Africa do not have clear policy guidelines on how to intervene in strategic decision-making. We have workers who traditionally do not understand these issues. Often an entire group of shopstewards will not understand what is being discussed.

So in our agreement with Premier, we established that the company pay for workers to be educated. We agreed that workers jointly with management would determine who the educators should be. If we hadn't the company would have taken control of the whole process.

So, comrades, we don't have experience like NUM, we just have a newborn baby. The agreement is only two days old. Many unions still believe that management must go it alone. That is wrong. We must be part of decision-making – whether it's called co-determination or worker participation. But above all it must be a worker driven programme. ☆

**Manufacturing militance:**  
*Workers' movements in Brazil  
and South Africa, 1970-1985*

Gay W Seidman, Berkeley: University of  
California Press 1994



*Reviewed by*  
**PETER  
WATERMAN**

**Workers' movements in Brazil  
and South Africa:**  
*the self-manufacture of a new  
union tradition*

**G**ay Seidman's comparative study of the new unionism that has grown with such dramatic force and effect in the last 15-20 years in Brazil and South Africa is a work that is – in the stock phase – long overdue. Observers of labour movements internationally have for many years been struck by the similarities between countries so far apart, with no

shared language and with little or no contact. So, eventually, have been labour movement activists and leaders in the two countries: exchanges of information and delegations have followed.

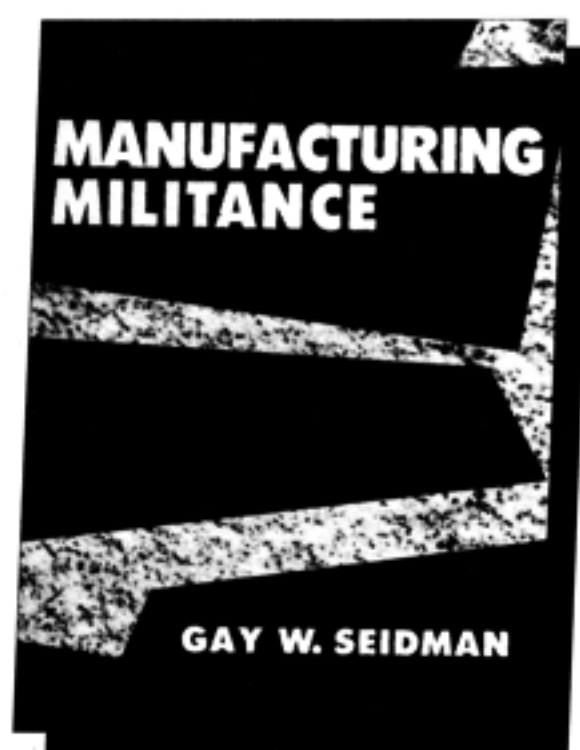
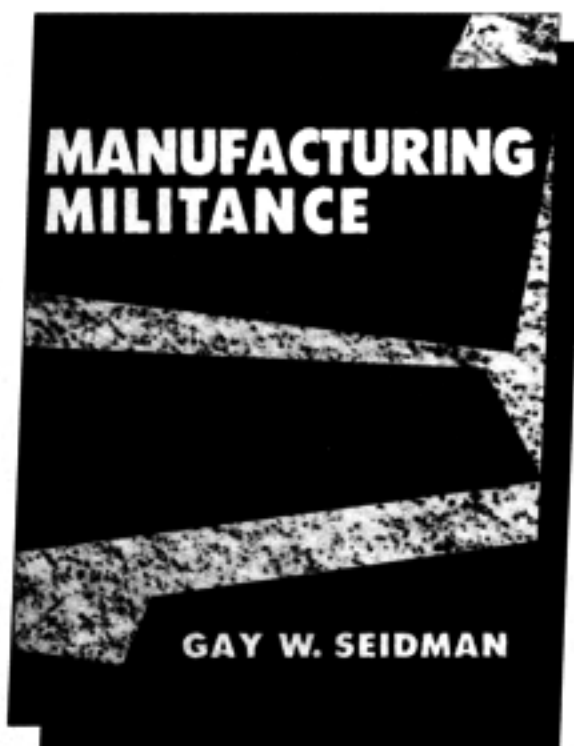
Seidman's chapters on union militancy and community protest are especially powerful. They strongly suggest the extent to which social movements produce themselves – out of the cultural materials to hand, out of memories of previous struggles, with the input of survivors, and with the aid and advice of committed academics and professionals. She is also sensitive to a sense of social citizenship that can impact on what would otherwise be a narrowly political democratisation process.

