INDUSTRIAL RELATIONS - GENERAL

1989

S/Times 1/1/89 (132)

Reform for labour peace

BECAUSE disputes between employers and employees harm industries, a better working relationship should be encouraged

Toyota personnel and industrial relations group director Theo van den Bergh writes in the Human Resource Management Yearbook that industrial action often has wide-ranging consequences

"It is often enforced through violence or other forms of coercion Members of those communities from which the participants come may reluctantly be drawn into the conflict"

Mr Van den Bergh says conflict causes a loss of productivity, lower living standards and has political implications

"Parties to the Left and the Right may champion their radical viewpoints and the ones in the middle may continue to split hairs, but the unemployed masses and frustrated employers will have to in the end come together and work out a compromise"

Mr Van den Bergh suggests that action should be taken to solve the problem, saying that the need for political, economic and social reform is urgent

"What these changes should be I cannot say and as a businessman I should not attempt to be prescriptive Our role should be more constructive We should encourage changes that will allow the majority of South Africans to feel at home with their own political, economic and social systems"

Mr Van den Bergh says the way in which employers conduct themselves will have a profound effect on the attitude of many millions of people who spend a large part of their lives at work

"In my opinion, the most constructive action ever to be taken by organised commerce and industry was the recent discussions between Saccola, Cosatu and the Minister of Manpower

"Unless employers and employees can learn to address the major issues in consultation with each other, no problems will be solved"

He advocates the participative style of management which facilitates identification with an organisation because individuals are involved in improving the working environment

"Individual companies and employers can take the first steps towards (fostering a better understanding amongst people) by creating a work environment with which every member of the organisation can identify on a non-racial and equal opportunity basis"

Watershed in labour relations

By MIKE SILUMA, Labour Reporter

Last year there were few strikes and the first ever national talks between labour and organised business were held But a collective effort by labour, Government and capital to address South Africa's economic woes has yet to emerge

Cosatu president Mr Elijah Barayi (left), NUM general-secretary Mr Cyril Ramaphosa and Saccola chairman Mr Bobby Godsell discuss the controversial Labour Relations Amendment Act.

Star 2/1/89 (132)

Although 1988 saw a dramatic decline in the number of strikes from the record high levels of 1987, it did not herald the beginning of rapprochement between capital, labour and the State

Low strike activity was directly related to a lack of wage-related industrial action in the sectors employing large numbers of workers

In the mining industry, for instance, a settlement was reached between the Chamber of Mines, the National Union of Mineworkers (NUM) and the Council of Mining Unions without the unions embarking on industrial action

The railways which, together with mining, accounted for most strikes in 1987, experienced industrial action in Natal and the Eastern Cape, which elicited a management commitment to start recognition talks with the South African Railway and Harbours Workers' Union

BITTER CONFLICT

But the conflict, involving about 10 000 workers, was nothing like the bitter, three-month Transvaal rail strike in 1987, in which about 40 000 workers participated

Even the metal strike, the biggest this year, involved no more than 30 000 workers

Overall, about a million mandays are expected to be lost through industrial action last year In 1987 the figure was between 5,8 million and nine million

The figures, of course, exclude working time lost to political stayaways, such as March 21, May 1, June 16 and the three-day stay-at-home called in protest against the Labour Relations Amendment Act and Government restrictions on the Congress of South African Trade Unions (Cosatu) and other anti-apartheid organisations in February

Some analysts have attributed the low incidence of strike activity to 'tiredness" and a newly found "maturity" on the part of unions However, there can be no doubt that employer resistance (in the form of dismissals and lockouts) and State repression played a major part in shaping the independent unions' approach

The Labour Relations Amendment Act, seen by unions as a State and employer ploy to weaken labour, easily emerged as the most significant industrial relations development in 1988, and may well remain a bone of contention this year

For one thing, the Act led to the historic national consultations between the country's two biggest independent worker federations — Cosatu and the National Council of Trade Unions (Nactu) — and major employer organisations represented by the South African Employers' Consultative Committee on Labour Affairs (Saccola)

For another, it exposed differences among organised business in their dealings with black unions, while providing an opportunity for Nactu and Cosatu to, for the first time, engage in joint protest action

While some employers distanced themselves from the Act and agreed to enter into contracts by-passing the more controversial aspects of the Act, their view was not shared by the majority South African businessmen

Cosatu and Nactu will, meanwhile, hold a "worker summit" early this year to plan further action against the Act

Labour relations in 1988 were also characterised by State intervention The State President's call for a wage freeze early in the year and the Government's restrictions on Cosatu were classic examples

In addition, differences remain between Government, labour and employers on important economic questions, such as deregulation and privatisation A co-ordinated approach by the three parties to fight unemployment has yet to emerge

Violence again featured prominently last year, with more attacks on union offices and the homes of officials

A number of union members are presently facing murder charges following the death of workers during a strike at Afcol furniture plants on the Reef

At the same time, the anonymous pamphlet campaign against Cosatu and Nactu was stepped up

The president of the Post and Telecommunications Workers Association, Mr Kgabisi Mosunkutu was released after four months in detention without being charged A number of other unionists remained in detention under security laws

On the mines, the NUM's two-year battle against the underground use of polyurethane culminated in the decision by the Government to ban the application of the material from January 1

Wage differences revealed

By Mike Siluma, Labour Reporter

White employees in the manufacturing industry, numbering 294 000, collectively earned R805 million last October, while their 716 900 black colleagues took home just R563 million, says the Central Statistical Service (CSS)

This means the industry's white workers pocketed, on average, more than three times their black counterparts' earnings

The figures are contained in a CSS report focusing on the size of the workforce in the mining, quarrying, manufacturing, construction and electricity industries for the period June to October 1988 Star 4/1/89

Last October, white employees in the construction industry, numbering 42 100, earned R116 million, while the industry's 217 900 black workers received R118 million, according to the CSS

The collective earnings of the electricity industry's 24 200 white workers, were, at the same time, pegged at R69 million The sector's 29 500 black employees, by contrast, got R33 million. (132)

Total salaries and wages paid to workers in the five sectors stood at about R2 802 million in August 1988.

The CSS said a total of 1 349 500 people were employed in the manufacturing industry last October, 312 300 in construction and 57 070 in the electricity industry.

Altogether, 2 425 334 people were employed in all five sectors in August 1988, with just over 712 000 finding employment in the mining and quarrying industries

B/Day 18/1/89 (132)

On a hiding to nothing

HOWARD COOPER, an economics lecturer at Rhodes University, challenges trade unions' theories on sanctions

IT IS often alleged that trade unions find themselves in a bind over the sanctions issue On one hand, their historical role is to safeguard jobs and wages and, on the other, advocacy of sanctions undermines these objectives. At face value this conflict seems irreconcilable — but this need not be so.

Trade unions are following a rational strategy to minimise short-run losses (historical role) and maximise long-run profits via a revolutionary socialist transformation

This balancing act requires a two-pronged strategy — a defensive short-run policy of business as usual on the shop floor, combined with simultaneous aggressive politicking by the union hierarchy to persuade foreign labour and capital to boycott SA The long-term aim of this persuasion is to create a situation that will transform the means of production to workers

This vision of a post-sanctions, post-apartheid economy is predicated on two beliefs. The first, demonstrating a keen understanding of the distributional implications of sanctions, is that labour will suffer more than capital, and the second, which is more dubious, is that South African historical developments can be simplistically explained by Marxian dialectical materialism

The conventional argument for sanctions is that the burden will fall more heavily on profits than wages, thus coaxing capitalists to lobby for reform

This is false In SA's case, profits will increase as a result of sanctions because the economy will become less capital intensive — that is, the supply of capital will decrease, causing profits to increase Under these circumstances, capitalists are hardly likely to want reform

In contrast, wages will fall as labour intensity increases Sanctions thus cause a redistribution of income from labour to capital. They make the rich richer and the poor poorer. Rather than opposing this redistribution, trade unions actually welcome it as part of their long-term strategy

The short-term losses incurred owing to the fall in wages will, it is believed, be more than compensated for by ownership of the means of production in the long-run. It is at this point that the vision of trade unions becomes hallucinatory.

At a time when socialism is in retreat worldwide, including the rest of Africa and even the Soviet Union itself, social revisionists in SA are intent on ignoring the collected experience of post-war economic development.

As others have discovered to their costs elsewhere, there is no guarantee of such a long-term payoff. South African workers are being fed on a "millenium diet" but none of them is guaranteed a place in the Promised Land

If, as seems likely judging by the collected evidence from other countries, trade unions have seriously miscalculated their long-term strategy, the officials concerned have little to lose Labour, on the other hand, will be poorer still and the capitalists will be laughing all the way to the bank

It is about time that so-called liberal (in an economic sense) Western governments realised the perversity of economic sanctions. Either they are successful which — as trade unions correctly divine — means socialist transformation, or they are unsuccessful, which means greater poverty for 99% of us.

As the saying goes, we are on a hiding to nothing.

132

BUSINESS: LABOUR FOCUS

MURDER! How factory floor v

The bitter war of words between Anglo American mine workers last week centred around the iss bloodshed in the compounds. The mines are b example of a violence that has spilled into all s the industry. Today, some 40 workers are behi facing murder charges EDDIE KOCH repo

DEATH ROW has become a common destination for workers involved in the spiralling violence and murder that has become a marked feature of industrial conflict in recent times.

At least six trade union members face the executioner's noose for their part in the killing of fellow workers during strikes and more than 40 other workers are behind bars facing charges for murders that took place during industrial action over the last three years

The shooting of a striking worker at the prestigious Johannesburg Sun hotel in central Johannesburg during a strike last year was another indication of the bitter and volatile atmosphere that now tends to accompany industrial disputes

A bitter war of words between the National Union of Mineworkers (Num) and the Anglo American Corporation, which erupted last week over the causes of strike-related violence, highlighted how seriously organised labour and employers view the issue

Trade unions and industrial relations consultancies report that the issue has become a priority agenda item during many factory-based negotiations and many observers believe the problem poses a grave threat to the collective bargaining system

Major cases of violence and murder during strikes include

● Sixteen members of the South African Railway and Harbour Workers' Union (Sarwhu) on charges of murdering four strikebreakers during last year's mammoth railway dispute Eight have pleaded guilty Evidence in mitigation is under way and judgment is expected in the Witwatersrand Supreme Court next month

* Twenty-five Paper Print and Allied Workers' Union (Ppawu) members have been arrested on charges related to the killing of five non-strikers during a bitter dispute at Afcol furniture plants on the Witwatersrand last year

● Three members of the Transport and General Workers' Union (TGWU) are on death row for gunning down a working driver during a dispute at Putco in Durban in 1986 The union has launched a petition campaign for clemency from the State President

● Two members of the National Union of Mineworkers (Num) are awaiting execution for the murder of fellow workers during two separate incidents

Tyelovuyo Mgedezi was convicted of murder after a fight between team leaders and Num shopstewards at the Vaal Reefs Gold Mine in February 1986 One of Mgedezi's death sentences and those imposed on two of his accused were comm case went on appeal

Lucky Nomganga was after six black miners and miners were killed during over dismissals at the W ings mine in June 1987 T were convicted of murder uating circumstances and sentences of up to 10 yea

Permanent stress: The roots of labour strife

The intense stress experienced by miners may contribute to violence Ironically, while mine disasters do not greatly increase stress levels, strikes do, say psychologists

WORKER grievances in South Africa are increasingly being expressed aggressively because basic trade union rights that govern labour relations in Western democracies do not exist in South Africa

That s the conclusion of senior lecturer in psychology, Lloyd Vogelman, who studied the psychological profiles of South African Railway and Harbours Union (Sarhwu) members charged with murdering strikebreakers during last year's railway strike

Vogelman, who also directs the Project for the Study of Violence at the University of the Witwatersrand, argues that a number of factors can converge in a strike situation to cause pent-up frustration to spill over into overt violence

All of the accused in the Sarhwu trial, says Vogelman, experienced severe economic deprivation and at the time of the strike were engaged in a struggle to ensure the survival of their families

"Compound living deprived them of their privacy, adequate food, comfortable sleeping conditions, appropriate living space, and heterosocial and heterosexual relationships," he adds

Frustration that derives from such deprivation is most likely to heighten aggression when the cause of the frustration is perceived as being arbitrary and unfair, says Vogelman

"It is clear that the accused and the mass of workers perceived the actions of the police at Germiston and Doornfontein (in which strike meetings were broken up by force) as arbitrary and illegitimate Furthermore they saw Sats management as intransigent and not willing to negotiate"

But in some circumstances industrial conflict can provide an outlet for the high levels of frustration that result from deprivation

"Obviously the less repression during the strike the greater the outlet," he says 'Picketing, for example, allows for peaceful expression of anger and because of this it inhibits the expression of violence"

The right to picket was one reason why only one strike-breaker was killed during the bitter year-long miners' strike that rocked the United Kingdom in 1985, Vogelman argues

Intense stress levels experienced by migrant workers may also be a factor in the violence

A separate study, conducted last year by psychologist Ilana Edelstein, found that miners at the St Helena Gold Mine experienced continuous levels of stress more than twice those in a "normal population"

"As miners are continually exposed to life-threatening dangers, to extreme environmental conditions and to arduous work they may be suffering from a 'continuous stress disorder'," says Edelstein in a thesis submitted for her degree in clinical psychology

This persistent stress is caused by underground work performed in conditions among the most severe in the world Each miner expects to be exposed to an accident once in every 205 working days and during their shift miners routinely face heat levels that are sometimes four times that on the surface, dampness, noise, darkness and long working hours

Stress levels rise highest during strikes Western Deep strikers celebrate after fending off an attack

Edelstein found that miners who had recently been exposed to a major disaster on the mine displayed no significant increases in their already high levels of stress

"It is suggested that, because of the stress of mining, miners do not necessarily have to be directly exposed to disaster conditions in order to experience psychological strain," she argues "Indeed the daily stress experienced by miners may mask the impact of a particular event such as an underground fire"

But strikes can cause stress levels among miners to reach breaking point, says Vogelman. Industrial conflict, while providing an outlet for frustration, can also provoke extreme anxiety in workers over the real possibility of dismissal and high levels of guilt because of the severe consequences for their families

"And heightened stress in any situation has the following consequences it creates a tendency to behave impulsively and a desire to direct anger towards the factors that contribute to stress

"Because of high levels of unemployment, people who have jobs are basically a privileged class Most migrants have numerous siblings who are dependent on them and ings can be incredibly inte volve great anger towards who they feel are causing in the power of a strike

"If these agents, for exa curity forces, which weak cannot be approached due to treme power and lack of the tendency will be to look targets who are less pr more accessible More these tend to be scabs"

Edelstein and Vogelman unions have a crucial role in reducing strike-related

Edelstein found that m

violence took a bloody turn

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... convicted and two white ... a dispute western Hold- Eight others with exten- received jail years The union will launch a clemency petition for Mgedezi this week and has applied for an appeal against Nomganga's conviction

● A member of the Commercial Catering and Allied Workers Union (Ccawusa) is on death row after being convicted of killing a strike breaker during the Nels Dairy strike in Johannesburg in 1987 The union has launched a campaign to petition the State President for clemency

In addition to these cases, Anglo American last week published a list of violent incidents that led to the death of 80 miners during wildcat strikes, stoppages, boycotts, sit-ins kidnappings and "the most gruesome incident of public execution" on the corporation's mines between April 1985 and September 1987

Anglo says the public execution took place at a kangaroo court on the Western Holdings mine following a Num-led underground sit-in and canteen boycott

Anglo industrial relations chief Bobby Godsell believes the solution to the problem lies in the creation of a negotiated code of conduct that will regulate the behaviour of union members and management during strikes Anglo's draft of the code also provides for joint monitoring committees and arbitration procedures to determine which party is at fault during incidents of violence

"The relationship between management and employees is characterised by both common and conflicting interests," says the code's preamble "In certain instances, despite the existence of channels and procedures to resolve differences, violence and conflicts have occurred which the parties agree should be prevented The purpose of the code is, therefore, to eliminate violence by promoting acceptable norms of behaviour "

In terms of the code, each of the parties in a dispute will be accountable for the actions of their officials and will ensure that these individuals act to ensure industrial peace

It also contains provisions for the continuation of hostel facilities such as canteens, ablutions and other essential services during strike situations The code proposes special areas on the mine be designated for peaceful picketing and guarantees normal access to working places for those who choose to work

Num assistant general secretary Marcel Golding says his union is willing to talk to Anglo about the code but stresses that the long-term and structural causes of mine violence need to be urgently addressed

A number of trade unions report the issue has also already been raised by companies in the metal, food and commercial sectors, some of whom are using Anglo's proposals as guide lines

Violence during strikes and opposing views about the causes of and solutions to the problem will no doubt be a burning issue when collective bargaining begins in earnest this year

... at the mine during the 1987 national strike
Picture GIDEON MENDEL

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... the se- ... a strike ... to their ex- accessibility ... for other ...ful and ... than not

... argue that role to play ... violence miners who were exposed to the St Helena disaster — and also had a strong belief in the ability of the National Union of Mineworkers to change their living and working conditions — showed significant reductions in stress levels

Adds Vogelman "Particularly amongst newly organised workers, union leaders would have a central contribution to make in terms of providing expertise in dealing with negotiations and the myriad of problems that arise during a strike in order to contain impulsive aggression The greater the level of unionisation and the greater the skill of the unionists the less the potential for violence "

The provocations which spark violence

ESCALATING violence on the factory floor came under the spotlight at a special meeting of Cosatu's executive committee late last year

The executive, which consists of officer-bearers from the federation's thirteen affiliate unions, spent much of its time hammering out a programme to contain the conflict

In an interview, Cosatu general secretary Jay Naidoo outlined the view that emerged during the gathering

"A need to view the killings in the context of the root causes of the violence was emphasised," Naidoo said

Delegates noted that unemployment made the need to keep a regular job a matter of life-and-death for most workers "Often dismissal during a strike involves being sent back to the bantustans where the worker faces nothing but sheer poverty "

At the same time workers faced Emergency regulations and intense security force "pressure and provocation" during strikes An example of this was way police conducted the 1987 siege of Cosatu House as a military operation

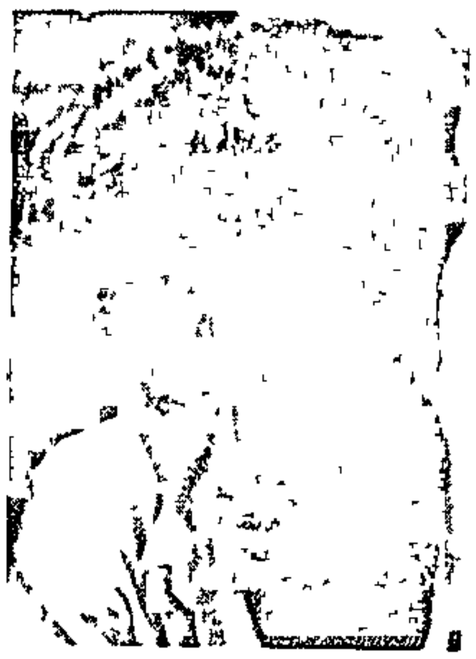
Hundreds of workers have been arrested under Emergency regulations over the past two years and scores of other have been convicted on charges of intimidation

"Disruption and constant provocation by security forces has included the arrest of the most experienced and disciplined layers of union leadership in control of strike situations and it is often at this stage that the situation spirals out of control," Naidoo said

These were the main explanations for the remarkable overlap between the Emergency and the period in which industrial violence has escalated so dramatically

Other factors accounting for worker aggression were the absence of provisions that applied in Western democracies such as strike funds, the right to strike without fear of dismissal and the legal ban on peaceful pickets during disputes

Factory floor violence worries the unions enough to be the subject of a special Cosatu executive committee meeting last year



Cosatu's Jay Naidoo
Picture AFP

"Frustration and resulting violence could be reduced if workers had some form of security as well as channels to express their grievances during disputes," Naidoo said "Instead attempts to picket are usually smashed by police The only outcome of meetings being banned and leadership being placed in detention can be violence "

Employers were also making use of legal provisions that increased tension among workers during strikes

"The Labour Relations Amendment Act gives employers the right to sue unions, obtain interdicts declaring strikes illegal and to threaten the job security of workers on strike," he said

More crucially, the law allows employers to recognise minority unions and those that represent only certain grades of workers, instead of entrenching the established tradition of majoritarianism which obliges management to deal with one union that represents more than half the workforce

This provision of the law also allows for ethnically-based unions that represent small groups of workers in superior positions on the factory floor, thus fomenting racial tension

"That is a classic example of divide-and-rule if there is one thing that will cause violence during strikes this year it is the Labour Relations Amendment Act," Naidoo said

"And its provisions are exacerbated by the increasing use of coloured and white labour as scabs during strikes Reports from our unions are that managements are regularly threatening to replace African workers — even in non-strike situations — with coloured and white workers, saying that 'Africans are always on stayaway' "

This pattern was confirmed by Sats' use of unemployed whites as replacement labour during the 1987 railway strike, newspaper articles detailing the growth in the number of companies that specialise in replacing striking Africans with workers of other races,

● To PAGE 20

Course deadline extended

Sowetan 1/2/89

132

THE Wits Business School has extended the deadline for trade unionists wishing to enrol for the certificate programme in industrial relations this year.