Yet despite Seidman's apparent identification with the two labour movements concerned, the thread tying the package together is no red one. The unifying thread is, in fact, the academic literature on labour and industrialisation, more specifically late industrialisation, with this being understood as confined to the third World – or even a minority of seriously

industrialising parts thereof. The conclusions she draws are confined to labour movements under such limited conditions. And they seem likely to be of more interest and value to academics, or those *controlling* late industrialisation, than to the workers and unions whose courage and ingenuity she convincingly portrays.

One reason for this outcome must be the decision of Seidman to virtually ignore the vigorous academic-cum-political debates about the role of labour and labour movements in the historical struggle for social emancipation. Seidman is not unaware of these debates. Indeed, she seems, in her introduction, about to address herself centrally to 'social-movement unionism', a concept used in both South African and international discussions in the late-1980s and early-1990s. Her definition of this runs as follows:

Theoretically, social-movement unionism is perhaps best defined as an effort to raise the living standards of the working class as a whole, rather than to protect individually defined interests of union members...Social-movement unionism...link(s) factory-based struggles and communities, and they lead to challenges to states as well as to individual employers. Strikes over factory issues receive strong community support; conversely, community campaigns for improved social services and full citizenship are supported by factory organisations as labour movements redefine their constituencies to include the broader working class (Seidman 1994:3).



This is not really a theoretical statement. It is an alternative name for what others, in North America, have called the "labour-community alliance" (Brecher and Costello 1990). It is not theoretical because it is not related to other concepts, historically or contemporaneously, nor placed within a more general worldview, nor even within an explicit understanding of labour movements and the

working class.

But, in the socialist – and for that matter feminist –intellectual tradition, concepts have not only a naming function, they also have a critical one, and they best serve a political purpose, for the advancement of an emancipatory project. Given that Seidman confines the concept to a particular place and time (ie 'late industrialisation') there can be no message here for labour movements in other places or even for movements in these particular countries but at *other* times. Yet there is writing, even on 'post-industrialising' countries such as Australia, suggesting the necessity and possibility of some kind of social-movement unionism even there and especially now (Mathews 1989).

'Socialism', curiously, does not rate an index reference in the book although

occasionally used by Seidman, yet socialism is of quite central importance to the two labour movements concerned, yesterday, today and – one imagines – tomorrow. A common feature of the two movements is that both developed not only independently of the dominant social-democratic, communist and populist traditions, but sometimes in quite clear conflict with

them. Seidman herself reveals that the South African Congress of Trade Unions (aligned with the African National Congress and the South African Communist Party) actually opposed International Labour Organisation aid to these unions in the 1970s, on the grounds that their very survival demonstrated their incorporation by the regime! On the other hand, one knows how labour movement activists of the communist tradition had to go beyond it in their efforts to contribute to this *new* New Unionism (Lin 1998, Mendes 1992). It is more than militancy that has been manufactured by these movements, it is the possible seeds of a new international labour movement tradition.

Gay Seidman, fortunately, is a serious scholar and her work is far bigger than its limitations (or this brief review). Labour movement readers or supporters from the two countries, the region, or the rest of the world, should ponder the relevant chapters and work out conclusions for themselves. Alternatively, they could turn to a later-written (but earlier-published) piece by Seidman (1993) in which she almost seems to be drawing the political conclusions of her book and addressing them to labour movements - both nationally and internationally! ☆

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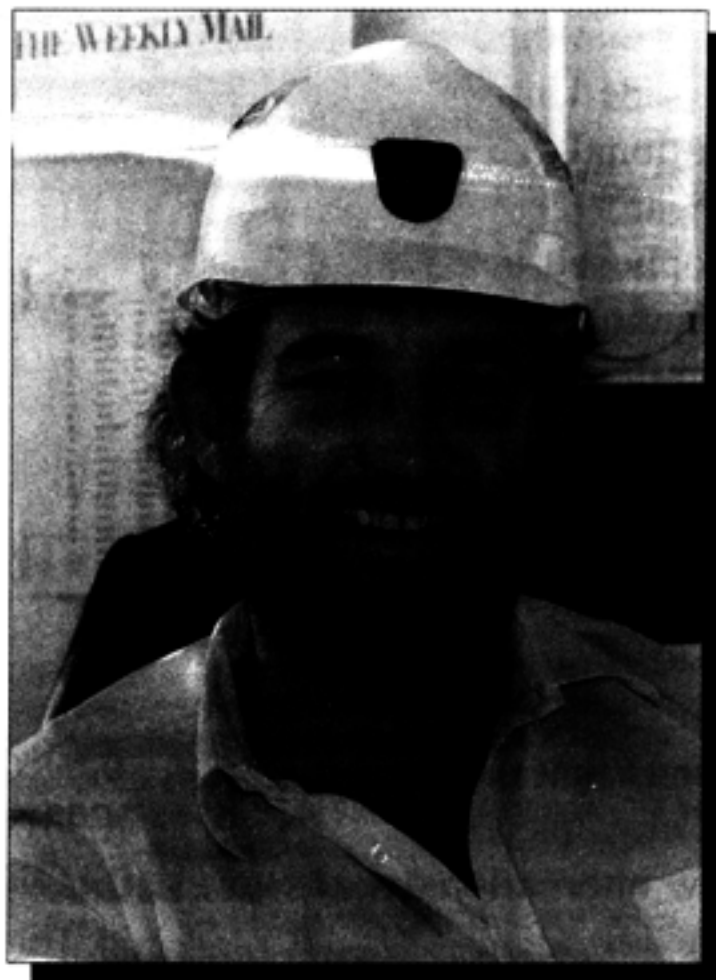
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Paul Benjamin

## Laws covering health and safety at work

PAUL BENJAMIN assesses changes introduced in the system of workers' compensation for injuries and diseases at work by recent legislation.

**T**he last months of apartheid rule saw many changes to the laws on occupational health and safety. The Occupational Health and Safety Act (OHSA) came into effect at the beginning of the year replacing the Machinery and Occupational Safety Act of 1983. Most importantly, workers in all workplaces must now elect health and safety representatives. The purpose of OHSA is to require employers to provide safe workplaces so as to minimise occupational accidents and diseases.

Changes in the laws that provide compensation for workers who are involved

in accidents at the workplace or who contract occupational diseases have been less frequent. On 1 March, the Compensation for Occupational Injuries and Diseases Act of 1993 (sometimes called COIDA) repealed the oldest surviving labour law, the Workmen's Compensation Act which had been in operation since 1941. The new Act makes a number of significant changes to the statutory compensation system. But the basic framework remains the same. Much of the new Act is no more than a reordering of the Workmen's Compensation Act making it more logical and user-friendly for non-



Pic : William Matlala

lawyers. However, many of the major weaknesses of the compensation system have not been reformed. This note gives a brief overview of the compensation system and then discusses some of the most significant changes.

### Overview of the compensation system

South Africa has a system of "no fault" compensation for workers injured in accidents at work or who contract occupational diseases. They are entitled to compensation regardless of whether their injury or illness was caused by the fault of their employers for causing their injury or disease. However, if an accident is caused by the negligence of the employer or a senior employee, the worker can claim increased compensation.

Compensation is paid to workers who are temporarily disabled, permanently disabled and the dependants of workers who die from injuries sustained in accidents at work or from an occupational disease. The Act also covers the payment of medical costs, funeral costs and attendants for seriously disabled

workers. Workers who are temporarily disabled receive 75% of their wages for the period of their absence. Workers who are permanently disabled receive a lump sum (if their disability is assessed at 30% or less) or a pension if they have a more serious injury. Generally, the compensation received by a permanently disabled worker is only a small portion of his or her loss of earnings.

Compensation is paid from the Compensation Fund which is administered by the Compensation Commissioner. All employers must register with the fund and pay assessments to the fund. Government departments and some larger municipalities are self-insured and employers in mining and building are insured through Rand Mutual and Federated Employers' Mutual. The Act requires the employer to report all accidents and occupational diseases to the commissioner. Where an employer does not make a report, the worker may do so on his or her own or with the assistance of a union. Workers are now entitled to obtain a copy of the accident or disease report from the employer.

## **The Compensation Board**

COIDA creates a Compensation Board to advise the Minister of Labour and the Compensation Commissioner. The Board has representation from the government, unions, employers and the medical profession. This brings the Act in line with other labour legislation which create similar advisory bodies.

## **Occupational diseases**

The new Act significantly changes the approach to the compensation of occupational diseases. The list of scheduled occupational diseases has been considerably extended and is now in line with current international standards. The most important inclusion in the list is muscular strain caused by repetitive movements. This condition effects a wide group of factory, office and other workers (for example, typists and production line workers) whose jobs require them to use the same muscles repeatedly.

In recent years about 150 workers have received compensation for occupational diseases each year. This is a small proportion of the workers who do contract occupational diseases. There are many reasons for the under-reporting of occupational diseases. These include ignorance by workers of their rights, the failure by the government to publicise the benefits available in terms of the Act, lack of access by many employees to medical facilities and the lack of specialist occupational health doctors. In addition, many workers who are sick will not claim compensation because they fear that this may lead to their dismissal.