Co-ordinator for the course, Professor Loet Douwes Dekker, said the CPIR, now in its eighth year, is open to trade unionists and management people

Last year 21 unionists and 46 management enrolled. He said the course is of particular benefit to shop-stewards, activists involved in worker education and staff of union service organisations

Professor Douwes Dekker added that the response for the CPIR 8 has been good, but stressed that the deadline for late applications has been extended to February 3 for unionists only

The nine-month programme covers the period from March 13 to November 18, 1989 with four full-time lecture weeks at the school.

Bursaries are available for applicants who need them

Mazula, Meiring said the time for talk was

'Different management style needed'

Unions working towards unity

B/Day 22/2/89

GERALD REILLY

PRETORIA — Trade unions were moving closer to each other and were prepared to face management in greater unity than five years ago, SA Boilermakers Society assistant general secretary B F P Oosthuizen said yesterday

He told the project management conference at the CSIR the old approach of management to divide the labour force and rule was rapidly becoming something of the past

A different style of management which acknowledged the aspirations of labour would have to emerge if capital projects were to be managed effectively

The behaviour and attitudes of the work force were unpredictable because neither labour nor management had established a clear cut power base.

Oosthuizen said to assist the two parties government had amended labour legislation with disastrous results Now both sides were having difficulty with amendments

The state had once again shown its partisanship by introducing a piece of legislation that was swinging the pendulum in favour of capital

A development becoming progressively more disturbing to trade unions was management moves to fragment workers skills into small specialised aspects.

Oosthuizen said employers were simply training workers in one aspect of a trade for the duration of a contract. Afterwards, they were cast into the wilderness of the semi-employed

Management and government were alarmed at the reduced number of school leavers willing to become artisans.

The fragmentation of trades and a willingness on the part of employers and government to employ unqualified labour in artisans' jobs left no incentive for youngsters to enter a trade Labour was also demanding the right to be trained to master technological changes.

Court order against Uwusa

DURBAN — Competition between two trade unions to recruit members in the Isithebe area led to attacks on officials and members of the Amalgamated Clothing and Textile Workers Union of South Africa (Actwusa) by officials and members of the United Workers Union of South Africa (Uwusa), it was claimed in the Supreme Court in Durban yesterday

Mr Justice Broome made an interim order interdicting members of Uwusa from assaulting, molesting, intimidating, threatening or harrassing members of Actwusa

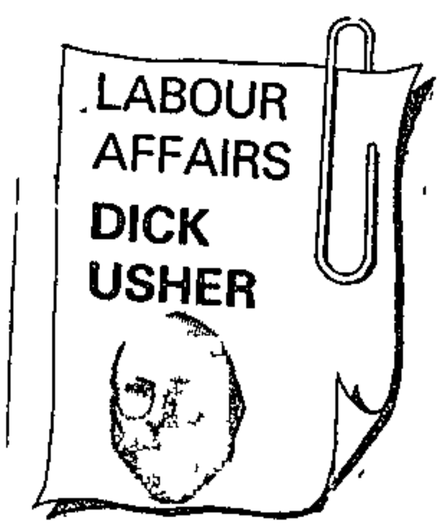
Uwusa is also interdicted from preventing the other union from conducting meetings, and from disrupting the meetings and interfering with the union's lawful activities

Uwusa must show cause by March 14 why the interim order should not be confirmed

Elias Banda, national organiser of the applicant union, said the two unions were competing in the Isithebe area for members and for the right to represent employees with management

On February 2 he was holding a meeting with shop stewards in the Isithebe area The meeting was broken up and he and members of his union were assaulted by officals and members of the other union, he said. — Sapa.

'Indispensible' books on labour relations



THE developing importance of labour relations to South African Industry and Commerce is reflected in the lengthening list of local books dealing with the subject

Two recent publications from Juta are, each in their own way, indispensible for the practitioner of industrial relations, managers and unionists

Sonia Bendix's *Industrial Relations in South Africa* is a bold attempt at a basic manual which combines both practical and academic considerations in a lengthy and comprehensive work

She is eminently qualified to produce such a work, having background as an advisor and negotiator as well as teaching the subject and has produced a well organised book which places South African industrial relations in their social, historical and legal frameworks

It also has the advantage of being clearly written with a comprehensive content list and index and therefore an accessible reference work to both the experienced practitioner and relative newcomers

Each chapter starts with an overview of the material covered and ends with some thought provoking questions to ponder which refer one back to the material and provide fascinating topics for debate which reach to the heart of industrial relations concerned

Most timeously

It arives most timeously because, as Mrs Bendix says "Following a period of relative stagnation, South African industrial relations, particularly in the sphere of collective bargaining, is at a stage of dynamic development and readjustment.

Unions of all persuasions are in search of the most effective bargaining system In addition, there is an increasing demand for more effective participation in decision making

"In the light of these circumstances, developments in the next few years should prove extremely interesting"

They should indeed, but with the spread of basic information and understanding provided by such works they could prove to be interesting in the sense of challenging — as the parties involved work out solutions based on mutual respect — rather than in the sense of problamatic and troublesome.

A related book by labour lawyers Ewdin Cameron, Halton Cheadle and Clive Thompson is *The New Labour Relations Act*

This deals with the law after the 1988 amendments in the context of the values the law seeks to promote — collective bargaining for industrial peace It is divided into roughly equal parts, the first of which in six chapters deals with the Act and the systems for dispute resolution and protection of interest which it set up, and the second provides a cosolidated statute with a running commentary.

The commentary, in providing detailed discussion on what the Act has changed, is an invaluable guide to how the changes have effected the industrial relations

Research poseurs exposed as spies

CAPE TIMES 1/3/89

(132)

Own Correspondent

DURBAN — Two National Intelligence Service (NIS) agents used the Human Sciences Research Council as a cover in an attempt to infiltrate trade unions.

A statement issued yesterday by the Bureau of Information on behalf of the NIS apologised to the HSRC and said a departmental inquiry had been launched.

It said the NIS members used the HSRC name and letterheads while trying to "establish relations with a view to initiating discussion with certain trade union organisations in Durban".

This was "misguided" and "without authorisation".

"The HSRC was not consulted beforehand or at all, it did not grant its permission and it was not aware of the action," the statement said.

"The NIS maintains no professional relationship with the HSRC other than, in its practising of security intelligence, making use of generally available products of the HSRC as sources of research."

was lying, he found a freshly fired empty cartridge in the chamber op-

three-in-a-bed romp before Mrs Krebs attacked her husband, smashing a bottle of wine over his head

The court has heard Mrs Krebs

Trade unions 'vital factor' in SA

Staff Reporter

132

The Anglo American Corporation was committed to trade union rights for all South Africans, Anglo chairman Mr Gavin Relly told a group of post-graduate students from the United States Wharton School of Business in Johannesburg yesterday

While 65 percent of all buying power was in the hands of blacks, trade union power, unless damaged by sanctions, would increasingly become a vital factor as an instigator of change.

The corporation had advocated the extension of trade union rights to all South Aricans, despite initial strong opposition from Government and from some colleagues in the business community long before the seminal Wiehahn Commision of 1977-1979.

"We did not believe that dealing with developing trade unions would be a comfortable experience

"Indeed, we anticipated the real problems and tensions that the absence of political rights for black South Africans would create in politicising unions, but we thought there would never be a sound base to an industrial democracy unless we embarked on a process of helping develop trade unionism," Mr Relly said.

It was no exaggeration to say that there was a nascent industrial democracy at the heart of South Africa's modern economy Given encouragement, this industrial democracy could be of vital importance in helping to create and sustain a wider political democracy, but Mr Relly warned that its contribution would naturally be diminished by sanctions.

Bosses to link pay to output this year

Sunday 31 8 84

By Mike Shuma, Labour Reporter

This year could see greater employer pressure on trade unions to agree to a linkage between productivity and wages, and unions can be expected to increase their campaign for negotiational and campaign for bargaining.

This was said by University of the Witwaters-rand Industrial Sociology lecturer, Professor Dunca-can Innes, at a recent Industrial Relations Contact FSA Conference.

Many employers are organised to increased productivity as a means of looking to overcoming the inductivity with showing bottom both overcoming their most black flationary implications of wage increases and protecting their most little line. So far, showing little sympathy with unions has been employers putting of reasoning "This year) is likely to unions and productivity as part of the negotiations, on to address pressure, on ing schemes, pressure to cepts, productivity bar-He said, employees to a top bargaining issue and employees as a bargaining issue bargaining and the de-had contributed to the velopment of a property market in black areas of the housing and the sup-ply of housing from the withdrawal Economic Research Cen-tre said the Labour Work-ing for Adler, a for-mer Tally Adler, a for-mer Economist now work-ing for the Reserch Cen-tre said this year Mr Tally Adler, a for-mer economist now work-ing for the Reserch Cen-tre said the from the sup-ply of the State withdrawal of housing and the de-velopment of a property market in black areas had contributed to the emergence of housing issue emergence of housing as a top bargaining issue He said, company housing schemes were unable to address the problems of the homeless because such Thus was because such schemes were originally designed for high income workers in the white resi-dential market, and were generally linked to solu-tions provided by urban dal institutions

INDUSTRY TALKS

He said black unions would, for their part, in-crease pressure for enu-ployers to accept bar-gaining on wage issues al and unions can be This was linked to the Congress of SA Trade Unions' "one union, one industry" goal, likely to be pursued with more in-tensity this year

Unions

WHAT STRIKES COST SA OVER THREE YEARS

B/Day 10/3/89

Political Staff

CAPE TOWN — More than 8-million man-days were lost in strikes in SA in the three years between 1986 and 1988, Manpower acting Minister Eli Louw said yesterday.

There were 2 966 strikes, involving 1 120 134 blacks and 490 whites, between January 1 1986 and December 31 1988.

Louw said in reply to a question tabled by Arrie Paulus (CP Carletonville) that 8 044 619 man-days were lost in these strikes, whose average duration was 6,2 man-days.

Illegal

132

Information about how many of these strikes were illegal was not available.

He also said criminal prosecutions for participation in illegal strikes did not rest with the Manpower Department and as a result his department did not have information about the numbers criminally prosecuted.

In reply to another question, tabled by Peter Soal (PFP Johannesburg North), Louw said one union applied last year for registration for black employees only, one for white employees only and seven for employees for more than one population group.

Unions in bid for unity

S/Times 12/3/89

A WORKERS' meeting, attended by 700 union members, is likely to have far-reaching repercussions

Important decisions were made by labour leaders at the meeting They include the formation of a committee to co-ordinate the drafting of a new labour relations act (LRA) and a move to greater unity among Cosatu and Nactu affiliates and independent unions

Although Nactu refused to attend the meeting, 11 of its affiliates joined 16 independent unions in a bid to bury differences through negotiation

Opening the meeting at the University of the Witwatersrand, Cosatu president Elijah Barayi said "The demand from workers for joint responses and joint action is getting stronger all the time"

UNITY

He said the drive for unity among rank-and-file workers had brought the meeting about and it was an important step in the consolidation of the labour movement

"This summit has the potential to end the unnecessary division and lays the basis for greater cohesion within the democratic labour movement"

The meeting was originally called to discuss issues such as worker unity and alleged State repression, but the overriding call was for a new labour relations law

Union representatives said it was hoped to bring in legislation which did not merely serve the interests of capitalists and the Government

The proposals will be handed to the South African Co-ordinating Committee on Labour Affairs (Saccola), employer organisations and employers by May 2 Workers have been called on to formulate their own suggestions

EXCLUDED

Areas which will receive attention are the sectors excluded from the Act — public sector, domestic, farm and forestry

Union spokesmen said the submission should include

"The right to strike and to picket, no dismissal without a proper hearing, retrenchment to be negotiated with representative unions, recognition of majority unions and the right to sympathy strikes

"Employers be given 30 days to respond to demands, a national dispute be declared with those who refuse to make positive progress towards meeting the demands and that national ballots be conducted on all these demands, in all industries"

Nothing to offer workers say unions

Sowetan 16/3/89

MAJOR black trade unions have slated the budget, saying it increased the tax burden of workers while failing to address the social needs of the majority.

The biggest industrial union, the National Union of Mineworkers (Num) said the budget had nothing to offer to workers It increased sales tax so that every black worker, in particular the black mineworker, will pay more to the Government

"There is nothing which alleviates the plight of the unemployed and contrary to the Minister's claim that the budget promotes reform, it actually promotes a decline in the standard of living of black workers

Apartheid

"It is clear that the bosses and the apartheid government will stop at nothing to ensure that workers are squeezed of every hard-earned cent to benefit the apartheid system

"The time has come for workers to seriously consider whether the Government is justified in taxing people who do not have representation in the Government," said Num.

In its initial reaction, the National Union of Metalworkers of SA (Numsa) also lashed out at the budget, saying the allocation for housing and social services was "grossly inadequate."

Numsa spokesman, Dr Bernie Fanaroff, said the allocation for housing did not keep pace with inflation and would not resolve the 800 000 housing unit shortage

Dr Fanaroff said it was obvious the Government was "shifting its housing responsibility to the private sector, which cannot provide for the majority"

The current housing crisis meant that the "unemployed and the rural population would be put on the rubbish heap"

The private sector provided housing ranging from R30 000/unit upwards, which 90 percent of Numsa members could not afford.

By increasing GST, the Government was transferring the tax burden from the wealthy to the poor. "We are opposed to GST and to direct tax Personal tax should be increased for those on the upper end of the scale and tax for those on the lower end of the scale should be decreased," said Dr Fanaroff.

Site tax was inadequate in that it aimed at spreading the tax base "so that the wealthy could have their tax reduced while shifting the burden to the poor"

However, the white SA Confederation of Labour (Sacol) welcomed Finance Minister, Mr Barend du Plessis' remarks about corruption, the exploitation of the consumer and tax evasion

• The Black Allied Mining and Construction Workers' Union (Bamcwu) said. "The increase in Sales Tax is not surprising because all capitalist societies thrive on excessive taxation of the working class to resolve their mismanagement of wealth."

"This shows that the present state does not serve the interests of the working class If it did, all the money allocated for defence would have been used to create jobs and wealth for the majority," Bamcwu said.

Star 17/7/87 132

Unions give blacks way to air views

By Adele Baleta

The South African labour field was a developing island of opportunity in a sea of discrimination, says Professor Blackie Swart of Stellenbosch University's Business School.

He was addressing a two-day conference entitled "The 2nd Post-Wiehahn Decade — the Socio-Political and Economic Future" in Pretoria yesterday.

Professor Swart said changes to the Labour Relations Act last year had retarded progress made since the Wiehahn Commission report was published in 1979.

Discrimination in the workplace was, in some cases, worse than it was a decade ago. There were no political rights for the majority who had to use the labour system to air their political, economic and social grievances, he said.

Although discrimination had been abolished in some forms the "overpowering ideology of the Government and the environment in which the labour movement operates is one of apartheid".

Political demands

"Trade unions would make more political demands at the negotiating table at all levels and employers would be forced to take a stand on a national and international level".

Mr Johan Liebenberg, a senior general mangager of the Chamber of Mines, pointed out there had been more changes to industrial relations in the past decade than at any other time

Ten years ago, the only union on the mines was the white pro-Government Mineworkers Union and wage negotiations were between the mining houses only

When the NUM was formed in 1982 it had 6 000 members and now, according to the Chamber, it had expanded to about 184 000 members.

Among the most significant advancements for black miners was the cancellation of the Scheduled Persons Act in 1987 and a year later blasting certificates could be given to blacks

President of the S A Boilermakers Society Mr Ike van der Watt said the Industrial Council was the cornerstone of the collective bargaining process and should be retained

Changing face of industrial relations

(132) S/Times 26/3/89.

THE years 1979 to 1989 yielded more fundamental change in industrial relations than any other time in the history of IR

Chamber of Mines senior general manager of external relations, Johan Liebenberg, told the second post-Wiehahn decade conference in Pretoria that the commission's proposals had changed the law and climate of labour relations But it was up to employers to bring about change.

Mr Liebenberg said the Wiehahn report had resulted in

- The unionisation of unskilled and semi-skilled workers It had led to the rapid growth of the National Union of Mineworkers (NUM), culminating in 1987 when the union had 184 000 paid-up members It became the largest trade union in South Africa, if not in Africa
- The advancement of blacks into white positions At the beginning of March this year, about 5 000 of the 50 000 skilled positions in mining were held by blacks, coloured and Asians
- The legal profession had been the winner Mr Liebenberg said one of his criticisms of the industry was that it had become too legalistic But old-fashioned, emotional collective-bargaining was being phased out
- The growing insecurity of white employees which was not necessary as they would continue to be important in mining
- Increased violence on the mines

Blackie Swart, head of the industrial relations research unit at the University of Stellenbosch Business School, talked on trends in labour relations He said the removal of legislative discrimination was not enough, but must go hand-in-hand with a non-discriminatory labour market

"This has happened to a certain extent with the abolition of influx control and the opening of certain business districts However, it has been said that the only difference between the Government's ideology and that of its opposition is that the Government has been prepared to do away with petty apartheid

"Industrial relations has become an island of equal opportunity in a sea of discrimination Unions have been forced by the Government to become open avenues for the social, political and economic grievances of the people

"Apartheid cannot be reformed, it must be abolished Employers will have to take a stand on this, as well as national and international issues"

Looking at demographic trends, Professor Swart said that in 1951, blacks accounted for 67% of SA's population, by 1985 for 73% and by 2010 they were expected to make up 80% of the people

PEOPLE AT THE TOP ARE ON THE MOVE — PAGE 11

MANPOWER MIRROR by ROBYN CHALMERS

PAGES AND PAGES OF THE BEST JOBS IN SOUTH AFRICA

Agonising issue of social responsibility

S/Times 26/3/89

132

THE concept of corporate social responsibility programmes (CSR) has been a contentious issue between management and trade unions for years.

Many trade unionists believe that such programmes are patronising and paternalistic, and management sees them as vital to ensure a worthwhile future for South Africa.

Towards the end of last year the oil companies ran into trouble with the Chemical Workers Industrial Union (CWIU) when it declared a dispute over the fact that the employers refused to discuss the way corporate profits were spent on CSR.

This was only one of the many disputes arising over the concept of CSR, leading to dissatisfaction among not only workers but management, which allegedly cannot understand why its good deeds are not appreciated

A conference was held in Johannesburg to discuss the issue.

Barlow Rand director Charles Lipp, who opened the conference, said a realisation was dawning among business leaders that the solutions to socio-political and socio-economic problems did not lie alone in the promotion of the quality of life, or the many concepts that went to make it up

"What we are coming to appreciate is that the individual human being, for intrinsic worth as such, is the focus of attention in the final analysis. At Barlow Rand we believe that, with legitimate self-interest, we are attempting to invest in the country's healthy future existence.

"We hope our contribution will help to produce an economic environment in which our group is able to continue to thrive."

PG Bison chief executive Leon Cohen looked at the history of CSR, saying he considered the advent of the union movement to be one of the most important catalysts of change in SA

'It challenged traditional authoritarianism with its dependence on threat or paternalism to motivate the workforce.

"White managements were introduced to the process of negotiation and through this process began for the first time to recognise the workforce as comprising real people.

'It gave to the blacks the realisation of just how important they are to commerce and industry and, more consequential, the recognition of their ability to organise and mobilise."

The toughest lesson management had to learn, he said, was that SA was becoming poorer Reality was that the nation and managers were in a squeeze, and they had to ask themselves what they could do to take themselves successfully into the 21st century

"Be it self-interest, be it fear or threat, the challenge we saw was that if we did not increase the capacity of business to stay in business, then no matter whether all concerned commenced right now a process of consultation toward real change, there would still in fact be no worthwhile future to which we could look forward."

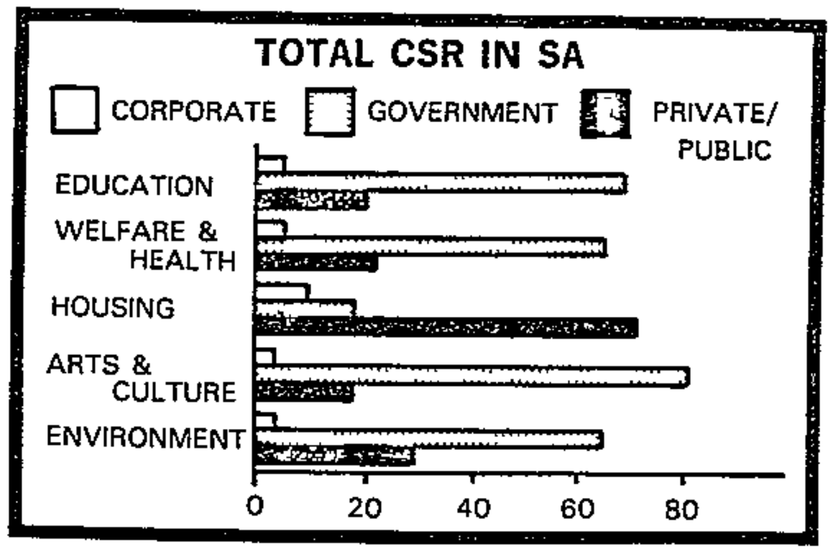
As a result corporations looked at four major areas in which to invest funds — education, health, housing and employment. The objectives of investment in such areas were seen as setting up an economic, social and politically stable environment, optimising profits and causing a positive image among employees and consumers.

It is the last point which brings CSR programmes into conflict with unions. Workers believe that companies are not genuine in their attempts to help the underprivileged, and are merely looking for favourable publicity

A survey by ITG chairman Jonathan Harrod identifies SA Breweries, Shell, Coca Cola, Anglo American, Perm, Pick 'n Pay and First National Bank, among others, as giving exceptionally good community support.

Some of these companies, such as Shell, place emphasis on consultation with the people they are helping Other firms refuse to consider them at all in decision making

Although some may argue that the end justifies the means unions are adamant that they should have a say in the way in which profits are spent. They argue that workers played a large part in generating profits



S/Times 26/3/89

(132)

Discipline undermined by precedent twisters

THE handling of disciplinary inquiries has become an important aspect in South Africa's industrial relations, but few managers have knowledge or experience of it.

Gillam, Bruniquel & Associates executive director Bruno Bruniquel says the handling of these inquiries has become technical, and is more difficult than it appears

"All too often the outcome is determined by the performance or skill of the participants rather than the merits of the case," says Mr Bruniquel

Precedents or case law determined by the industrial courts place the onus on the employer to comply with the concepts of procedural and substantive fairness in discipline cases

Mishandling by management results not only in huge legal costs, but in the erosion of discipline on the shopfloor The long-term outcome can only be poor productivity and industrial action

"The unions are putting a lot of effort into training shop stewards Employers must do the same for management and supervisors if they are to keep control of things"

Mast SA management consultant Cliff Bird believes that apart from training managers specifically in the handling of disciplinary inquiries, middle management is not sufficiently equipped in people skills

"Middle managers are generally far too technically oriented and not really equipped to deal with managerial problems They do, however, face a unique set of pressures

"First and foremost there is a pervasive anxiety about the country's political and economic future Second, your typical manager's day involves a far greater degree of conflict management than experienced by our Western and Eastern counterparts"

Mr Bird says the needs of people in organisations are not adequately addressed and this tends to give rise to worker-management conflict, job dissatisfaction and an attendant drop in productivity

7/4/89. (132)

(132)

LABOUR (132)

Tactical shift

Observers have detected a tactical shift in SA's largest labour federation, Cosatu, away from direct political confrontation (which is illegal anyway), and back to bread and butter, or shop floor, issues

The policy shift was traced — and endorsed — by several speakers at an industrial relations seminar in Durban recently Wits University industrial sociologist Duncan Innes said the move could herald a more stable labour environment, and be an opportunity for constructive negotiation on a range of issues

It was not merely by chance, added Innes, that such a climate of pragmatic realism on the shopfloor coincided with emerging realism in the broader political environment But Innes warned that employers should not be tempted to treat this as a sign of weakness on the part of labour and predicted that a period of "tough bargaining" lay ahead

Historically, said Innes, the focus of black union activity had shifted between factory floor programmes and the broader political arena, reflecting successive leaderships

Thus in the Fifties Sactu's policy of "political unionism," or "populism," was based on the premise that only once apartheid was done away with could shop floor conditions be meaningfully improved Sactu accordingly affiliated to the ANC and actively pursued confrontation with the State

On their resurrection in 1973 the unions which would later form the Federation of SA Trade Unions under Joe Foster were critical of Sactu policy and returned the focus to conventional industrial relations issues

In the mid-Eighties, Cosatu steered labour directly into the political arena with a policy of boycotts and stayaways and endorsement of the ANC's Freedom Charter However, positions in Cosatu have more recently tended towards "workerism" rather than "populism" and the emphasis had once again shifted

"This does not mean a 'no politics' position but a change in the kind of politics that Cosatu adopts," explained Innes, whose views reflect the finding by labour consultants Levy & Piron *(Currents Affairs* March 24), that wage bargaining was due to become tougher, but more realistic. ■

Chart will help unions

132

THE University of Natal's Centre for Socio-Legal Studies has designed a chart that will make it easier for trade unions and employers to understand procedures under the controversial Labour Relations Amendment Act.

The chart focuses on dispute procedures which involve industrial councils, conciliation boards and the Industrial Court. It is designed by the centre's director, Mr Chris Albertyn, a specialist in labour law.

"The publication of the chart arises out of the need of both educators and practitioners to be able to illustrate diagrammatically the complexities of the Act's dispute procedures," a spokesman for the centre said.

The spokesman said the chart was an "invaluable tool" for attorneys, industrial relations, unionists and managements.

Those interested in the chart can contact Ms Belinda Mason at (031) 81-2358/9.

Sowetan 11/4/89

WORKERS PLIGHT UNDER SPOTLIGHT

Sowetan 20/4/89

132

THE struggle and aspirations of workers worldwide will come under focus at seminars and dicussions to be jointly hosted by the Young Christian Workers and the Workers' Library from Saturday (April 22) to May 20.

All of these are scheduled for Saturdays with the exception of one which is billed for a Thursday (April 27)

SOWETAN Correspondents

Called "International Month," these seven sessions will be in commemoration of May Day, and will take place at the fledgling Workers' Library on the first floor of Gilhove Chambers (opposite Khotso House) at 57 De Villiers Street, Johannesburg

Project co-ordinator Hassan Lorgat says a number of countries have been chosen for discussion These are believed to have "important lessons for the struggle in South Africa "

The following is the programme, as announced by Lorgat, for "International Month "

April 22, 10.00am — A panel discussion on what internationalism is — speakers would be representatives from the Congress of South African Trade Unions (Cosatu), National Congress of Trade Unions (Nactu), the Mass Democratic Movement, Centre for Enrichment of African Political Affairs (CEAPA), YCW, South African Council on Sport (Sacos), *Speak* Women's magazine, International Metalworkers' Federation (IMF), and International Labour Research Information Group (Ilrig)

April 27, 7pm — Workers under socialism Part One Soviet Union

April 29, 10am — Workers under socialism Part Two A case study of Yugoslavia

April 29, 12pm — History of May Day A slide and tape show, videos and discussion

May 6, 10am — South Korea The struggle of the workers and students

May 13, 10am — Brazil

May 20, 10am — Namibia Independence

● The Workers' Library could be contacted on telephone number (011) 337-8145

Union membership is 2,3-m

Star 25/4/89

Some 35 percent of South Africa's economically active population belonged to trade unions last year, the Department of Manpower said in its annual report, tabled in Parliament yesterday.

It said the upward trend in union membership continued in 1988 The growth rate was 10,9 percent compared with 10,7 percent for 1987.

132

A total of 2 084 323 employees belonged to registered and an estimated 330 000 to unregistered unions at the end of 1988.

There had been a marked increase in the number of unions using the dispute settlement machinery provided for in the Labour Relations Act.

There had been a 13,6 percent increase over 1987 figures in the number of disputes referred to industrial councils. Only 7,7 percent of these disputes had ended in deadlock, showing the importance of these councils in labour relations — Sapa.

Star 27/4/89 (132)

Govt lashed over Workers' Day indecision

The NP should stop "doing an egg dance" about Workers' Day and declare it to be on May 1 instead of on the first Monday of May, **Mr Peter Gastrow (DP Durban Central)** said yesterday

Speaking during budget debate on the manpower vote, he criticised the Government for refusing to concede that Workers' Day should be on May 1, as it was internationally

Instead the Government was involved in an egg-dance, first declaring Workers' Day to be on the first Friday of May and then on the first Monday of May

Earlier, Mr Gastrow said 1988 had "by and large" been a stable year for labour relations

Four identifiable trends were responsible for this, the first being a dramatic decline in the number of industrial actions due to both worker and employer organisations' growing sophistication and use of established labour relations procedures

A second trend was a strong rate of wage increases in 1988 which had generally been higher than the inflation rate

A third was that labour disputes were increasingly being settled in terms of the structures provided by the Labour Relations Act

A fourth trend was that the powerful labour unions and organisations were moving closer together and co-operating more in the labour relations field

Mr Gastrow said the Industrial Court, where labour disputes are finally settled, had a growing backlog, and called on the Department of Manpower to ensure the court had enough staff,

It was naive of the Government to expect unions to restrict themselves to "shop-floor matters and safety" — Sapa

May 1 a day of controversy

Sowetan 28/4/89 (132)

FOCUS

By LEN MASEKO

MAY 1 — or is it Workers Day? — has become such a "hot potato" for the Government that it would probably have preferred to blot the day out of the country's calendar

First, the Government — in the face of pressure from the labour movement — announced that the first Friday in May would be granted as a paid public holiday for workers throughout the country Then, in an apparent turn-about, it shifted the controversial Workers' Day from Friday to the first Monday of May — ostensibly in line with countries such as Austria, Denmark and several other countries

Explaining the back-and-forth shift, the then Minister of Manpower, Mr Pietie du Plessis, said these countries commemorated the day on the first Monday of May and that the Government wanted to grant workers a long weekend holiday

Legal

The Minister said the legal position was that shops and offices, excluding factory offices, workers would be entitled to a normal day's pay in terms of Section 11 (1) of the 1983 Basic Conditions of Employment Act. In these cases, an employee who worked on this holiday would be entitled to increased compensation in terms of Section 11(2) of the Act.

In other sectors, he said, the granting of a paid holiday was a matter of negotiation between employers and workers, unless it was already determined in a wage or industrial council agreement

However, the Government's position is seen in labour circles as an attempt to strip May Day of its revolutionary content" as it believes that it is a "communist" inspired fight against the capitalist establishment

"The position has prevailed for two years largely because, in the first year of the proclamation it (May Day) coincided with a Friday while in the second year it fell on a Sunday, says Mr Mandla Seleoane, a labour analyst

He says the Government will change its "labour day" from year to year, depending on the pressure exerted on it

Massive

In recent years, May Day has been marked by massive work stayaways in spite of managements' refusal to recognise the day as a paid public holiday Unions have pressed ahead with the demand that the day be recognised as a holiday This has led to the day becoming a notable feature in negotiations between employers and unions every year

According to the Labour Monitoring Group, a significant number of employers were indicating their willingness to recognise May Day as a paid holiday

Rallies

At May Day rallies, workers have gone beyond shopfloor issues to challenge the status quo In the past, they have called — among other things — for the scrapping of the bantu education system the lifting of the state of emergency and withdrawal of troops in the townships

On Monday (May 1) millions of workers will again — in a demonstration of unity — join hands worldwide to decry the exploitation of the working class at the workplace

It will also be an occasion when workers reiterate their resolve to achieve what their colleagues in other parts of the world have died for Their demands will revolve around the recognition of May Day as a paid holiday a 40-hour working week and a call for a just society where they will control the means of production and an end to exploitation in the workplace

The historical significance of the day can be traced to 1856 when Australian workers decided on April 21 as a day in which to mark their demand for an eight hour working period

On May 1 1886, American workers demanded an eight-hour working day This campaign by about 200 000 workers was later to be followed every year by millions of workers throughout the world

18 hours

Their demand for a shorter working period was understandable considering that in England before and after the Industrial Revolution the average working day was 12 to 18 hours As if that was not enough workers had to toil for as many as 20 hours on days like Christmas and Good Friday

Today May Day is widely accepted as symbol of the working class while for the Government the day has meant designing and re-modelling the Public Holidays Act every year so that it should not be seen to be bowing to pressure from the local labour movement

WORKERS at a May Day rally

Political comment in this issue by Aggrey Klaaste and Sam Mabe Sub-editing, headlines and posters by Sydney Matlhaku All of 61 Commando Road, Industria West, Johannesburg

• Write to the Editor at PO Box 6663 Johannesburg 2000 Nom-de-plumes can be used, but full names and addresses should be supplied or the letter will not be published

Industrial relations is SA's newest growth industry

ARGUS 4/5/89 (132)

By DICK USHER, Labour Reporter

LABOUR

INDUSTRIAL relations in all its forms is arguably the fastest growing industry in South Africa.

At the same time it has moved from pure crisis management to corporate development which aims to avoid conflict and is simultaneously helping redraw the social picture of South Africa

To all intents and purposes non-existent in the early 1970s there are now practitioners throughout the country, while ancilliary services such as legal practices and research facilities have flourished at the same rate

One of the pioneers in the field, Andrew Levy and Associates, has developed into a company listed on the JSE main board as Manserv Among other consultancies there is a continuing series of mergers to form national organisations from local operations

Nearly all major corporations, and many medium and smaller companies, have in-house industrial relations staff distinct from the personnel function

Teaching

Many legal practices dealing solely with labour law have emerged, most larger practices have at least a partner or a department specialising in the field and from being virtually non-existent the teaching of labour law is now a major element in university law faculties

All this, which is only a brief overview of the field, has come about in the wake of the re-emergence of trade unionism among black workers since 1973

While black trade unions were never illegal, most had been firmly squashed during the 1960s and the leading non-racial federation, the South African Congress of Trade Unions (Sactu), had gone into exile

When unionism re-emerged it caught employers totally unprepared

Years of dealing with trade unions in Tucsa (Trade Union Council of South Africa) mould had not prepared them for dealing with a newly militant movement and in many cases they resorted to officialdom — government departments and the police — to deal with labour unrest

Impetus

But as the movement gained momentum among black workers denied overt political organisation — helped by imaginative manoeuvres by the unions, inputs of legal expertise from people associated with the movement, and even by government attempts to defuse it — there came a growing realisation that simple justice demanded the movement be accommodated

A major impetus came with the passage of the Wiehahn reforms which deracialised trade unionism and legitimised strikes for black workers under the same conditions as for all other workers

Trade unionism grew by leaps and bounds, and as it did so did industrial action among workers imbued with new-found confidence and urgency for claiming hitherto denied rights in the workplace

This was an era when many company managements found themselves totally up the creek when confronted with 200 workers sitting in the yard singing and for a paddle they called on the services of a small but growing band of labour consultants, mainly younger people who had studied in the human resources field and with the flexibility to accommodate the aspirations of black workers

Bandaiding

Andrew Levy was probably the first in the field

In 1968 he went overseas to study labour "because nobody else was doing it" and in 1976 he came back to South Africa just as the labour environment was starting to hum

"I saw that trade unions were going to be the key issue for the whole country," said Mr Levy

For those consultants in the field this was the era of band-aiding management through their first encounter with militant unionism, guiding them through often traumatic moments where major adjustments of attitude were demanded

Some of this is still needed, but the whole arena is today much more sophisticated

Again, this has mostly been led by the union movement as it developed more sophisticated negotiating techniques and organisational structures, although management has also moved from being purely reactive to a more developed response

Results

The Congress of South African Trade Unions (Cosatu), for example, set out a policy of one industry, one union

As a result of this, national corporations have had to adopt national policies in labour relations, industrial relations consultancies have had to link up to provide consistent service to clients and legal firms have also formed country-wide associations

In at least one case three legal firms in different major centres have formed a joint venture specialising in industrial relations and labour law to help clients remain abreast of developments

The two fields are often difficult to separate, in that a labour lawyer often has to give industrial relations advice while a consultant is often a client's first recourse for legal advice

Resistance

In step with this, consultancies have developed commensurably with the needs of the field

Steve Woods, who helped negotiate the first recognition agreement with the General Workers' Union in the Western Cape, now a partner in Gouws, Woods and Associates, said that although there were still pockets of employer resistance that flabbergasted him, developments in labour relations had mostly passed those people by

"We are often less considerate of that type of person and your typical IR consultancy today would be dealing with it at a very sophisticated level," he said

"We are not only advising on industrial relations situations, but training at supervisory level and developing good procedures for senior management"

This increasing sophistication is reflected in a company such as the one headed by Mr Levy

"We've put together a compay with a range of specialist services to provide good input for management, from IR to corporate finance advice, computer training and administrative," he said

"We're looking at the next century when, whoever's running the country, there will still be a need for good management services.

Rod Wills, a director of FSA-Contact, formed from two companies which recently joined forces. said their amalgamation into a larger organisation had made sense economically and from what they believed clients needed

"It's a client-driven situation where they have both perceived needs and hidden needs which they have not recognised yet

Cultural

"IR really revolves round good management practices which are going to increase the size of the cake for everyone and what we are looking at is development of the whole corporate culture," he said.

"Unionised companies show major cultural changes Until recently organisations have reacted to these changes rather than manamged them

"Part of learning to manage change necessarily involves a shift in thinking so that people start constructing relationships in which workers can see themselves as part of the business"

The sophistication grows out of maturity

Mr Ian Patterson of Gillam, Bruniquel and Associates said that in the early days of IR the atmosphere was rather confrontational

Strategic

"Now people are feeling easier with their powers and obligations vis a vis each other

"What we are finding now is that possibly labour has priced itself into a region where it is being appreciated and now IR is much more involved with strategic planning exercises and the development of participative management

"In coming to realise that one has to address the whole system a long-term persepctive is developing and, realising that a whole system is at stake, private enterprise is spending a lot of money on corporate development which is at the same time reconstructing social patterns"

Act of Union 'basis of State lawlessness'

Star 18/5/89

132

CAPE TOWN — The greatest historical act of lawlessness so far as black South Africans and all democrats were concerned was the Act of Union itself, advocate Mr Dullah Omar, regional chairman of the National Association of Democratic Lawyers, said.

Speaking on State lawlessness at the Institute of Criminology conference, "Towards Justice? Crime and State Control in South Africa", at the University of Cape Town this week, Mr Omar said union was "a creation of the British Parliament" that "laid the basis for white domination over blacks as an instrument of imperialist exploitation on the subcontinent.

At the same time it laid the basis for State lawlessness in South Africa."

He had derived the term "imperialist exploitation" not from any writings of the ANC, but from Nationalist literature before 1948.

Mr Omar said that to illustrate his point he wished to quote what one of the architects of the future Union, Cecil John Rhodes, had said in the Cape Parliament in June 1887:

"I will lay down my own policy on this native question. Either you have to receive them on an equal footing, or to call them a subject race.

"I have made up my mind that ... we have to treat natives where they are in a state of barbarism, in a different way to ourselves. We are to be the laws over them. These are my politics and the politics of South Africa.

"The native is to be treated as a child and denied the franchise. He is to be denied liquor also.

"We cannot adopt a system of despotism — such as works so well in India — in our relations with the barbarians of South Africa."

Speaking about legislation like the Mines and Works Act of 1911 and the Land Act of 1913, Mr Omar said that land, the franchise and labour were the three key issues that had reduced blacks in this country to a state of "helplessness, rightlessness and poverty".

The opening of the diamond and gold mines had been made possible only through conquest, land dispossession and the denial of political rights to black people.

On the Rule of Law, Mr Omar said State lawlessness was not a product of 1948, but that blacks had been the victims of State lawlessness "ever since Union and before". — Sapa.

months were abolished Dr De Villiers said: These results

Social cost of sell-off

DISINVESTMENT, sanctions, privatisation and deregulation are probably four of the most difficult issues facing trade unions

A seminar, attended by unionists and members of the private sector, addressed two of the problems The seminar was on an exchange of views on deregulation and privatisation — trade unions and private sector

Black trade unions are generally opposed to privatisation and deregulation Their rationale is that taxes paid by workers should go to health care, housing and education. They also fear retrenchments as a result of privatisation and distrust employee share schemes

National Union of Mineworkers national organiser Gwede Mantashi said "Profit maximisation is the primary motive for capitalist production

"SA is today in the process of privatising national roads, hospitals, Eskom, education and so on It does not require extraordinary intelligence to realise that this will have serious social effects,

"It will result in an increase in the rate of unemployment which is already too high"

Mr Mantashi used Eskom as an example of what happened when a quasi-government organisation geared up for privatisation

"When Eskom started on the privatisation route in 1985-86, its first move was to reduce its workforce from 66 000 to 60 000 In 1988 it came up with a retrenchment programme affecting 6 700 jobs."

Giving the view of the private sector, Federale Volksbeleggings general manager Anton Roodt suggested that a middle ground of common interest could be found if one considered

"The problem with the Government is that it insists on sticking its fingers into the lives of everyone The Government wants to provide housing for blacks, it wants to run their transport, it wants to regulate where I work, it wants to determine where I live and what I eat

"Privatisation and deregulation could, in my view, be a fundamental break with apartheid They are the building blocks of greater individual freedom towards an economic and political ideology"

Man-day loss leaders

(132) S/Times 14/5/89.

ALTHOUGH the man-days lost to the public sector fell from about 2-million in 1987 to 300 000 in 1988, it was still No 2 in the 1988 loss stakes

So says Frank Horwitz, professor of business administration at the University of Cape Town Graduate School of Business, in the IPM Journal

The large loss of man-days in the public sector can be seen when compared with the overall number in 1988 Last year, total man-days lost fell from 8,2-million in 1987 to under 1,3-million

The public sector therefore accounts for about 23% of all the man-days lost last year

Professor Horwitz believes there are several possible reasons for the high level of industrial action in the public sector, which took place before the Government passed legislation to provide for collective bargaining for public servants

"Traditionally, collective wage bargaining has not taken place in the public sector in the same manner as in the private sector Most parts of the public sector are excluded from the Labour Relations Amendment Act (LRAA)

"Pressure from unions who operate in both public and private sectors, such as the South African Railway and Harbour Workers Union (Sarwhu), to have a common industrial relations system operating in both sectors are becoming more pronounced"

Professor Horwitz says the question of whether to extend the LRAA to cover all sectors or only agriculture, is a political hot potato

These sectors control a large percentage of the white voting power and the Government seems loath to alienate such a large section of its support base

"Whatever the outcome of increased pressure by the unions, the intentions of the director-general and the findings of the Commission for Administration, it can be expected that levels of industrial activity in these sectors will increase rather than abate, with the main challenge being the convergence of private and public sector IR systems"

Protagonists under pressure

Blacks to back negotiations?

Star 16/5/89

132

By Mike Siluma, Labour Reporter

The black union movement is likely to support possible negotiations between the Government and representative black groups — negotiations which could result from international peace moves in southern Africa — while white workers can be expected to resist such talks.