## **Compensation for first three months absence**

Employers must now pay workers who are temporarily disabled their compensation for three months. This change should help with one of the biggest problems: the delay before workers receive their first compensation payment. When a worker is injured at work, the employer must now pay the employee 75% of his or her wages for the first three months that he or she is absent from work as a result of the injury. The worker should be paid on his or her

normal pay day. The employer must do this even if the worker is dismissed or if his employment contract would have expired. After the three months the employer may recover this money from the commissioner. Many unions have reached agreements that employers will pay employees their full wages during absence due to an injury: this new provision will not affect the employers' obligations in terms of these agreements.

## **Employees covered by the Act**

The Act now covers all employees regardless of their earnings level. Previously, there was a ceiling on cover and high earning employees were excluded. As most high-earning employees are not employed in high risk jobs, it is thought that this reform will assist the finances of the compensation Fund.

The Act has also been extended to cover out-workers – that is employees who work at home but perform work supplied by an employer. (This is a common arrangement in the garment industry and is often associated with extreme exploitation). There are no time limits for qualification for benefits – a worker who works for only one hour per week or who is injured during the first minute of working is entitled to compensation. The only major groups of employees now excluded are domestic workers and members of the police and defence forces. The Act does not apply to self-employed persons.

## **Motor accidents**

The category of motor accidents involving workers who are being transported to and from work to which compensation will be paid in terms of the Act has been narrowed.

Compensation will only be paid if the accident happens while the workers are being transported free of charge to or from their place of work for the purpose of their employment. In addition, the vehicle must be driven by an employee of their employer and must be specially provided for transporting employees. (Workers involved in accidents that do not meet this test may nevertheless be entitled to damages under the motor vehicle assurance legislation.) ☆



## SACCAWU's Bones Skulu

### *general secretary in the hot seat*

I was born in Duncan Village in East London on 23 March 1953. But because of the Group Areas Act, we were removed from Duncan Village and were resettled in Mdantsane in 1968. I am the third eldest of five children. My mother was a domestic worker, and my father a labourer and we also stayed with my grandmother.

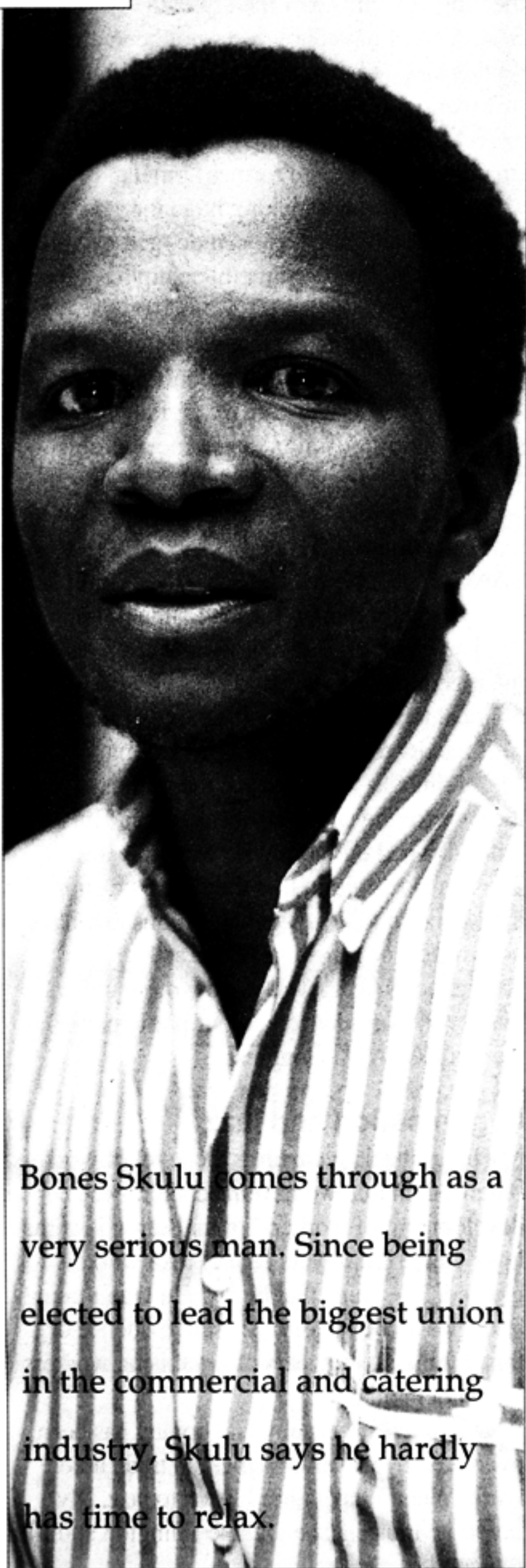
My involvement in political activities dates back to 1976 when we marched against the killing of students by police in the Soweto uprising. The march was organised under the auspices of the South African Students Movement (SASM). I was arrested with 41 others on charges of attending a prohibited gathering. We were, however, later acquitted on all charges.