This view was expressed by Professor Duncan Innes of the University of the Witwatersrand in a newly launched information service for business.

Named The Innes Labour Brief, it has been set up by him and industrial relations consultant Mr Steuart Pennington.

Professor Innes said a combination of forces within and outside South Africa was forcing the main protagonists in the South African political confict to the negotiating table.

White unions were unlikely to welcome a new policy direction leading to negotiations between the Government and black organisations like the ANC, he said. They were likely to resort to strikes and other actions to prevent such negotiations.

Professor Innes predicted that black worker groupings, such as the Congress of SA Trade Unions, the National Council of Trade Unions and the Inkatha-linked United Workers' Union of SA, would support genuine negotiations about the future of South Africa.

This support would, however, be subject to whether or not unions felt they and their political allies would get a fair deal in any negotiations.

The Innes Labour Brief authors will provide information on issues including political developments in the unions and union campaigns, union responses to government and employer initiatives, as well as international developments.

(132) Does black 'empowerment' mean anything?

19-25/5/89. Weekly

By the time black business hears that a company has disinvested, a white company has already bought the shares, complained a delegate to a conference which examined 'black empowerment'.
By ANDREW CLARK

IF American companies like Mobil were serious about aiding black economic empowerment, they should sell their assets to black South Africans when they depart, according to speakers at a conference in Johanensburg this week which sought to question whether the empowerment "buzzword" actually promotes black political advancement.

"By the time we hear that somebody is disinvesting, a deal is already signed, sealed and delivered" to a white-held company such as Gencor, said Khehla Mthembu of Active Financial Planning Services at the conference sponsored by the Centre for Labour and Community Research.

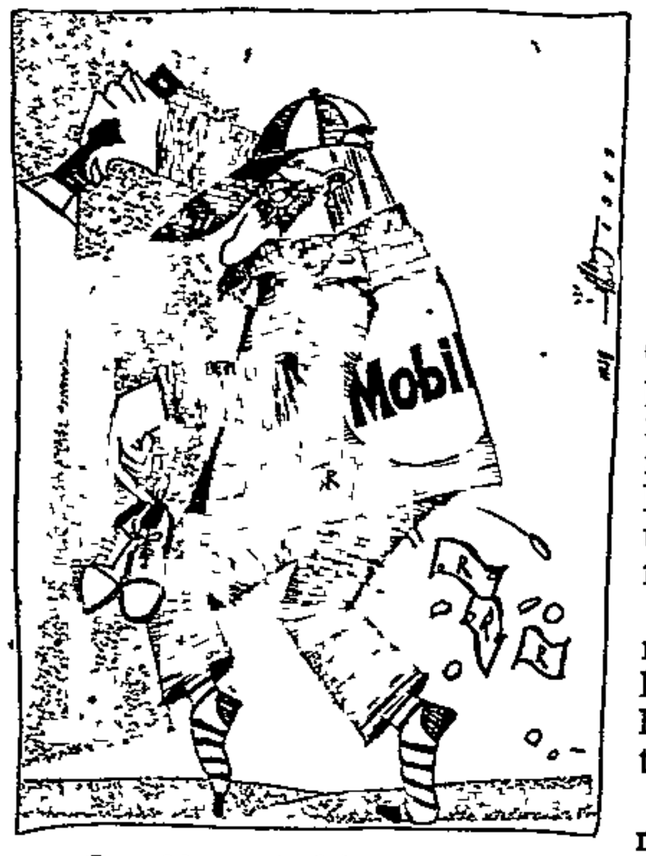
Of the more than 180 American companies that have disinvested, less than 10 have actually stopped doing business in South Africa "The rest still operate under a licensing agreement that has been taken over by white South African," said Mthembu, a former president of the Azanian People's Organization.

"Why is it not possible for our unions and our workers to put together financial packages to buy out these disinvesting companies? That would be real black economic empowerment," Mthembu added

"Mobil Oil was in the forefront of involvement in the community," added George Negoto of Nafcoc and the Black Management Forum. "They knew that we would be interested in working out a package," he added, "but they refused to come and talk with us."

Although most speakers expressed scepticism that "black economic empowerment" would be beneficial unless accompanied by black political demands and pressure, participants as diverse as Ronald Bethlehem of JCI, Professor Gerry Coovadia of the now-restricted UDF, Anglo American's Bobby Godsell and Mthembu in his closing address agreed that no progress at all would be had unless South Africa adopted policies that led to a buoyant, high-growth economy.

"Freedom or liberation is indivisible for me," Mthembu said."Economic empowerment can work — but not if it is some kind of self-enrichment programme for those committed to the present system It must be practiced by those committed to the transformation of South Africa and those who acknowledge a need for business and a need to create wealth even in a liberated society "



Sneaking out of the country?

Of particular interest to both speakers and questioners from the audience was the role that unions could exercise in converting consumer and labour power into concrete gains. "The fate of Anglo American is at least as much in the hands of the National Union of Mineworkers as it is in the hands of its shareholders," Godsell said in response to a question. Although listed on the programme, National Union of Mineworkers General Secretary Cyril Ramaphosa was not present to reply.

But instead of checking the power of large white-run corporations by striking for higher wages, real economic empowerment would come when unions had access to the millions of rands in their members' pension funds, several speakers agreed.

"Old Mutual and Sanlam only became strong and could challenge the power of Anglo when they took up insurance finance from their members in the Afrikaans community," Mthembu said, proposing that black unions spearhead a similar campaign for their members.

"By taking the surplus cash of these newly-created insurance companies," he added, "black people can finance housing, education, and capital ventures right now"

JCI's Bethlehem encouraged informal and small business actors to "walk around the apartheid wall rather than trying to knock it down". As more and more people turned their back on apartheid restrictions on social and economic activity by "walking around" them, "the Afrikaner too would realise that the wall is no longer serving its purpose", Bethlehem said.

Wage gaps between whites and blacks seem to be widening

By Michael Chester

New evidence of the huge size of the pay gap between white and black workers has been provided in a review of trends inside a number of key business sectors that between them share a labour force of more than five million employees

The review, compiled by Central Statistical Services, traces the changes in the pattern of overall recruitment and salaries and wages from 1987 to the end of last year

Socio-political reformers will be heartened by news that in all sectors — with the exception of the construction industry — it was the pay packet of the black worker that grew fastest, at least in percentage terms, if not in actual rand terms

However, the review also unearths evidence of major differences in the pace of moves to close the wage gap from sector to sector

For example, the average pay packets of the 175 000 black workers in the sector covering transport and communications barely stayed ahead of inflation, with increases of 15,1 percent over the 12 months

This is the sector that embraces all road and rail services, the Post Office and the SABC

One consolation was that at least the increase seemed far better than the 6,6 percent average raises awarded their 150 000 white workmates

Even that fragment of comfort was overwhelmed, however, when the average wages of black workers, now at R761 a month, had to stand comparison with an average R2 227 paid to white colleagues

Still, the R761 looked an improvement on the R610 a month average still being earned by 215 000 black workers in the construction industry — even after they had received a 17,1 percent pay hike

And here the pay gap was even wider, with white workers enjoying a 22,3 percent jump in pay to R3 166 a month

In the manufacturing industry, it was the 716 000-strong black labour force which enjoyed the 22 percent scale of increases in average pay — pushing it up to R914 a month

Here, the 295 000 whites on the payroll received increases of a more modest 15,8 percent

But they were enough to push their average wages to R3 141 — more than three times higher

More doubts about the reliability of percentages in tracking what is happening to the pay gap emerge when one examines trends inside the wholesale/retail trades

The increases in the average pay of the 360 000 black workers employed here last year were among the best of all, racing ahead no less than 37,6 percent, while 266 000 white workers had to settle for raises of less than 19 percent

In the end, however, the new black average of R644 still looked a long way off the R2 144 white average

Not only that, the pay gap of R1 335 a month at the end of 1987 has now swollen to R1 500

The quirks of statistics can also be put to the test with a closer look at pay patterns at Eskom

Here, black employees received average increases of almost 27 percent, lifting pay to R1 377 a month, while white raises seemed to trail behind at 11,5 percent, setting pay at R3 666

What happened to the pay gap in actual rands?

In 1987 it was R2 202 Now it has crept up to R2 289

It all somehow seems to sum up the perils of statistics

BDay 25/5/89 (132)

Business Day SURVEY

The SA Production and Inventory Control Society (Sapics) is holding its annual conference at the Elangeni Hotel in Durban from June 18 to 21. ***HELOISE HENNING*** *reports on the organisation's mission to improve the efficiency in the public and private sectors and its hope of attracting more CEs of companies to the philosophies it propounds.*

Focus point on productivity and labour

LABOUR unions' attitudes to productivity is one of the topics Sapics is focussing its attention on

Labour's stance has been that workers should not be individually rewarded for productivity, but that all should benefit from improved efficiencies

Sapics publicity vice-president Dave Tootill said productivity remained an ongoing target every company aimed for. Sapics wanted to educate its members — most of whom were in the manufacturing industry — on labour attitudes and create a forum for discussion with unions on the matter.

"We are in the neutral position of being neither employers nor government. This means we are able to educate and talk among management and labour on the matter without threatening anybody's position," Tootill said

"Labour has generally adopted the stance that it will not co-operate in improving productivity. Labour academics say the reason for this attitude is that management in SA has always had the upper hand and power," said Tootill

Sapics aims to host a panel discussion between two national representatives of labour unions and two manufacturers on the first day of the conference in Durban

Sapics is affiliated to a parent body in the US called Apics and distributes the latest literature on inventory and production control, while aiming to foster more relevant education

Apart from the monthly seminars and factory visits arranged by the chapters in Johannesburg, East Rand, Pretoria, Durban, Port Elizabeth, East London and Cape Town, the society administered the Certificate of Production and Inventory Management (CPIM), a US qualification with international recognition

Tootill said Sapics was not a society for "graduates only" It did not concentrate on technology or economics, but aimed to foster relevant education through its monthly seminars, visits to factories, administration of the Certificate of Production and Inventory Control Management, and annual conference

'Worker Charter' debate divides SA's black unions

B/Day 26/5/89 (132)

ALAN FINE

BLACK trade union thinking on political policies and strategies has come a long way since unions were simply divided into "workerists" and "populists"

The former were perceived as interested in achieving only better wages and working conditions The latter, in contrast, were throwing themselves wholeheartedly in the township struggles which had begun in Soweto in 1976

Today there is not a single, credible, mainly black union which chooses to distance itself from the political arena Rather, the debate hinges on the nature of that political role

The traditional view has been that unions should be just another, if important, component of the "mass democratic movement" (MDM) — the effective successor of the Congress movement which devised the Freedom Charter in the Fifties.

Adherents of this view do not want the Freedom Charter tampered with They want to keep on their side the professionals, small black businessmen and white liberals whom they fear may be alienated by too much talk of socialism.

The leading supporter of this argument within Cosatu — the largest trade union federation — is the National Union of Mineworkers (NUM)

Growing in strength is the counter argument that unions should maintain a relative independence from existing political organisations, allowing their policies to reflect narrower "working class", pro-socialist interests

Proponents believe that having to compromise with the other elements of a broad anti-apartheid alliance weakens the move towards a socialist society

They have doubts that the Freedom Charter adequately states socialist policies and would like it augmented by a "Worker Charter" setting out specific worker rights.

Adherents of this view include two other Cosatu affiliates — the National Union of Metalworkers (Numsa) and the Amalgamated Clothing and Textile Workers' Union (Actwusa)

Actwusa began building the basis of a "Worker Charter" at its last congress It adopted a resolution detailing its views on, among other things, the right to strike and industrial democracy — a West German-type system of employee representation on corporate boards

A Cosatu union's attitude to the drafting of a "Worker Charter" has become a critical symbolic indication of where it stands in this debate.

The symbolic significance lies in the fact that the adoption of a "Worker Charter" is an explicit assertion that the Freedom Charter — the basic policy document of an anticipated future ANC government — is an inadequate, if historically important, statement of workers' rights and interests

The content of the debate may, at times, appear arcane to outsiders But its implications and outcome are as important as any other part of the political debate in SA

Last weekend's congress of another Cosatu affiliate — Numsa — placed the union firmly in the "Worker Charter" camp and part of the growing group of Cosatu affiliates determined to stamp its perspective and leadership on the "line" propounded by adherents of the Congress tradition.

Supporters of this view are prepared to contemplate an alliance with other groups, but only if and when their approach is allowed to dominate.

The contrasting, traditional, view was provided at the congress by two guest speakers — Cosatu assistant general secretary Sidney Mafumadi and ANC veteran Harry Gwala.

Gwala spoke out against the concept of a Worker Charter Those who found the Freedom Charter inadequate, he said, were taking a "myopic" approach

In spite of this urging, Numsa went ahead and resolved that there was a need to develop a "working class political programme"

But unions like Numsa, while they desire a strong element of political independence to determine their own path, cannot — even if they wanted to — dispense with the MDM. Their goal is to adapt MDM strategies to meet their own interests

The symbols of the Congress tradition exert much weight among the rank-and-file as reflected by the songs and chants heard at Numsa's and other union congresses and recognition of this is granted

Thus the Freedom Charter, adopted at Numsa's first congress two years ago as a statement of minimum demands, maintains that status, and Gwala was this year elected honorary life president.

The opening address by Numsa president Daniel Dube, a shop steward at SKF in Uitenhage, was as significant for what it did not say as for what it did

He carefully avoided narrowing the parameters of political debate by eliminating from his speech the sloganeering which is a normal feature of such speeches. His calls for organisational loyalty went only as far as Cosatu and Numsa itself

Also, while stressing the need to eliminate the fragmentation existing between Cosatu and Nactu and their respective affiliates, Dube urged delegates to be patient so as to avoid imposing prematurely an artificial unity which would only create a divided single organisation

Numsa general secretary Moses Mayekiso placed a commitment to socialism on the agenda and — in an implicit critique of MDM policy favouring a broad anti-apartheid front — warned that any alliance would have to be led and directed by the "working class"

Mafumadi, on the other hand, used his speech to invoke the names of the banned and restricted UDF, ANC and SACP And, in obvious response to the views expressed by Mayekiso, he asserted that "the unity of all progressive sections of our society is an indipensable condition for victory".

Whether the less radical sections of the anti-apartheid alliance would not be frightened off by mention of the SACP is an unanswered question

Dennis MacShane, guest speaker from the International Metalworkers' Federation, put his own oar in by warning against the "vanguardism" of political parties which superceded labour movement priorities He argued that it was crucial for the labour movement to maintain its independence from the State

He cited worker struggles in Poland as a heroic example of this — a view which does not sit easily with those who see the Polish union Solidarity as little more than a CIA plot designed to destabilise the Polish government.

What Numsa means when it talks of socialism remains uncertain — but also crucial if it and its union allies are going to have a say in the nature of a post-apartheid South African economy

If the views of speakers at the opening session are anything to go by, the options range from northern European social democracy to pre-*perestroika* Eastern bloc systems

How these issues were reflected in debates from the floor are difficult to ascertain, as Numsa — in line with the rest of the black labour movement — maintains the unusual approach of excluding the media from all except the opening speeches at their congresses

One foreign guest expressed puzzlement at this approach, international norms dictate that union conferences are open affairs

In SA, this open tradition died with the otherwise timely demise of the Trade Union Council of SA

The only possible explanation on this need for secrecy — that South African unions are forced to operate under repressive conditions — evaporates if one accepts that our security agencies are surely not so inefficient as to be unable to employ agents or gadgets to gather the texts of union congress debates

White management supports and resents black advancement

(132)

B/Day 30/5/89

GAVIN LEWIS

SOUTH AFRICA's white middle managers occupy strategic positions They implement black advancement and training programmes and thus help determine the entry of blacks to managerial positions They interact daily with organised black labour

The SA Foundation recently commissioned a survey of white middle managers from 36 companies in the PWV area to test their views on black advancement, business and social change

It not only reveals that their views on broader socio-economic and political isues do not differ substantially from those of mainstream white opinion, but also that to a surprising extent there is considerable accord between their attitudes and those of senior business leaders on reformist issues

There is, however, one key difference of opinion — white middle management shows signs of sharp hostility towards organised black labour.

White middle managers still dominate the organisational frameworks into which both black managers and workers must fit. Their attitudes thus impinge directly on both the tenor of industrial relations within companies and on the upward mobility of blacks in the business world

Our survey reveals a somewhat mixed picture.

All those interviewed expressed support in principle for black advancement. All endorsed the concept of equal opportunity Afrikaans- and English-speakers alike accepted the importance of increasing black management and eliminating racial discrimination in the workplace

On the other hand, when it comes to black advancement programmes in practice, white middle managers expressed considerable reservations Only half regarded such programmes in their company as being a success Some 41% felt many black managerial appointments were purely tokenistic

Some white middle managers reveal doubts about the innate ability of blacks as managers, citing deficiencies in black education and training, or cultural traits such as punctuality and difficulty in adapting to white corporate culture

Some managers, albeit a minority, clearly base their cultural rationalisations on essentially racist criteria. More than half of those interviewed identified white racism as a key obstacle to black advancement.

Status and occupational anxieties prompted by the threat of black competition would seem to play a key underlying role for those who reject black advancement on racial grounds; particularly those at the lower end of the middle management scale for whom black mobility seems a threat to their own prospects

Two other major factors impinge on the attitudes of white middle managers to black advancement.

The first is a widespread rejection, particularly among Afrikaans-speakers, of reverse discrimination or affirmative action, as opposed to equal opportunity A full 90% of respondents rejected affirmative action in principle, arguing strongly for promotion on merit alone.

The second factor is their experience of black trade unionism, a relatively recent phenomenon in SA to which management has had to adapt rapidly

A major difference between middle managers' attitudes and those of top executives lies in their approach to organised black labour Afrikaans managers in particular find it difficult to cope with trade unions' rejection of organisational hierarchies and of established lines of authority

Little sympathy is expressed for the position of black unions

Unlike top executives, middle managers interface with organised black labour on a daily basis This accounts to some degree for their varying attitudes towards it, with managers expressing considerable hostility towards the conduct of black trade unions

The experience spills over into their attitudes to black advancement in general and to other areas, such as employee share opportunity programmes (esops) Most managers support esops in principle, but not if they are used as a mechanism for affirmative action

Most white middle managers (in the PWV area at least) are largely unaware of the wider implications of militant black labour, and of the reasons for the politicisation of black unions

Some 59% of managers interviewed insisted that black trade unions should not involve themselves in politics Almost the same proportion rejected stayaways as a legitimate form of protest.

In this respect, white middle managers' views fit in with those of mainstream white opinion, no doubt for much the same reasons

The survey also reveals that such attitudes among white middle managers exist alongside considerable progressive views on reform and the role of business in society

Most see themselves as part of a politically progressive SA business community All supported the opening of CBDs on a non-racial basis. The majority enthusiastically endorsed privatisation and deregulation.

Most reflected impatience with the rate of reform and all saw sanctions and disinvestment as encouraging a hardening rather than a relaxation of State policy

A full 85% supported a role for business in trying to change government policy, particularly by direct lobbying and by bringing about greater co-ordination and unity within the business community.

In some respects white middle managers appear more forthright on these issues than their more politically experienced and cautious top executives.

In white middle managers one is not dealing with a collection of reactionary bigots, but with people struggling to adapt to a rapidly changing society Although the survey reveals ambivalence on the issues of black advancement and organised black labour, this co-exists with widespread support for change and a rejection of racial discrimination in the workplace

White middle management antipathy is a factor inhibiting job mobility Our respondents themselves identified the intervention of top management, both to initiate and sustain black advancement programmes, as a key factor accounting for their success — indicating an otherwise hostile environment for such programmes.

There is a proliferation of programmes to produce and extend the ranks of black management. Important as such programmes are, there may be a need to educate white middle managers to cope with the changing demands of a post-apartheid society.

Much of the conservatism of white middle managers regarding black advancement can be ascribed to their stressful experience on a daily basis of newly unleashed organised black labour

Top executives, it would seem, sometimes forget the pressures confronting managers in this area, indicating a need for better communication between, and consultation at, various management levels on all relevant socio-political and economic issues

On the whole the picture is encouraging As the "men in the middle", white managers have to reconcile company policy with the realities of day-to-day encounters with assertive and powerful black unions

White middle managers have the power to intervene in reshaping industrial and race relations within companies. They can help ensure the success of black advancement programmes, so badly needed for developing management material into the 21st century

Alongside more conservative traits, white middle managers appear to endorse the process of change away from apartheid and racial discrimination They deserve greater support in their attempts to adapt to the realities of a changing society

In the process, white middle managers have the potential to become an important factor in building and sustaining a broader constituency in society as a whole for peaceful change in SA.

☐ Dr Lewis is director of the SA Foundation's Johannesburg office
This is an excerpt from his article in the current edition of the SA Foundation Review

BUSINESS

The men in the middle – trade unions' obstacle

Weekly Mail Reporter

ALMOST 60 percent of white middle managers believe trade unions should not participate in politics and just over 30 percent feel "black trade unions are becoming a danger to the South African economy", according to survey results released this week by the South Africa Foundation

The survey canvassed the views of 126 white middle managers in 36 companies in the PWV area, "to test their views on black advancement, business and social change", said the foundation's Johannesburg director Gavin Lewis.

Contrary to the conventional wisdom that middle managers are more conservative than top executives, the survey found "there is considerable accord between their attitudes and those of senior business leaders on reformist issues" Almost all felt the government s present reform programme was moving too slowly and 85 percent thought business had a role in trying to change government policy, by direct lobbying, consultation with the government and unity within the business community.

But, Lewis said, the one area where views diverged was on organised labour, with middle management "showing signs of sharp hostility", for example to stayaway action. Most did, however, see an essential role for trade unions in communicating between labour and management

The survey respondents were also strongly opposed to affirmative action, although all supported black advancement The statement: "In order to correct the racial imbalance in the ranks of South African management, we need to discriminate against white managers when it comes to promotion policy" was opposed by some 90 percent of respondents

There was also some scepticism about existing black advancement programmes Just over 40 percent felt most black managers were "tokens", their purpose to create "the illusion of equal opportunities". But around half of the white managers interviewed agreed that "The biggest problem facing black executives is the racism of their white counterparts".

Lewis describes white middle managers as "people struggling to adapt to the demands of a rapidly changing society" and says there may be a need to educate them to cope with this

He says top executives sometimes forget the pressures on middle managers — as the "men in the middle" they are the ones who have to "reconcile company policy with the realities of day-to-day encounters with assertive and powerful black unions". Lewis says their conservative responses may be a response to this.

Middle managers are in a strategic position to reshape race relations and industrial relations within companies and Lewis suggests programmes which would equip them "to adapt to new norms and values".

2-8/6/89.

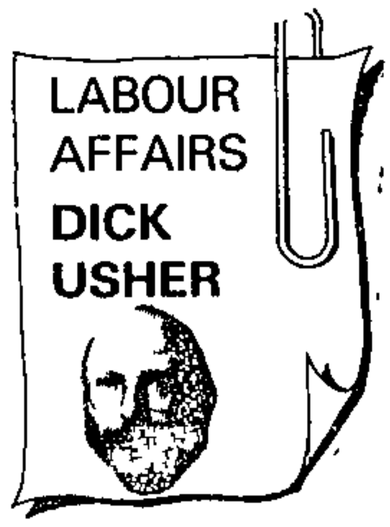
132

W/E ARGUS 17/6/89 (132)

The changing face of labour negotiations

DEMANDS about the Labour Relations Amendment Act put to employers by the major union federations illuminate developments on the employer front that have trailed trade union policy.

At the time when the Wiehahn Commission had made its recommendations and changes to labour legislation were in the air, a great debate about participation and non-participation emerged among the unions.



It's dimensions covered registration vs non-registration, whether to participate in industrial councils and other aspects that might be viewed as "collaboration".

Much of this debate has been resolved, apart from groups which accuse the Congress of South African Trade Unions (Cosatu) and the National Council of Trade Unions (Nactu) of various crimes against the working class.

Since then, with the formation of Cosatu, came the one-union, one-industry policy which saw unions within the federation merging to create national industrial unions An almost automatic corollary of this policy was that unions would start seeking overall negotiations in one forum, either with companies or at industrial council level

Restructure councils

In some cases unions entered councils, such as the National Union of Metalworkers and the council for the metal industry, and even helped restructure councils as the Amalgamated Clothing and Textile Workers' Union (Actwusa) did with the cotton textile industry

National negotiations in one forum had an obvious advantage for unions — one series of talks for the industry instead of a series of negotiations with individual employers or at individual plants.

There have been several instances of industrial action over this issue — Food and Allied Workers' Union vs South African Breweries and Transport and General Workers' Union vs Unilong Distributors, for example — with employers resisting union demands for centralised bargaining.

Exposed some problems

In effect, this is tending towards the creation of non-statutory industrial councils, a long way from rejecting participation in them

It's also exposed some problems

While the unions have organised themselves to deal with centralised bargaining, they've often found employers and their organisations less-than-ready and able to cope

When Actwusa helped restructure the cotton textile council it found a rather fragile employer organisation. But, for the council to function successfully, it required a balance on both sides and it appears that as a spin-off from those negotiations the employers have become better organised.

Came to the crunch

And unionists say that a big problem with last year's talks with the South African Consultative Committee on Labour Affairs (Saccola) about the Labour Relations Amendment Act was that, when it came to the crunch, Saccola was unable to deliver because it couldn't get mandates from the various employer organisations it represented

By insisting that they will negotiate their demands only with a single national employer body, it seems that Cosatu and Nactu are encouraging co-ordination of employers

Which in turn raises the possibility of longer-range negotiations over other issues with employers

Danger of elitist learning

S/Times 25/6/89

(132)

The Government out of labour relations and educationists out of education, says Anglo American group consultant of industrial relations and public affairs Bobby Godsell

He was speaking at a seminar on labour issues in Namibia, addressing the question of how Namibia can learn from South Africa's manpower situation

He said the first lesson Namibia could learn from SA was the importance of liberating labour relations from political control

"The Rand Revolt of 1922 taught the Government two lessons — the limits of coercive control and the need for labour and manpower to cooperate. Those who are closest to the action should determine fair wages and conditions of employment, not bureaucrats or the Government."

Mr Godsell says the second important lesson to be learnt by Namibia is not to go the route of SA and educate people to be industrially illiterate and innumerate.

"State education is aimed at getting people into university, yet no more than one in five can usefully go. The system is run by professional educationists who teach what they themselves hold dear and produce professional people

"The world of work does not rank high. The whole concept of education is wrong Instead of producing only the critical thinker, we should rather educate the person to be useful in society in all senses — to be a critical thinker, but also to be economically useful

"We have developed a profoundly elitist idea about education Vocational and technical education has the connotation of people who can't quite make the grade"

Mr Godsell says the State has ignored the recommendations of the De Lange Commission into education, which advised against the present academic bias of the SA system

He believes education should be privatised, and a closer relationship set up between parents and teachers

One of the greatest areas of concern within this whole debate, which has raged for some time now, is that about 30 000 black matriculants are roaming the streets each year with no jobs.

These are the hard facts There is obviously a wide gulf between what universities produce and what industry needs This is what schools, technikons, universities and other educational bodies should be addressing

Mr Godsell says surely, after 12 years of training, one can expect a student to have basic cognitive skills The emphasis must be on producing a good citizen, who can be economically active

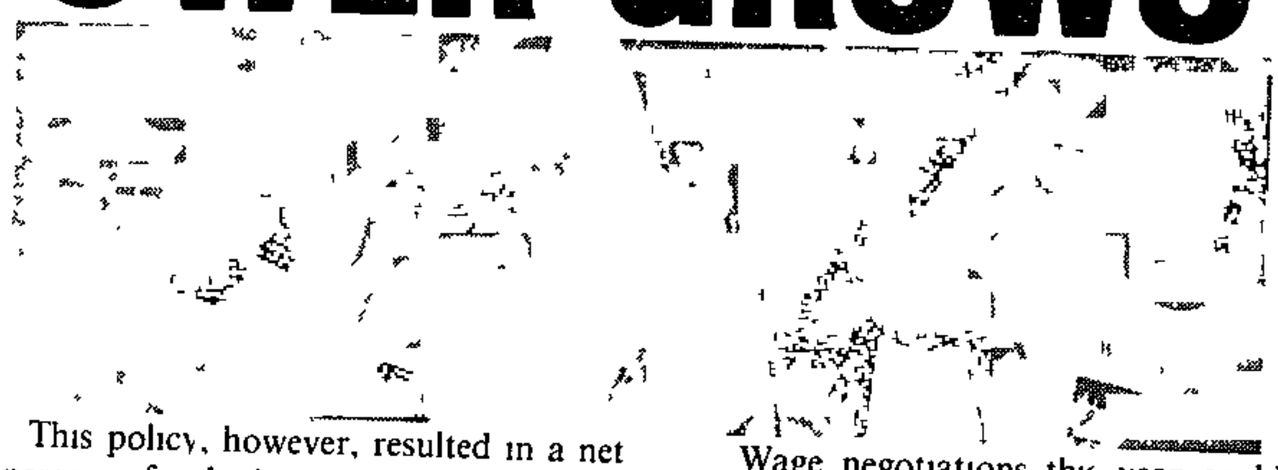
Sowetan 28/6/89 (132)

UNION POWER GROWS

MEMBERSHIP of registered trade unions has risen sharply since 1980 from an approximate 810 000 to just under 2.1 million in 1989 This represents an average annual growth rate of almost 12,6 percent

According to the Sanlam economic survey union membership in 1988 increased by 205 000 or 10,9 percent and the number of trade union members expressed as a total percentage of the economically active population increased to 19,5 percent last year from 13,5 percent in 1985

The bargaining power of the unions has also been strengthened by the merger of smaller unions into bigger industry-based unions following the Congress of South African Trade Union policy of one union per industry



This policy, however, resulted in a net increase of only 4 unions in 1988

The average size of trade unions increased from a mere 4 300 members in 1980 to 10 000 in 1989, the report adds

The number of workers involved in strikes decreased from 591 400 in 1987 to 161 700 in 1988 and the number of man days lost amounted to 5,8 million in 1987 (due to extensive strikes in the mining industry) and only 914 000 in 1988

Wage negotiations this year could be tough Trade unions have intimated that they will be demanding sizeable increases

Employers, on the other hand, are unlikely to readily bow to these demands owing to the deceleration in the economy

Quoting National Manpower Commission figures the report says salaries and wages rose by an average of 19 percent in 1988 while the inflation rate was 12,9 percent

Strike action increases 200 pc

Star 5/7/89

132

Eighty-seven strikes were staged in the first six months of this year, resulting in a loss of 348 614 man-days, labour analysts Andrew Levy said yesterday.

This represents an increase of about 200 per cent in strike action compared with the same period last year.

Last year 120 035 man-days were lost as a result of 70 strikes between January and June.

More than 60 percent of the stoppages this year were triggered by wage demands

Fifteen and half percent of the strikes occured in the mining industry. — Sapa.

Bid to ease boss-worker tensions

132

'Sue unions' rule may be reviewed

Star 11/7/89

By Mike Siluma, Labour Reporter

The National Manpower Commission (NMC) is to "urgently advise" the Government on the possible review of a section of the Labour Relations Act which enables employers to sue unions for losses during industrial action.

If this clause is amended or removed, it could go a long way towards easing tensions between employers and black labour.

It has also emerged that other major aspects of the controversial Labour Relations Amendment Act (LRAA), enacted last year, in the face of strong union opposition, may be in line for changes.

At the same time the NMC is to advise Government on possible changes to labour legislation, taking into account specific issues which needed more urgent attention.

Dr Frans Baker, acting chairman of the NMC revealed this after attending weekend talks between the SA Employers' Consultative Committee on Labour Affairs (Saccola), the Congress of SA Trade Unions (Cosatu), the National Council of Trade Unions (Nactu) and independent unions.

The meeting was a sequel to a union ultimatum to employers to agree to "make progress" towards addressing union dissatisfaction about aspects of the new Act by the end of last month, failing which the unions would declare a national dispute.

Fears of chaos

Union specifically objected to Section 79 (2), which makes it possible for employers to sue unions for damages arising from industrial action In addition, unions objected to provisions they perceived as threatening the job security of certain categories of workers, and demanded that agricultural workers and public sector employees be covered by the country's labour laws.

Dr Barker, who attended as an observer, said the meeting had been informed of the activities of the NMC, which advises the Government on labour policy. The involvement of Cosatu and Nactu in the NMC's activities was raised.

He added that aspects of the employer-union discussions would be submitted to the NMC for consideration during that body's present consolidation of the Labour Relations Amendment Act.

"Specific issues, however, need more urgent attention, and processes have already been initiated to urgently advise the Minister (of Manpower) on these issues, with a view to possible legislative changes."

The present talks between employers and unions follow strenuous opposition by unions to the LRRA, seen by most unions as detrimental to their rights. The unions want, among other things, that labour legislation be extended to cover public servants and agricultural workers.

A Saccola spokesman said the parties were likely to meet again within a month.

The damages clause had raised fears of chaos developing in union-management relationships. Unions wanting to avoid being held responsible for spontaneous strike action by members, notably the National Union of Metalworkers in the engineering industry, were increasingly refusing to intervene to end such strikes

Opposition to the new law led to a three-day national work stayaway last June.

Sanctions and unrest undercut prosperity

Star 17/7/89.

132

By Jabulani Sikhakhane

Economic sanctions and labour unrest have impacted negatively on the economic welfare of various population groups, says a report published by Unisa's Bureau for Market Research.

It says the economic welfare of all population groups, more especially of blacks, coloureds and Indians, rose at a faster rate between 1970 and 1975.

Black household income rose 6,2 percent per annum between 1970 and 1975 (1,7 percent between 1975 and 1985) Coloured and Indian household income rose 5,2 percent per annum between 1970 and 1975 and from 1975 to 1985 rose 0,7 percent for Indians and 0,6 percent for coloureds.

That of white households increased 2,5 percent from 1966 to 1975, against 0,3 percent in the ten years to 1985

In 1985, whites spent one-fifth of their total income on housing, four percent more than in 1975. Insurance and pension funds accounted for 14 percent of their budget, followed by income tax and food, each taking 13 percent.

Blacks spent 31 percent of their income on food and 13 percent on housing. Food, housing and transport were the main items for Indians and coloureds.

Expenditure by blacks in metropolitan areas was one-third of white expenditure.

Striking a harmonious chord for democracy

W/Argus 22/7/89

132

INDUSTRIAL democracy will never occur until management accepts the need for strong trade unions, says Christo Nel, a director of PG Bison

Mr Nel, writing in the latest edition of the IPM Journal, published by the Institute of Personnel Management, said that by bringing unions into national forums as equal partners with employer associations to negotiate parameters of social policy and basic bilateral agreements, union members would start believing that their effort today would bring a better future

Mr Nel's remarks strike a harmonious chord with this week's announcement that government is reconsidering the controversial aspect of the Labour Relations Amendment Act that would allow unions to be sued for damages arising from unlawful strike action

The idea has always seemed somewhat silly, especially in the South African situation where industrial democracy struggles to emerge from a 100-year-old Dark Age in labour relations, because it sanctioned a most certain means of provoking worker discontent — destroying their organisation by rendering it bankrupt

It originally appeared to be an attempt to regulate in-company conflict by punitive measures, and also as a back-up to other clauses in the Act which prohibited sympathy strikes

But it has two underlying problems denial that industrial unrest is a symptom of basic ill-health and a denial of the humanity of workers

The two inter-relate

Strikes and other forms of industrial action occur because the workforce has a problem with some type of management action or inaction

Prefer peace

They are often problems that have been around many years but which, by combining in unions, employees are now able to do something about through active expression of their collective discontent But, and this is where the first connects with the second, workers and union officials are part of the human race and generally prefer peace and quiet to strife and grief

Bearing in mind that because protection for strikers is still relatively limited industrial action poses a threat to employees' jobs and livelihood, often strains family relationships and can cause psychological stress, and is not something embarked on lightly or out of sheer bloody-mindedness

Making it possible for employers to sue unions seems to imply the opposite

Stressful hours

But in general most trade unionists, while being dedicated people who will do their utmost to serve their members' interests, would far rather go home at night than spend long, stressful hours coping with people in the midst of industrial action

They don't cause strikes for the sake of causing strikes In many instances members strike in spite of officials, who are deeply aware of the possible consequences, advising them not to

But if there is a problem there is a problem, and it seems far more fruitful for everyone concerned to get together and create a solution than to sue the union because bad blood has caused the body corporate to break out in boils

Unions' bargaining power tells

Racial wage gap narrows dramatically

B/Day 26/7/89 (132)

ALAN FINE

THE wage gap between blacks and whites has narrowed dramatically during the 1980s, coinciding with the advent of powerful black unionism.

This is reflected in figures that show a narrowing of the wage gap between predominantly white skilled labour and the mainly black unskilled workforce

There has also been a significant narrowing of the racial wage gap for the same class of work, but it remains substantial.

Figures supplied by P-E Remuneration Services show that whereas black skilled or semi-skilled workers could expect to earn little more than half the wages of their white counterparts in 1981, this had risen to 70% by last year

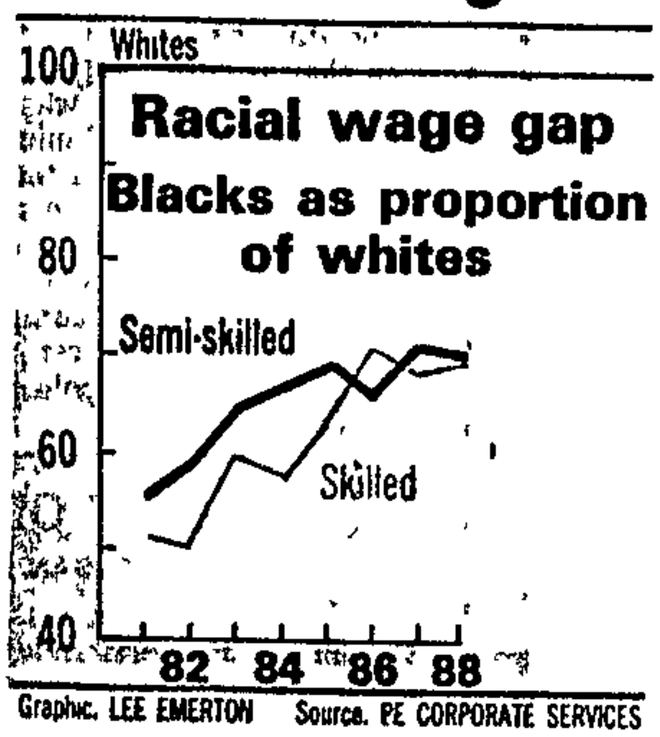
Developments in the mining and engineering sectors demonstrate the narrowing of the skills wage gap

On actual earnings, skilled gold miners now receive 4,9 times the earnings of their semi-skilled and unskilled colleagues, compared to 21,2 times in 1971 before the freeing of the gold price. The sharp gold price increase then presaged an initial, major restructuring of mining wages.

The mining sector skills gap is still substantially higher than overall national averages.

In the engineering sector the ratio between minimum rates earned by artisans and labourers respectively fell from 5 1 in 1961, to 3,4 1 in 1979, to 2,6 1 in 1986 to 2,33 1 this year, where hourly rates of R8,31 were negotiated for artisans and R3,56 for labourers

A Seifsa spokesman said the aim was eventually to reduce the differential to 2,22 1, which would make the labourer minimum rate 45% of the artisan's.



Graphic. LEE EMERTON Source. PE CORPORATE SERVICES

However, measuring the engineering sector ratio according to the minimum rate for the job introduces a distortion in that the "going rate" for artisans is substantially higher than the prescribed minimum Seifsa was unwilling to disclose the actual figure, but it is believed to be in the R12 to R13 range

An assumed R13 an hour artisan's rate would give a skilled to unskilled ratio of 3,65:1, more in line with P-E's figures, which show white artisan earnings at 3,62 times the level of unskilled black earnings.

P-E figures reflect a similar trend, although less pronounced.

Labour economist and management consultant Andrew Levy said yesterday theory and international experience showed unionisation always had a major

☐ To Page 2

P.T.O

the incident.

'Unions prefer outdated system'

Sowetan 27/7/89

132

SOUTH African trade unions prefer the very system from which the Soviet Union is trying to free itself, senior general manager, external relations of the Chamber of Mines, Mr Johan Liebenberg, said in Johannesburg yesterday.

He was addressing a function hosted by the SABC.

He said: "The irony is that quite a number of the major, newer unions are now fostering socialism but can only fulfill their role in a free market economy.

"From Zimbabwe and Mocambique, to China and the Soviet Union, the socialist promise has failed to materialise. The vigour of the free market is now being sought by all these countries to resuscitate seriously failing economies," he said.

Unions give new direction to pension funds

JABULANI SIKHAKHANE

THE emergence of a new labour movement, more representative of the country's workforce, has brought significant changes to the retirement industry

Unions are becoming an important direction-giving force in the retirement provision field

This is the impression given by Old Mutual managers at a two-day conference on pension and provident funds which has just ended in Johannesburg

Eric le Roux, Old Mutual's group marketing manager, said that prior to the early 1980s the only contact the retirement industry had with the workers was through management, which took all the decisions on behalf of the workers

The result of increasing union participation in retirement benefits is that the employers have lost what traditionally used to be their attraction for employment

The trend was to move retirement benefits away from the employment situation to the union environment, Mr le Roux said

Unions have also moved retirement benefits away from the conventional pension funds into provident funds, which are more like money-purchase schemes

At present there are more than 50 union-negotiated provident funds, the mining industry fund negotiated by the National Union of Mineworkers (NUM) and the Chamber of Mines being the latest

Mr le Roux saw union-based funds becoming the trend

132

These funds are part of the major thinking emerging within the labour movement S/W 29/7/89

Union-based funds, which are likely to become a major issue in 10 years' time, are formed as a result of the union initiative, which invites employers to participate in the scheme

Contribution is by negotiation, as opposed to the industrial council-based funds, which are established in terms of the law

Gerhard van Niekerk, general manager of the employee benefits division, said increasing union participation in the employee benefits schemes was regarded as a healthy development in retirement provision

'Recently benefit structures have increasingly become part of the total salary package that is negotiated between the employer and his employees

"Historically, the employer made all these decisions and often, although not always realising it, played the roles of both employer and trustee of these benefit funds," he said

Mr Le Roux said that the union mergers and the change in union leadership had led to employers in some cases adopting a more conservative view of the labour movement

An employer negotiates with one leader today and the next day he is gone and a new ones comes up

"These changes, which happen mainly in smaller unions, don't given an impression of long-term stability This is not true of major unions such as the NUM and the National Union of Metal workers of SA "

S/Times 30/7/89 (132)

Old Mutual prepares for post-apartheid SA

By David Carte and Robyn Chalmers

OLD Mutual this week fielded thorny questions facing the life-assurance and pensions industry.