#### **Striking with SAAWU**

I completed matric in 1976, and was unemployed in 1977. My first job was at Raylite Batteries as a laboratory assistant in 1978. When the SA Allied Workers Union (SAAWU) started organising in the East London area, we were amongst the first companies to join. I was then elected a shopsteward. We were fired in August 1980, when the entire workforce went on strike demanding the recognition of our union.

After we were fired, I was one of the workers who did voluntary work for SAAWU. This involved organising other workers to join the union, helping out with workers cases and grievances at the office, as well as addressing workers' meetings.

In 1982 I was employed at Grosvenor Ford in East London. The Motor Industry and Component Workers Union (MICWU) had a closed shop agreement, thereby compelling me to become a member. But MICWU later joined forces with other unions in the motor and engineering industries to form NUMSA. I worked at this place until November 1985.



Bones Skulu comes through as a very serious man. Since being elected to lead the biggest union in the commercial and catering industry, Skulu says he hardly has time to relax.

## Working underground

At around the same time, I started getting involved in underground activities of the SA Congress of Trade Unions (SACTU) and the ANC. My main areas of responsibility were the building and organising of structures in some Mdantsane zones. I also served in the ANC Border regional executive committee from 1990 to 1992. As Mdantsane fell under the control of the Ciskei homeland, this brought me into conflict with the repressive Sebe regime. They arrested me and was subjected to a four-hour interrogation, after which I was released.

I joined CCAWUSA (forerunner of SACCAWU) in 1985. I was employed in the East London local as an organiser. I was an organiser until 1988 when I was elected regional secretary for the Eastern Cape.

I was elected assistant general secretary of the SA Commercial and Catering Workers Union (SACCAWU) in July 1993. I then became acting general secretary in May this year, after Papi Kganare left the union to join the OFS legislature.

The biggest challenge I faced after taking over from Kganare was co-ordinating the activities of the union during the strikes that happened. There was the ongoing battle between our members and Checkers-Shoprite management, and the much-publicised Pick 'n Pay strike.

When Shoprite took over Checkers in 1992, they cancelled the recognition agreement that SACCAWU had with Checkers, thus leading to strike action. This led to management targeting shopstewards for dismissal because they resisted moves to reverse the gains that the union had won at the chain store. Strikes, including the Pick 'n Pay one, became my major priority of involvement with the aim of giving direction to the militancy of workers. This militancy, in my opinion, is a result of workers' expectations that have been raised by the installation of a new government. Naturally, other office bearers of the union have been part of this process.

## Dogged by splits and crises

This has left me little time to do administrative work of the union within normal working hours. I have very little spare time, since I take

work home. I hardly have time to take my wife and two children on outings. When I was still in the eastern Cape, I used to attend other meetings like those of the civic, the ANC, the SACP, etc. I have, however, not been able to do this since I have been in Johannesburg. I just work all the time!

SACCAWU has a big growth potential. The finance sector and the former homelands are areas where we are making huge inroads. Although our union has been dogged by splits and crises, our paid-up membership has grown to about 120 000.

The splinter unions that were formed by some members of our union don't present serious problems. It's true that for a while, say three months, the union experienced problems with those members while we were trying to win them back to the union. But sooner, rather than later, these workers always come back to SACCAWU after realising that their cause is best served by remaining within the union.

The big split of 1987 over the adoption of the Freedom Charter was a battle by one of the political tendencies to gain control of the union. This had its roots in 1985 when Emma Mashinini was forced out of the union, to pave the way for the takeover of the union. But since it has dawned on those who want to cause division from within that they have no support, they see it fit to form splinter unions that have no prospect of growing. As far as I'm concerned, SACCAWU is now more united than ever, as evidenced by our participation at the last COSATU Congress.

## Organisation and jazz

My biggest achievement is the level of workers' organisation that we have reached now. The development of workers' organisation is at the level where employers cannot take workers for granted. The gains that have been won through struggles at the factory floor are evidence of this. I think all the years of organising workers were not in vain.

My interest in rugby and boxing has been overtaken by my involvement in trade union work. When I have time I listen to jazz. My favourite musicians are Duke Ellington and Ella Fitzgerald. ☆



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