At a conference attended by representatives of most newspapers, magazines and SABC television, Old Mutual managers engaged in public soul searching, confronting such questions as

- Should it take sides in the liberation struggle?
- How should it react to the possibility of nationalisation in Namibia, and who knows, one day in SA itself?
- Is it a rip-off that an employee leaving a pension fund receives only his or her contributions plus a lousy 2% to 3% a year?
- Are the life companies too powerful and would not privatisation make them even more powerful?

Apartheid

Although Mutual raised these questions, which it believes are bothering the public, the replies from pensions chief Gerhard van Niekerk and team were not entirely predictable or defensive

Like Anglo American, but unlike its rival Sanlam, which keeps its head well down on socio-political questions, Old Mutual has been applying its mind to the implications of the rise of black trade unions and even to the question of a post-apartheid SA

As a mutual, it is conscious that it belongs to its policyholders right across society

With population and income trends running strongly in favour of the black community, Old Mutual knows it cannot serve one or two groups Trade unions are ascendant particularly in pensions and provident fund issues, and Old Mutual is taking steps to spread its appeal to all population groups

The group realises that it is through pensions and provident funds that blacks will first start to gather economic power

Fatalistic

On taking sides in the liberation struggle, Mr Van Niekerk has a wonderful reply "We can help only in the struggle for liberation from economic want."

He is fatalistic on the question of nationalisation.

"We were nationalised in Zambia and several other African countries, but we still perform a valued service in other liberated countries, such as Kenya and Zimbabwe

"If we are nationalised in Namibia or anywhere else, so be it — but if they take such a step, governments will be riding rough shod over the decisions and actions of policyholders, who voluntarily bought policies from us"

Mr Van Niekerk acknowledges that institutions with their billions will inevitably be the major subscribers to privatisation share issues and that their power will increase

But he contends that because institutional money represents members of pension funds and policyholders, the small man will get his slice

Expense

On the question of whether it is a rip-off that the departing employee receives only his or her contributions plus 4%, Mr Van Niekerk acknowledges that under existing practice, the stayers and the newcomers benefit at the expense of the leavers

But the contribution paid by the employer does not belong to the employee personally The employer pays it so that the fund can meet the cost of benefits, which he guarantees

Mr Van Niekerk believes employers have erred in stating that they match employees' contributions They should pay in a portion of the salary bill, so that nobody gets the idea that the employer's contribution is his or hers

If the rules are to be changed to permit the employer's share to be paid to the departing employee, not only will contribution rates go up, but workers will have to shoulder the risk of benefits not being met

Factors

If the employer's contribution becomes the property of the employee, it will become deferred pay and therefore taxable

Mr Van Niekerk says withdrawal benefits have improved, particularly for those with long service After 15 years' service, most funds pay twice their own contributions plus interest.

He says trade union resistance to the traditional pension fund was one of the major factors which caused the entire pensions industry to take a long, hard look at itself

Allegations from employees about paternalism and the fact that pension benefits are structured for the First World component of SA have resulted in a big swing by black workers from pension to provident funds

Employers have become edgy about workers receiving a lump-sum on retirement, fearing they will not have the financial acumen to invest their money wisely

Risk

Old Mutual assistant general manager Reg Munro says that the debate on pension vs provident funds rests ultimately on one question — who carries the investment risk?

"A provident fund which carries a defined contribution is essentially a money purchase scheme where the risk is passed on to the employee If the stock market crashes, he will lose out, but if it booms he will benefit substantially

"Where the employee carries the risk, he should be allowed to participate in the investment decision-making process While the day-to-day investment decisions should be left to an expert, he should be able to choose the investment manager, for example, and the investment strategy involved."

Awareness

Mr Van Niekerk believes there will be a far greater awareness of the economy and of business if employees are allowed to become involved in financial decisions He envisages a move in this direction.

Group marketing manager Eric le Roux says there is strong support for this idea among many trade unions, which are also promoting the idea of union-based funds

Last year the Chemical Workers Industrial Union (CWIU) launched an industry-wide fund. One of the problems was that employers were reluctant to join it.

Mr Le Roux believes their concern about the CWIU fund is mainly of a structural nature, but that in general, they fear the groups involved do not have the financial expertise to succeed.

"Competition among unions is such that they must provide facilities to attract members. Industry-wide unionised funds have both advantages and disadvantages, however

GERHARD VAN NIEKERK

"On the one hand, preservation of funds is increased, especially among the more skilled workers, as they will tend to remain in one industry even if they do job hop

"On the other, there is nothing to compel employers to contribute to an industry fund If they decide not to, then the worker will be the loser"

Assistant general manager Henk Beets put the spotlight on medical aid schemes, about which there has been increasing grumbling from members

Old Mutual is aware that while people are reeling under the burden of rising costs, medical aid administrators, doctors, pharmaceutical companies and hospitals are blaming one another while reaping fat profits What is Old Mutual's explanation and what is being done?

Mr Beets' explanation is that the benefit structure of medical aid schemes is too rigid, the contribution structure encourages cross-subsidies and employee participation is often compulsory.

In reaction to rapidly rising subscription rates coupled with greatly increasing claims by members, he says there is much pressure on the Government to change the regulations governing schemes

He foresees that in order to right the wrongs of schemes, it is essential that insurance companies become involved in the medical arena, that health maintenance organisations be formed, benefit options become more flexible and active incentives to reduce claims be introduced.

Old Mutual took a look at social old-age pensions, contrasting the dilemma of the State with that of the individual and the employer. Debating the old question of whether a state pension should be viewed as relief for the destitute or a livable income, Mr Van Niekerk says that in theory it should be relief — but in practice it becomes the means for survival for many people

More clout for foremen

132 S/Times 30/7/89

MANY companies need to adjust their industrial relations (IR) policies if they are to thrive in a changing South Africa, says Gillam Bruniquel & Associates managing director Dave Gillam.

Mr Gillam believes those which do not take steps now to prepare for the future will be at a serious disadvantage He identifies four areas that need to be addressed

- The empowering of lower-level management
- Communication between management and staff
- Recognition of social, political and economic realities
- Remuneration-reward according to skills-contributions

He says it is essential that lower-level managerial staff, such as supervisors and foremen, be provided with more decision-making skills and authority

"Higher-level management is having to make up for the lack of skills lower down the ladder The function of lower-level managers needs to be clearly defined

CRUCIAL

"Thereafter, they must be trained to be more accountable and to delegate In addition, management-staff communication is a crucial issue and companies found wanting in this area will struggle to survive"

Mr Gillam says employers ignore SA's transformation at their peril, especially if they are oblivious to the social, political and economic evolution that is taking place

Mr Gillam stresses that the pay differential between unskilled and semi-skilled workers and their skilled counterparts has been eroded and could cause discontent

"Many skilled workers who are keeping SA's factories going are receiving much lower percentage pay increases than workers with fewer skills and responsibilities

"It's human nature that they will be disenchanted if this situation persists More common sense and business acumen needs to be applied to the IR process"

He believes that too many companies switch to the "call the lawyer mode" as soon as IR problems arise, without giving enough throught to rational negotiation and discussion

2 views about politics on the shop floor


Mr Peter Wrighton


Mr Jay Naidoo

Leave bosses and unions to fight it out, govt is urged

Sowetan 4/8/89

132

FOCUS

By LEN MASEKO

THE conflict between companies and unions or rather managements and employees is an inescapable ingredient of the workplace

It should be resolved by management and workers themselves on the shop floor without any State interference

This is the assertion of Professor Clyde Summers a Pennsylvania University academic presently visiting this country

Any government intervention in the interface between management and unions exacerbated conflict, he said

"Any dispute resolution procedure must take place at plant level because failure to do this will result in the dispute being resolved by strikes" Summers told more than 300 delegates attending a conference on labour law in Durban at the weekend

The conference - whose theme was 'The Private Regulation of Industrial Conflict" - was attended by representatives of management and trade unions

At issue was whether private regulation of labour conflict should not be encouraged to keep State interference at bay

Union delegates and some labour lawyers saw the controversial Labour Relations Amendment Act (LRA) as an example of government intervention

The American professor warned against having decisions of adjudication reviewed by courts or judges 'who know nothing about the workplace issues"

To avoid this, unions and management had to design their own dispute resolution procedures

Dr Johan Fourie, the Director-General of the Department of Manpower said the Government understood that from its side there should be minimum interference" in the industrial relations arena

'Although the Government has accepted a policy of maximum self management in labour relations by employers and employees, such self-management still takes place within the system of the prescribing of rules in which the State also has a role to play, but with the express understanding that there should be minimum interference by the latter" Fourie said

Although there was a natural conflict of interest between management and workers, delegates felt that the two parties could pursue their relationship - or disputes - on their own through mechanisms such as mediation, arbitration, the industrial council system and the Industrial Court

Disputes

But doubt was raised at the viability of resolving disputes through such methods as the Industrial Court, mediation and arbitration

Trade unionist Mr John Copelyn said debate in union circles centred on whether they should choose the court or private arbitration to resolve the disputes of rights

Calling for the privatisation of the Industrial Court Copelyn said criticisms centre on the fact that we have no influence whatsoever over appointments to the court and that appointments are perceived to be of people who are of low judicial standard."

Part of the criticism stemmed from the court's reluctance to physically reinstate workers who had been found to have been unfairly dismissed Instead he said, the court specialised in 'awarding compensation in such cases

Another reason why the court had lost its sheen was its interference with the definition of an unfair labour practice and the "cavalier manner' in which it was intervening in strikes

Copelyn said private arbitration as an alternative to the court had overwhelming advantages because of its calibre quality of judgment and the fact that it was quicker

He said the disadvantage however was that the employers were often reluctant to resolve disputes through this method

Management consultant Mr Gavin Brown said he did not see arbitration as an appropriate mechanism to tackle "our $64 000 industrial relations questions"

He said. "More often, arbitration will be less attractive where a particular dispute is only one manifestation of a much wider and longer-term conflict between parties in which their interests or rights are being advanced by a more complex set of strategies and tactics than those which are evident from any single dispute

"Unions and employers will tend to shy way from the arbitration of a particular dispute where this will project unfavourably into these strategies" Brown said.

Politics

He said the very certainty of arbitration in such situations was a major factor causing parties to reject it

There seemed to be increasing resentment in the employer circles on being mandated with what they termed as the political agenda" on the shopfloor While they conceded that there were political problems in this country, employers believed shop floor issues should be separated from the political ones.

Premier group chairman Mr Peter Wrighton said although he understood why unions were tackling both labour and political matters the labour movement should understand that businessmen held divergent political views

Cosatu s general secretary Mr Jay Naidoo, said unions would continue to confront managements with both labour and political demands because there was collusion between the State and business

This collusion he said had resulted in the promulgation of the LRA, which sought to crush unions

Azanian Labour Journal takes off

THE *Azanian Labour Journal* could not have come at a more appropriate time, Kaizer Thibedi of Ccawusa said at the launch of the ALJ in Fordsburg

"It has come at a time when the labour movement is engaging capital and the Labour Relations Amendment Bill.

"And it is born out of widespread frustration with the existing media for its inadequacy in reaching workers.

"The ALJ should inspire debate among workers.

"Furthermore, let it address and expose inadequacies within the movement and its leadership."

He said the last three issues have succeeded in presenting a staunch non-sectarian approach to labour matters.

"Let it continue with this trend. Let it not be a mouthpiece for any organisation."

A spokesman for the ALJ said the journal would not support any single political tendency, but would address issues across a wide spectrum within the labour arena.

So we hear 10/8/89

132

Workers at a rally last month prepare for this weekend's summit

Worker unity is on the horizon

Sowetan 25/8/89

132

By MOKGADI PELA

THE GOVERNMENT'S much-criticised Labour Relations Act has, ironically, acted as a catalyst to unite the entire black labour movement.

Power struggles within labour have apparently been forgotten and once-warring factions are now showing a united front This will be seen at the second Workers' Summit scheduled for this weekend at Shareworld in Johannesburg

Workers will come from the Congress of South African Trade Unions (Cosatu), the National Council of Trade Unions (Nactu), and independent trade unions

Following the legalisation of black trade unions, as a result of the recommendations of the Wiehahn Commission in 1979, the question of unity has been the most pressing issue facing them

Attempts at unity date back to 1981 There were the talks between the Council of Unions of South Africa (Cusa), the Federation of South African Trade Unions (Fosatu) and the Azanian Confederation of Trade Unions (Azactu) five years later

Instead of achieving unity, however, three streams became identifiable These were Cosatu, which was later to adopt the Freedom Charter; Cusa which seemed politically non-aligned and Azactu which was oriented towards the Africanist and Black Consciousness schools of thought

In 1986 at Broederstroom a new baby was born when Cusa and Azactu merged in what was to be known as Cusa-Azactu and later Nactu

The LRA resuscitated joint action by Nactu and Cosatu, as demonstrated in the protest by the two federations which saw black workers staying away from work for three days in June last year

There is still suspicion, mistrust and fear of one another in these unions It is therefore not surprising that one of the issues on the agenda this weekend will be "the building of working class unity" which will involve analysis of why unions are divided

Labour expert, Mandla Seleoane, once said "Black workers are divided firstly because the Government wants it so It suits our rulers when we scratch one another instead of concentrating on what matters "

He said it was only through practical involvement with one another that suspicions would disappear and workers would acknowledge each other's right to exist.

The Workers' Summit and joint campaigns against the LRA could one day give birth to one federation When the first summit took place in March Nactu did not attend officially Eleven of its affiliates differed with the mother body and attended This time round Nactu's representation will be complete as the entire federation will be attending

This weekend's summit will probably deal with some of the recommendations of the first one Among those were the call on workers to formulate their own LRA, to find ways of not using the Industrial Court and to make recommendations on demands to Saccola and other employer organisations The demands were to include the right to strike and picket, recognition of majority unions, the right to sympathy strikes and the right of unions to challenge dismissals made without proper hearings

There has also been talk of the summit taking a decision on "sustained action" It is not clear whether such a decision would "action" to coincide with the elections on September 6

Also in line with the recommendation of the first summit, 20 representatives of various political organisations will attend this weekend's event with a speaker from each ideological tendency addressing the workers

This summit might just be the dawn of the unity that has been eluding the trade union movement for a long time

Political comment in this issue by Aggrey Klaaste and Joe Thloloe Sub editing, headlines and posters by Sydney Matlhaku All of 61 Commando Road, Industria West Johannesburg

• Write to the Editor at PO Box 6663 Johannesburg 2000 Nom-de plumes can be used but full names and addresses should be supplied or the letter will not be published

132 WMail 8-14/9/89.

AND A NATION-WIDE STAYAWAY ON POLLING DAY

Stayaway: Not as long as last year, but as sweeping

The labour stayaway was overshadowed by the elections, but observers believe that at least three million workers chose to stay away in protest. By EDDIE KOCH and CASSANDRA MOODLEY

STAYAWAYS in South Africa are becoming less frequent but bigger, better organised and part of a sustained programme of protest by organised labour.

That's the conclusion of the Labour Monitoring Group (LMG) in the wake of this week's protest by up to three million workers around the country to register their opposition to the elections and the Labour Relations Act

While it did not last as long as the marathon three-day work boycott against the labour law in June last year, this month's stay-at-home was comparable in size.

And like last year's protest it was marked by co-operation and growing solidarity between the Congress of South African Trade Unions (Cosatu), the National Council of Trade Unions (Nactu) and a number of independent unions

A novel feature of the stayaway was that it was conceived as part of a sustained campaign against the Labour Relations Act (LRA), rather than a one-off display of collective muscle The wider campaign includes calls for an indefinite ban on overtime from September 13 and a one-month consumer boycott of stores in the CBDs of white cities

Another characteristic was the relative absence of intimidation and violence — methods used frequently by township youth to enforce stayaways in the insurrectionary period between 1984 and 1986

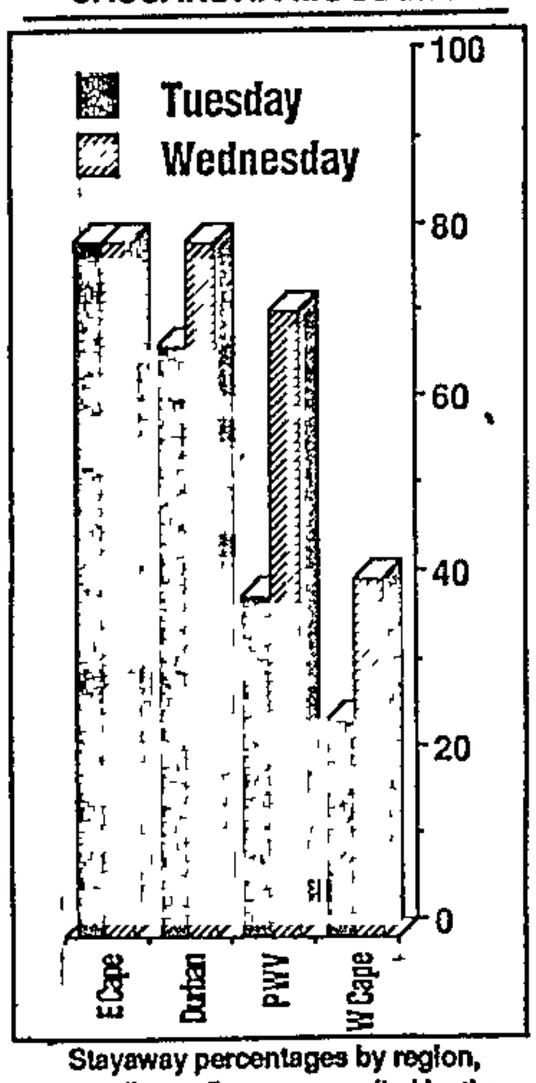
An in-depth survey by the LMG, an academic monitoring group, indicated an 80 percent stayaway in both the Eastern Cape and Durban and a 70 percent stayaway in the PWV area on Wednesday Surprisingly the stayaway in Cape Town, the area which has become the centre of defiance, was less successful. only some 40 percent of workers did not go to work.

The mass democratic movement said in a statement this week that LMG figures were likely to be conservative as they were based on management sources.

"These protests must be seen against the backdrop of worker action against the LRA," the statement said "This massive national action demonstrated our people's determination to commit themselves to and intensify a programme of united mass defiance which will result in the eradication of the crime of apartheid and the creation of a new South Africa."

Nactu general secretary Piroshaw Camay said the stayaway had been almost 100 percent firm on the PWV

"The response to the stayaway call was marvellous and indicated that the vast majority is firmly committed to developing a government for the people and by the people "



Stayaway percentages by region, according to figures compiled by the Labour Monitoring Group

The LMG noted that the economic sectors most affected by the stayaway were the chemical, textile and clothing, and motor and metal industries. The food sector was hit to a lesser extent and there were indications that a higher proportion of miners responded than during the 1988 protest The LMG said preliminary figures indicated a six percent stayaway on collieries and gold mines, Cosatu claimed 100 000 workers had taken part in the largest political protest ever in the industry.

Negligible action took place in the rural towns of the Orange Free State and the Transvaal "Although there was no widespread stayaway in Rustenburg a few companies were severely affected and in the Eastern Transvaal 19 percent of workers stayed away," the LMG said

"On Wednesday, a 12 percent stayaway was reported in the Transvaal country districts while towns in the Orange Free State experienced a stayaway of less than 10 percent "

The stayaway was the outcome of a call, made at a workers summit in Johannesburg a fortnight ago, for trade unions and community organisations to consult on a programme of action against the September 6 elections and state repression.

Last week Cosatu called for a national stayaway on September 5 and 6, while Nactu urged that only September 6 be observed as a day of protest against the elections

Confusion over the dates may have accounted for the extent to which the stayaway was observesd — patchy on day one and escalating on election day Compared to the 80 percent stayaway on Wednesday, Durban recorded only a 68 percent stayaway on Tuesday The PWV figure for absent black workers was 39 percent on Tuesday but rose to 72 percent on Wednesday

The LMG listed additional reasons for this pattern as

- The fact that Wednesday was election day gave a clearer political reason for the stayaway
- Difficulty with public transport on Wednesday because Putco buses were not operating However, taxis were less frequent on both Tuesday and Wednesday

An LMG representative said the small response in the Western Cape was that the region comprised smaller factories organised by more conservative unions. "The workforce also comprised a considerable number of 'coloured' workers who were less supportive of the protest than other black workers "

A National Union of Mineworkers representative said workers in Western Deep Level, Saaiplaas and President Steyn goldmines had been forced underground by mine security At Western Deep, mine security were assisted by the South African Police, said NUM press officer Jerry Majatladi. Chamber of Mines representative James Duncan categorically denied the allegations

Management responses in the LMG survey indicated a general policy of no work/no pay/no penalty, the LMG said. However, "a small percentage of employers indicated they would be taking a harder line on absent workers"

Bobby Godsell, chairman of the SA Consultative Committee on Labour Affairs (Saccola), said it was unclear to employers whether the stayaway was aimed at the elections or the labour law He did think the action would strengthen the bargaining power of unions in negotiations with the employer body

"Saccola is totally committed to negotiations with unions on the subject of the LRA and does not need to be pressurised into talks by a stayaway We are ready to meet at Nactu and Cosatu's convenience," he said.

MAY HINDS ACK A TAXI MAN

CAPE TIMES 23/9/89 (132)

Unions to extend demands in the 90s

TRADE unions in the 1990s will extend the range and extent of their demands, says the director of the School of Business at the University of South Africa, Professor Nic Wiehahn

Speaking at an industrial relations seminar in Port Elizabeth, Prof Wiehahn said unions would concentrate on issues such as shorter working hours and longer holidays

The "no work no pay policy" would be re-addressed as would the issue of maternity leave

Safer working conditions, security of income, worker representation, grievance procedures, state-subsidised pension funds and other benefit schemes would become major issues

Unions would aim for better medical aid schemes, health care of an ethical nature and black advancement Retrenchments and redundancies would also be issues

There would be increased pressure on management to press for political change and to publicly reject apartheid

He added that unions would also push for the adoption of a labour code instead of labour laws

Issues such as contributions by management to the education of trade unionist's children would be emphasised

Prof Wiehahn said management would retain an important responsibility in the 1990's — to manage

"Management's attitude in the labour scene must change from an attitude of toleration to one of acceptance

"Management must develop greater co-operation with unions, a closer relationship with the workers and a greater willingness to negotiate"

Probe into union rights for farmworkers

Star 25/9/89.

132

By Drew Forrest

A committee comprising Parliamentarians and organised agriculture has been set up to weigh the "sensitive" issue of trade union rights for farmworkers, the new Minister of Manpower, Mr Eli Louw, has announced

Addressing a press conference in Pretoria last week, Mr Louw said the committee would enable interested parties to "negotiate and come forward with suggestions" on the issue

PARAMOUNT

While he was willing to hear representations from any quarter, the views of those in the farming industry were paramount, Mr Louw said.

The exclusion of farmworkers from the Labour Relations Act is a major union complaint

Mr Louw said he had appointed a private advocate to investigate the Industrial Court, but rejected suggestions that the court was in crisis

Unions will increase range of demands

B/Day 25/9/89 132

Own Correspondent

PORT ELIZABETH — Trade unions in the 1990s will extend the range of their demands, says UNISA School of Business Leadership director Prof Nic Wiehahn

Speaking at an IR seminar Wiehahn said unions would concentrate on such issues as shorter working hours and longer holidays

The "no work no pay policy" would be re-addressed as would the issue of maternity leave

Safer working conditions, security of income, worker representation, grievance procedures, state-subsidised pension funds, better medical aid schemes, health care of an ethical nature, black advancement, retrenchments, redundancies and education of Trade unionist's children would also be issues

There would be increased pressure on management to press for political change and to publicly reject apartheid

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Wiehahn said management would retain an important responsibility in the 1990's — to manage

"Management's attitude in the labour scene must change from an attitude of toleration to one of acceptance," Wiehahn said

Management had to become transformational instead of transactional.

"A transactional management motivates its workers by reprimands and paternalism A transformational management motivates through co-operation and the right attitudes to human dignity"

Knowledgeable

Management must develop greater co-operation with unions, a closer relationship with the workers and a greater willingness to negotiate They must also become involved in the broader issues that affect the worker not only in the workplace, but also in the social environment

Managment must become more knowledgeable about the international labour world and know more about political dynamics in SA

Wiehahn added "If you reject trade unions you reject your workers"

"You can't rule out trade unions or just ignore them the unions represent the only vehicle of the aspirations of the people whom they represent"

Court ruling strengthens unions' hand

Star 27/9/89

By Drew Forrest

In a watershed ruling, the Appellate Division yesterday upheld workers' right to impose a boycott on overtime where there is no contractual duty to perform it.

The judgment, on an appeal by SA Breweries, will greatly strengthen the hand of the trade unions in their current national overtime ban. It has prompted SAB to call for changes in the Labour Relations Act "in the interests of labour peace".

Binding on all ordinary courts, it is likely to influence the Industrial Court in deciding whether to grant employers interdicts against the ban, lawyers said

The appeal was against a Rand Supreme Court judgment last year. This had rejected an SAB application for an overtime ban by Food and Allied Workers Union members to be declared an unlawful strike.

Upholding that decision, the Appellate Division ruled that an overtime ban was not a strike and that employers could protect themselves against such action only through contracts with employees.

Reacting to the ruling, SAB said it hoped employers would "not now be forced to make overtime contractually compulsory". It called for amendments to labour legislation to plug the "loophole" highlighted by the ruling.

132

Bosses keen on partnership with unions 'to create wealth'

By Kaizer Nyatsumba

Professor Martin Nasser of Unisa's School of Business Leadership. He says there is a common economic vision between South Africa's workforce and managements.

South African employers were not anti-trade unions and were eager to co-operate with unions in the process of wealth-creation, according to the University of South Africa's Project Free Enterprise report released in Johannesburg yesterday

Announcing the findings of the report, Professor Martin Nasser of Unisa's School of Business Leadership, said the most amazing finding was that the South African workforce and management were now closer to agreeing on a national economic vision and strategy than ever before.

JOINT STRATEGY

"Contrary to the general belief that they are in two increasingly hostile, polarised camps, both management and employees now have enough in common to forge a joint strategy for national wealth-creation.

"The research proved conclusively that management is not anti-trade unions and is eager to co-operate with unions in the process of wealth-creation," said Professor Nasser

The study, conducted among 4 000 people from all sectors and levels of the economy in both urban and rural areas, was the third to be carried out by Project Free Enterprise, the first two having been in 1984 and 1986 respectively

The study also found that black employees were more prepared to contribute towards free enterprise, provided they shared in the benefits of the economic growth.

This, said the report, meant that employers now had "a once-in-a-lifetime opportunity" to set the process of wealth-creation in motion in partnership with employees.

The study found that far-reaching progress had been made in equal opportunity programmes over the past three years, although some employees remained sceptical about their managements' commitment to these programmes.

"Equal opportunity is not an option, it is a strategic must. Not only does it help create a more equalised society but it also ensures continuity of the free enterprise system," the report said

The report urged the Government and the private sector to give urgent attention to the removal of excessive rules, regulations and controls which inhibited wealth-creation

The report called on the Government to abolish the Group Areas Act, which had played a role in obstructing the emergence of "a common corporate culture for black and white employees" Management was also called upon to support the systematic "erosion" of the Act — a process which was already taking place through both political pressure and the effects of the housing shortage in the townships

PRIVATE SECTOR

The study also found that there was an overwhelming opposition of sanctions on South Africa According to the report, 95 percent of whites and 78 percent of blacks were opposed to sanctions

The dramatic improvement in perceptions and attitudes was due to moves by both the Government and the private sector to implement the project's last proposals made in 1986.

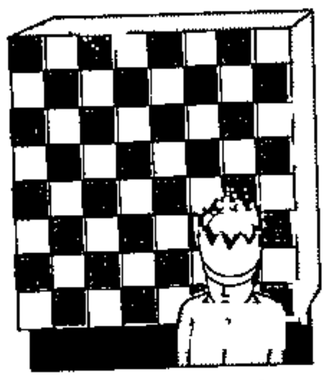
Professor Nasser said since its inception in 1984, the project had attempted to gauge the perceptions and attitudes of "all the actors involved in the economy," and to create awareness of the implications of negative attitudes towards the free market system

This year's research team was made up of Professor Nasser, Mr Wolf Schmikl (

THE INDUSTRIAL COURT

Life beyond Wiehahn

■ Many believe the court has outlived its reform functions

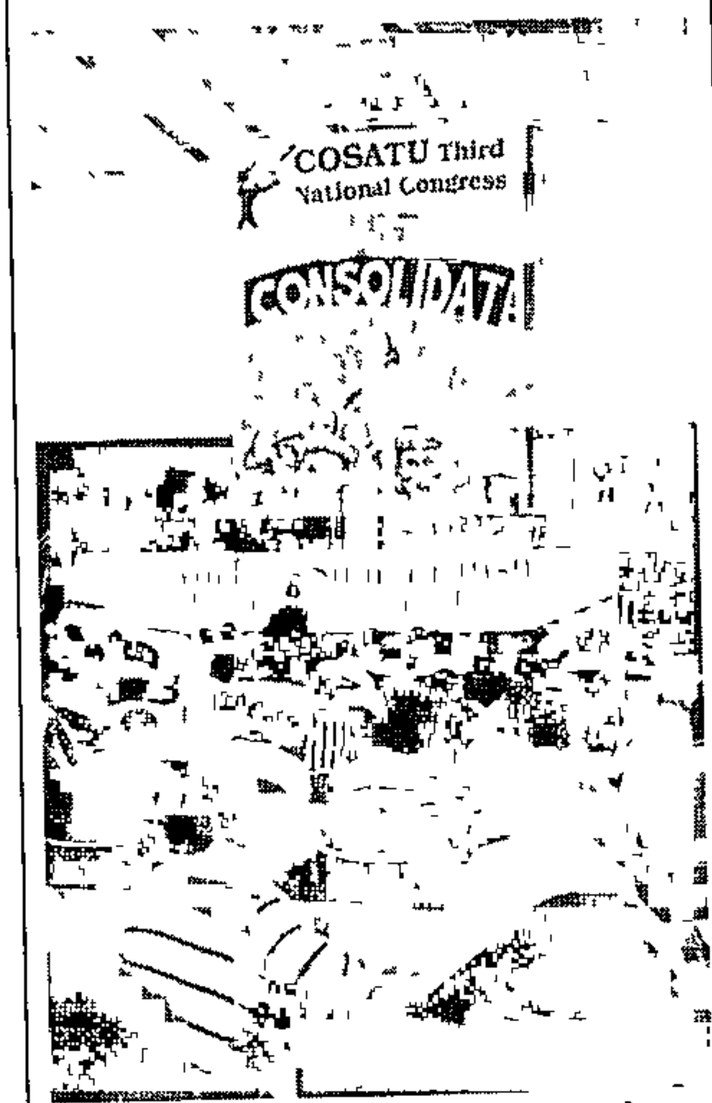


Labour reform is seen as the richest bequest of P W Botha And the symbol of that reform was — and perhaps still is — the Industrial Court, an independent labour law tribunal set up in 1979 along the lines suggested by the Wiehahn Commission After initial suspicions that this government-created body was there to co-opt them, emerging black unions, which later formed Cosatu, used it more to settle disputes (**see chart**)

Employers became increasingly unhappy with the court — which seemed for many far too pro-union There were doubts, too, about the separation of its functions from the civil courts — a problem of separate precedents that has not been resolved but which has to be seen in historical perspective against the needs of emergent black unions in the Seventies

However, the measure of its success was that it successfully institutionalised conflict by maintaining its impartiality and brought relative industrial peace Even in the darkest days of 1985 the court, largely nourished by Cosatu disputation, was held up as *the* SA institution where blacks and whites came together to negotiate

Now it all seems to have gone awry and some detect signs of a crisis of confidence in the court born of black union disenchantment with the Labour Relations Amendment Act (LRAA)



Cosatu conference . . . accusing the court

The workers' summit held by Cosatu in March decided that the unions should henceforth "find ways of not using the Industrial Court " This was part of a resolution saying the LRAA (a year old this month) is "intended to erode the legitimate rights of workers," and served "the interests of the capitalists and the racist regime "

There is evidence that greater use — welcomed by the overburdened court — is now being made of outside arbitration primarily through independent mediators, Imsa But, while the 72 arbitrations in the first four months of this year were twice those of the comparable period in 1988, the court faces a fourfold increase in matters referred to it Employers increasingly use it against employees

Louw

Then there was the announcement of the early retirement of Industrial Court president Daan Ehlers who says he'd have liked to have stayed on — at least until a replacement was found Ehlers cannot say whether the authorities were unhappy with his role at the court but observes "We are very concerned about our independence" — implying that it is precisely this independence that has been reduced under the amended Act

New Manpower Minister Eli Louw sees Ehlers's retirement only in terms of his contract having expired and doesn't explain the "various reasons" why it was not renewed Louw denies any unhappiness with the court's rulings, they were "always objective " Stating that he was the first politician to call (in parliament in 1979) for a labour court, when industrial relations largely fell under the Department of Mining, Louw adds that it's his aim to *strengthen* the court

The minister's broad message — delivered to labour correspondents over tea last week — was that labour peace was his highest priority for an effective manpower force "With the State President's invitation to all leaders to come and discuss the political situation *per se*, the field is more than open for the captains of labour to play a role in politics if they want to but as far as manpower is concerned, to look to the interests of the worker as the first priority "

Louw extended an open invitation to unionists to discuss matters with him "Even if they wish to come and differ with me . I'm prepared to go to them, if their door is open " In general, he says, government won't get involved in labour disputes but leave them to employers and unions to resolve as far as possible

That is all very well, except that a stand-off appears to have developed since last year's promulgation of the LRAA This bodes ill for industrial peace

According to a group of the country's foremost labour lawyers, the 1988 changes to the statute must bear most of the blame for these negative developments — including Cosatu's new attitude to the court Writing in the *Employment Law* journal recently, labour lawyers John Brand, Martin Brassey, Edwin Cameron and Halton Cheadle charged that the changes to the Act "have forced the court to favour employers, they have loaded the dice so that the employer's interests will prevail over established principles in IR justice "

The new procedures for bringing disputes to court "are such a maze that few unions can find a way through them, and the institutional resolution of many disputes is being frustrated by technicalities "

The Act, they went on, now empowers the court to prohibit strikes not merely when they contravene criminal prohibition, but also if they are regarded as "unfair " This entails a new procedure enabling the court to grant urgent interdicts so that "no employer worth his litigious salt will suffer the prospect of a strike without first trying to get the Industrial Court to prohibit it "

It was pointed out that the court had little

SEEKING REDRESS

Major industrial court functions

	1986	1987	1988	1989 Jan-Aug
Urgent interim relief orders (S17,11a)	25	76	187	189
Reinstatement orders (S43)	1 551	2 672	2 383	761
Arbitrations (S45 46,49)	4	9	18	9
Unfair Labour Practices (S46 9)	451	770	1 239	1 955

Source Industrial Court

Financial Mail

Fmail 29/9/89.

ECONOMIC POLICY

Seed corn for sanctions

It may have suited the NP before the general election to blame foreign bankers and political opponents for the malaise into which the economy has fallen but the outcome could be unfortunate

The sanctions lobby is increasingly claiming curbs have worked and that more will bring about the victory over apartheid sensible people would like to see This gives credibility to those who, if the truth were known, would have none.

The truth is, of course, that SA's economic problems are the consequence of several factors — not least the fall in the price of gold, from about US$800/oz in 1980, and an inflation rate that has been in double digits for close on 20 years

Government could do little about the first but it is directly responsible for the second which is certainly equally — if not more so — responsible for our economic position In recent times Pretoria has impeded the application of policy that would have let the economy adjust more easily to the lower gold price For instance, interest rates were for too long prevented from rising to the levels needed to curb excessive demand

When foreign bankers refused in 1985 to roll over SA's modest foreign facilities, government adhered to policies that aggravated the capital shortage by prompting a substantial capital flight The inevitable reduction in savings that inflation encourages simply made worse the capital shortage

Instead of a bold policy to foster economic growth by removing restraints on the mobility of resources, Pretoria chose the path of restriction The outcome was a lower rate of growth this year than need have been the case — and a certain decline next year This was certainly not a victory for sanctions But that is what is being held out abroad

Fortunately, SA is not high on the political priority list of the US Congress this year Nor have the various lobbyists who have been trying to intimidate banks into refusing a new debt rescheduling agreement met much success Indeed, even at the forthcoming Commonwealth Conference those who will attack the provision of credit guarantee facilities for SA importers are unlikely to make a mark

In a volatile political environment that could change quickly, it is never sensible not to follow policies aimed at sound economic growth But government has done just that in its response to the capital boycott It has simply made things worse and played into the hands of those who have little interest in peaceful political reform

It is difficult to believe even now that government is serious about curbing inflation Too often government spokesmen compare our economy with other Third-World down-and-outs and argue that our inflation is not too bad

The *FM* has often pointed out that this comparison is meaningless we trade with the industrial nations of the world — not Brazil or Mexico Yet even with their reprehensible economic record these countries maintain positive interest rates — which SA seldom seems to manage for long

This week in Brazil the overnight interest rate rose to 52,6% a month on expectations of monthly inflation of 35%. That's a real return of 17,6%, maybe we needn't go that far, but it shows that it's possible ■

CIVIL SERVICE SALARIES

Back to the trough

Fmail 29/9/89

It is not only the timing of public servants' latest pay demand that is so offensive, but its wording For Public Servants Association president Colin Cameron in the same breath to demand a 20% pay rise (well above most private-sector increases) and call on the media to stop "undermining" the public service by "constantly harping on its 'fat cat' image" is breathtaking arrogance.

When he goes on to warn of the "dangers inherent in excessive privatisation," the underlying message becomes a little clearer Civil servants may well be concerned that their conditions of tenure and job security — despite recent much-needed reform, still more cosy than most private-sector employers offer — may not survive privatisation

Trouble is, that's one object of the exercise

Nobody would question that there are many competent, dedicated workers at all echelons of our public service Nor that, if we are to attract the teachers, nurses and policemen we need, they must be adequately rewarded

But calls for a blanket 20% pay rise (which, bitter experience has shown, usually ends up closer to 25% or 30% after notch and other special increments) fly in the face of not just economic logic but plain commonsense

For as well as all those hardworking professionals, anybody who's ever dealt with a government department knows they also provide sheltered employment for all too many drones who would scarcely be employable in the private sector and whose main "function" appears to be make-work interference in an economy and society which would run much better if left alone

Bluntly, we must scrap this nonsense of national civil service pay negotiations and awards No broad benchmark can be reasonable, some workers merit more, others less.

Civil servants must brace themselves for the impact of privatisation on employment levels Even without it, bodies like Sats have shown just how much fat there is in the public sector that can be shed without impairing service ■

alternative but to grant these because "the balance of convenience is paramount, and the prejudice an employer suffers from a strike is far more immediate and tangible than the disadvantage to a union in having to put it on ice"

Turning to the court itself, *Employment Law* contended that for all its notable achievements — "created from the barest of statutory hints and legislative footholds" — the Industrial Court has in fact wasted its opportunity by having "muddied its boots in a mire of equivocation and conceptual ambivalence

"Doctrines were hinted at and then reviled Concepts were floated but later repudiated Principles shown to have been equitably developed and applied in Western countries were alluded to but ignored or, on occasion, delivered in truncated form

"The court's history seems to tell us much, perhaps more than we want to know, about what has happened to the rest of the reform strategy of which it was such an integral and hopeful part"

The authors specifically charged the court with a threefold failure "It has failed to adapt its process to the nature of the parties before it, failed to apply elementary standards of due process in adjudicating some claims of relief, and it has failed to develop coherent doctrines to regulate management-labour interaction fairly and responsibly"

Ehlers, asked if there was a crisis of confidence over the court, points to its workload which shows the number of unfair practice cases to come before it has doubled in eight months He does not believe charges against the quality of some of the court's presiding officers is justified Two who have been specifically referred to stopped presiding some time ago, he argues, and "by and large, the presiding officers are independent, objective and unbiased"

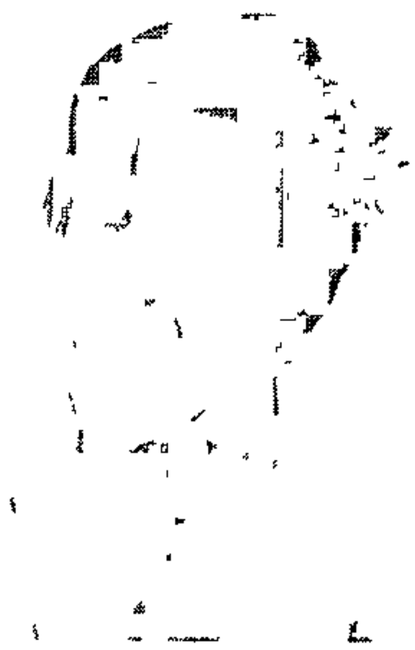
Has the amended Act strengthened the hand of employers? Ehlers admits "Perhaps one can say so, particularly the definition of the unfair labour practice, which concerns the bulk of cases" Whether or not the narrower definitions are a mistake, Ehlers says they "definitely shackle the court"

What would he like to see changed at the court? "We definitely need more permanent, full-time members — silks — with the necessary feeling for our situation and the fairness we must apply It would be nice to have deputy presidents for the Cape, Natal and Transvaal And we need more accommodation

"It would also be nice if the statute could spell out the court's powers and if the prescriptions regarding proceedings could be removed from the Statute Book, so that the court could develop the practice itself, and the rules board can then adapt the rules as the situation develops"

Ehlers's impression is that the labour situation is stabilising after the turmoil of the early Eighties when the new dispensation brought growing pains in its train

Anglo American's labour consultant and chairman of Saccola, Bobby Godsell, takes a rather less epochal view about the court's difficulties He observes that in its 10 years this isn't the first time people have either accused the Industrial Court of bias or predicted its decline Yet people have continued using it, and in ever greater numbers



Godsell

And as labour law in SA is only a decade old, one would expect there to be growing pains

"Labour courts anywhere face the problems of defining equity and certainty in creating a generally valid set of rules," says Godsell, alluding to the apparent inconsistency of the court's judgments with which lawyers take issue The Department of Labour would point out that the circumstances of each case differ

Godsell regrets that the court makes very little use of lay assessors Ultimately, he explains, "one is looking for two different kinds of skills knowledge of the law and its effective application, and knowledge of the area it covers" He points to the West German labour court system, which handles about 300 000 cases a year, where it is routine for the presiding officer of the court to be accompanied by two assessors — one representing the employer, the other the union

Ehlers . . . a stress on independence

This enhances the perception of justice being done, says Godsell, adding he'd like to see an expansion in the use of lay assessors in the SA system

While he believes that the Industrial Court also needs more staff who must be better paid, he describes it as "the most widely used institution in SA history"

Godsell would argue that the court is now suffering from a more fundamental wrong in our society — the absence of black political rights This makes the process of amending labour legislation fundamentally defective

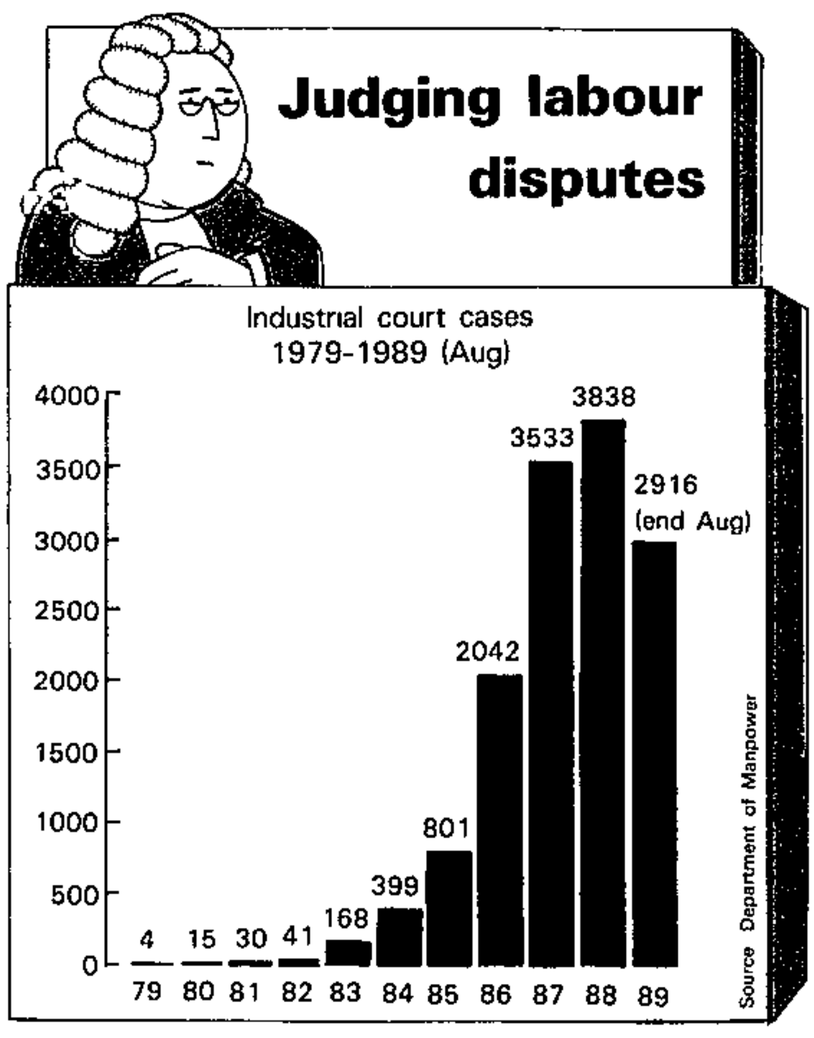
The court still enjoys wide discretion, observes Godsell He advocates the closer involvement of unions and employers through lay assessors, which could enhance the court's role Despite its problems, Godsell concludes, "I'd plan for the expanded use of the court"

Even with the growth of what's called bilateralism — a kind of privatised collective bargaining arrangement where unions and employers themselves regulate their industrial relationships — some labour experts argue that for society as a whole, private regulation and the State's role (the court) should co-exist and complement each other

However, it is argued that if State regulation is to boost the private process, it must be non-partisan

The problem with the Industrial Court is not whether it was ever necessary in the first place, but that the law it must administer was skewed a year ago — expressly to "curb the unions"

As Godsell observes, it's a victim of the absence of black political rights ■



Fmail 29/9/89

BANKORP-TRUST BANK

At a turning point?

■ Bankorp hopes to use its rights issue funds in a drive for profits

A fortnight ago Bankorp announced a rights issue — to raise upwards of R340m — and a restructuring that includes the delisting of its subsidiary, Trust Bank If all goes as planned this could be seen as the last major step in the full rehabilitation of Trust since its rescue by Sanlam about 16 years ago It would also mean the establishment of Bankorp as a more effective contender among the top five banking groups

The verdict on that will depend much on the success of management's new objective of focusing on profitability rather than market share (*Fox* September 15) Meanwhile, the market has reacted harshly, and Bankorp shares now trade at 350c each compared with 440c before announcement of the plans Reasons include the cut in the 1989 dividend to 25c (34c), the hefty earnings dilution that will result from the rights issue, and the relatively low return on assets on disclosed figures

In part, the market is taking a jaundiced view on the strategy of the past few years, when the group chased after volumes and market share at the expense of profitability, and on an overstretched balance sheet Inadequate communication, with the accounts based on limited disclosure, did not help

But this year has brought major changes for Bankorp, particularly in top management After chairman Fred du Plessis' death in March the more communicative Chris van Wyk, former CE of Trust, was appointed CE of Bankorp This week Gencor's highly rated chairman, Derek Keys, assumed the Bankorp chair The influence of the earlier management changes in the latest announcements is not clear It is apparent, however, that better profitability can't be achieved without an infusion of funds and Van Wyk does have definite ideas about how to improve returns

A short-term impact on profitability should result directly from having the rights funds available The amount received will depend on the response by Trust minorities to the offer of cash or Bankorp shares Should all the Trust minorities accept shares, net cash made available to Bankorp, including the R200m to be injected into Trust Bank, will be R390m

Van Wyk reckons that if the figure is only R340m the resulting saving in deposit costs would place the group well on its way towards lifting return on assets from the present 0,57 to the proposed 0,67 The capital ratio would be lifted to 4,25, which is still not impressive However, it is based on the group's limited disclosure and takes no account of hidden reserves

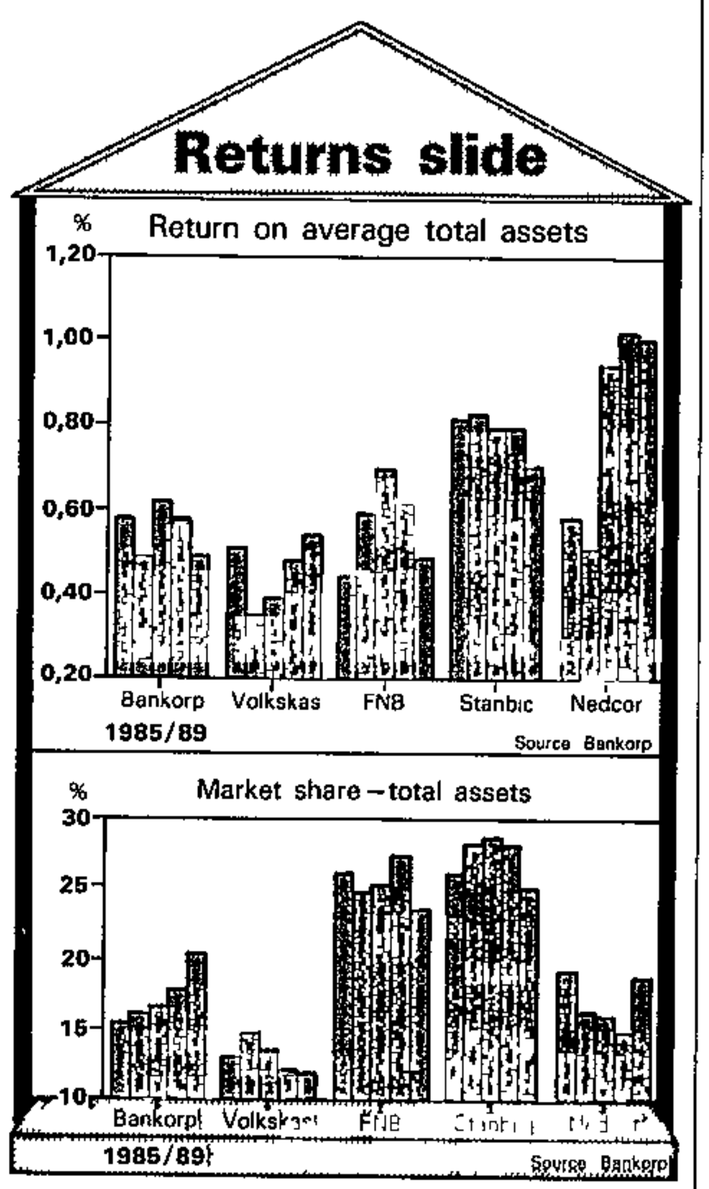
That in itself would not address the fundamental profitability of the business Van Wyk stresses the single biggest contributor to the bottom line is the net interest margin Considerable effort is being directed at a sustainable improvement in this margin, particularly in the two major banks

Trust and Santambank deploy about 85% of the assets and 80% of the staff In the year to end-June, Trust provided R66,4m — or 51% — of net income of R131,6m, while Santambank contributed R36,5m — 28% Senbank contributed R24m — 18% — and R4,7m — less than 4% — was from Bankfin and others

Another objective is to lift income from fees, commissions and trading activities A third line of attack will be to expand non-banking financial companies Management believes there is large potential to raise profits from these operations, though they would be rising off a low base and could have only a marginal impact on total profits over the next three years

In the plan to widen the net interest margin the liabilities mix has a central position Van Wyk notes that this does not refer simply to relative proportions of short-, medium- and long-term liabilities Management is well aware that funding sources have been too narrowly focused Trust, in particular, gains much of its business from the corporate sector, which can be prestigious but not necessarily the most profitable

The retail sector has not played a large enough role The proportion of total liabilities in cheque deposits and savings accounts has grown, but remains significantly below the levels of Bankorp's major competitors As Van Wyk puts it, the group is still buying too much of its funds through money market and corporate sources



This is partly why Bankorp has chased volumes and allowed total assets to increase by more than 40% annually over the past two years A major reason was to gain market share and achieve critical mass, its share of the industry's total assets increased from about 15% to more than 20% But the plan also involved growth in targeted market segments

Van Wyk reckons that a campaign to acquire cheque accounts resulted in a doubling in the number of accounts over the past two years, and a 25% increase is targeted for this year New products were launched, such as Super Trust, essentially a cheque account whose effectiveness depends on sophisticated technology systems

Johan Howell, executive manager of Bankorp Management Services, says the group is also seeking to adjust its position in the retail market It has traditionally been strongest in certain sectors of the upper-income group but several others are targeted Target markets for cheque accounts at present include middle- and upper-income retail sectors and, in the corporate sector, listed and medium-sized private companies

The purpose is to acquire cheaper and more stable sources of funds Benefits would be considerable given the potential gearing effect of any containment or reduction in costs Van Wyk notes that the group ended the 1989 year with a deposit book of nearly R24bn A reduction of 0,25 percentage points in the cost would add about R60m to pre-tax profits

Means of achieving this include the assets and liabilities committees in Trust and Santambank, and extensive use of targets and budgets Targets have been integrated with the management incentive systems — and this could be crucial, as the profit strategy will need an abrupt change in corporate culture The budget system extends to branches and the contribution each can make towards the liabilities mix

Another area of emphasis will be management of costs, which also forms part of the budgeting system The overall operational cost ratio — total costs as a percentage of total assets — has been brought below 3% Van Wyk says that a range between 2,8% and 3% is seen as a long-term target "That means doing a few things right," he says "It's important, for example, that we get the correct ratio of people costs to non-people costs"

SAB workers set to strike

Cape Times 12/10/87

(132)

Labour Reporter

ABOUT 1 000 SA Breweries (SAB) workers in the Western Cape are set to march off the job today to join another 5 000 colleagues striking nationally over wages and conditions of service.

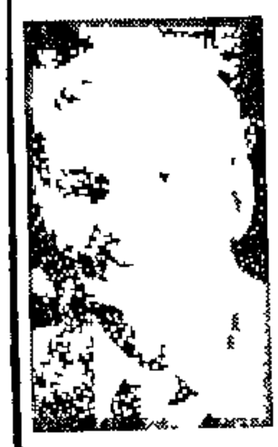
Confirming the dispute yesterday, an SAB (Western Cape) spokesman said the beer giant would "ensure all that is possible that stocks do not run out".

The strike by 6 000 members of the Food and Allied Workers' Union (Fawu) follows about three months of negotiations involving Conciliation Board hearings and mediation, a Fawu spokesman said.

The parties remained deadlocked.

No more 'Maybe Day'

(132)



Eli Louw taking an important decision

Clive Knobbs the wishes of the majority

MANPOWER MINISTER Eli Louw's decision that Workers' Day be celebrated on May 1 in future is an important and enlightened one

Reasons for the announcement include that workers would benefit from a long weekend, that a large number of workers regard May 1 as a holiday in any event and that it is the norm in most Western countries S/Times 15/10/89

Mr Louw said any association between May 1 and the socialistic and communistic ideology was becoming irrelevant because of the economic failure of that ideology.

"Workers' Day will therefore increasingly stand separate from any specific ideology To perpetuate this point of dispute would be artificial and not in the interests of peace in the labour field"

The decision has been welcomed by the Association of Chambers of Commerce and Industry (ASSOCOM), saying the Government is to be congratulated on the announcement, which "the association has urged since 1985 and given evidence thereon to the President's Council investigation into public holidays in 1987"

Chamber of Mines vice-President Clive Knobbs said in a statement the announcement indicated that Government was attentive to the wishes of the majority of employers and employees in SA, many of whom had reached agreement to recognise May 1 as the appropriate day to pay tribute to labour

May 1 has been a controversial and emotional issue for years, and Mr Louw has certainly set himself a high standard to live up to for the rest of his term of office

A Business Times Survey October 15, 1989

S/Times 15/10/89

A thorn in the side of SA industry

132

ONE of the thorniest issues currently facing the industrial relations experts in South Africa is the Labour Relations Amendment Act

The Amendment Act was intended to correct flaws in the 10-year-old Labour Relations Act At the core of the older legislation was the provision for black workers to join trade unions which could then be recognised as their representatives

By Andrew Gillingham

There followed a period of rapid growth in the number of unions, their membership and strikes The Act also created the Industrial Court

AECI GM human resources, Bokkie Botha, says many of the first Industrial Court decisions went against employers They became concerned that the Court was acting against them However, many of these first cases were to do with fairness Autocratic employers were not used to being questioned and they didn't like it

Balance

The view of the Industrial Court changed as a balance was achieved and labour practices modified

However, the National Manpower Commission (NMC) was asked to investigate a number of aspects of the Act including the Industrial Court

The NMC produced a number of recommendations and the government prepared a series of draft amendments

Says Mr Botha "The Labour Relations Act is an all pervasive piece of legislation and the amendments covered a wide range of issues from administrative to those affecting basic principles"

Both the NMC and the Department of Manpower invited comment from over 100 interested parties

By the end of 1987 amendments were introduced which began to look as if they would be the final version

Then trade union federations became concerned about some of the proposed amendments and started to gear-up against them

The SA Co-ordinating Committee on Labour Affairs — which had been created to provide employer input into the Geneva-based International Labour Organisation — had begun to become more involved in internal issues

It suggested talks between the unions and employers

They tried to find common areas of concern regarding the new legislation For any such legislation to work it had to have general acceptance among both parties

Speeches

At the time some politicians made speeches calling for the need to control trade unions Unions were concerned that the legislation was intended to turn back the clock Employers didn t want legislation which would prove unworkable

The Minister of Manpower said he would consider joint proposals by the trade unions and the employers

However he set a time limit and both parties soon realised it could not be met Instead they agreed on certain clauses which they considered areas which should be discussed further and asked the Minister not to promulgate these clauses But the clauses were promulgated along with the rest of the Amendment Act and talks broke down

The trade unions began a series of actions aimed at both government and employers in protest

These included a call for a national overtime ban and various boycotts

The NMC has since been asked to review the entire Act and employers and trade unions have begun talks to find common ground on what the new Act should look like

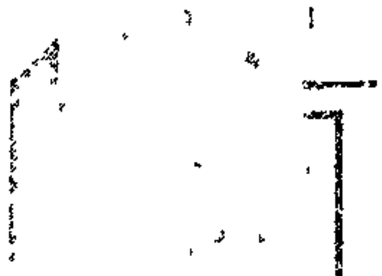
Mr Botha says there are a number of areas which cause concern and some of the main bones of contention include

☐ The Schedule of Unfair Labour Practices This was a attempt to codify these practices for the guidance of both parties and include sympathy strikes intermittent strikes and dismissals

☐ Time limits were introduced relating to dispute settlements such as when a dispute could progress to a legal strike or to the Industrial Court

☐ Publication of Industrial Court decisions Both employers and trade unions want these judgements more widely publicised

☐ New admendments were introduced which put the onus on trade union leaders to prove they were not involved in illegal strike action And this introduced an element where the employer could sue the union for damages



BOKKIE BOTHA
thorny issue

elivers keynote address

road of labour relations

☐ Nasionale Pers group manpower development manager George Coetzee will address the need for a more focused and strategy-orientated approach towards management development

☐ Labour law and industrial relations consultant Charl de Witt will examine the legal implications of Aids and discuss policy considerations relevant to dealing effectively and fairly with its complications

☐ Shell SA manpower planning manager Godfrey Mashope will discuss the need to include more blacks in the higher echelons of management

☐ Nasser Associates director and partner Roy Dinsdale s address will cover mentorship as a powerful tool in bringing people into the core of the business

☐ Professor Pierre Goetschin from Lausanne University, will address the impact of international demographic changes on business policy

☐ Cemento Polpaico Chile human resources manager Mario Livingstone will discuss the problems facing Chile

PAUL JOHNSON
renown author

W/E ARGUS 21/10/89

132

Two new IR publications

TWO new publications about industrial relations continue the expansion of works available in this field

Jutas, who appear to have made something of a corner in the market, have just released *The Industrial Relations Handbook*, a loose-leaf publication designed for periodic updates

Because IR is a dynamic and constantly changing field this is a useful device which should ensure that it doesn't go out of date

The material, written by Andrew Pons and edited by Steuart Pennington and Sara Gon, is concise, accurate and clearly laid out

Each section is clearly defined, and most come with relevant annexures such as model disciplinary procedures, recognition agreements, briefing systems and others or outlines of procedures

As a handbook it is clearly too general to be massively detailed, but in covering all areas likely to be needed by practitioners it is a worthwhile tool and guide for efficient day-to-day management of industrial relations.

The second publication, *South African Industrial Relations*, is a somewhat more ambitious work by Dr P S Nel of Unisa and Dr P H van Rooyen of Stellenbosch University

It is a wider ranging work than the *Handbook*, gives a historical background to the various components of industrial relations and outlines of their principles

Each chapter concludes with a summary, questions and case studies, and a bibliography for further reading.

On the level of familiarising the reader with the structures and mechanisms involved and the processes that take place between the parties involved, the book is a useful introduction to the field

There are however, areas which could be confusing

In the section dealing with the amendments to the Labour Relations Act, the book says (p 90) that "application for the establishment of a conciliation board to consider a dispute will be granted as a right" But in the following chapter on the industrial relations system it says (p 105) that after application has been made "the inspector must then consider the application, and in all cases has the discretion as to whether or not to approve of the institution . ."

There are other problems which lead one to be wary The authors say, for example, that the S A Federation of Textile, Garment and Leather Workers' Unions affiliated to Cosatu in 1987 — to the best of my knowledge this is not so

RWB fires striking workers

139

By Drew Forrest

The Rand Water Board (RWB) fired about 400 workers at its Zuikerbosch pumping station near Vereeniging after they downed tools over the detention of a trade union shop steward.

RWB spokesman Mr A Carstens said the mass dismissal yesterday came after numerous pleas to workers, ending with a return-to-work deadline. Water supplies would not be affected.

Mr Carstens said management had made representations "at the highest level" to secure the detained unionist's release.

Mr Steven Kolisang of the Municipal, State and Allied Workers Union said the workers were demanding the release of shop steward Mr Richard Ramaqabe who was detained under emergency regulations on Tuesday after a union meeting.

The union was also demanding the dismissal of the compound manager, whom they believed was responsible for the detention. Star 22/9/89

Transkei leader in bid to end labour crisis

The Argus Correspondent

JOHANNESBURG — Transkei's youthful military leader, General Bantu Holomisa, determined to draw industrialists to his country and create much needed job opportunities for the people, is locked in a major labour crisis

Factories in Transkei's industrial hub — Butterworth — closed following a breakdown in negotiations between workers and employers last week

There were also reports of looting and there were rumours that whites were leaving the country until the strikes were resolved and the tension eased

General Holomisa spent much of last week meeting both workers — who do not have trade unions — and industrialists, some of whom were threatening to remove their factories if "trouble" continued

NEW POLICY

The President of Transkei, Mr Tutor Ndamase, is expected to announce a new labour policy this week to co-incide with the celebrations of the 13th anniversary of the state

Last week, however, General Holomisa, was in the thick of the fray, discussing problems with both sides

Workers were demanding another look at minimum wages, ill-treatment by employers, job security, workmen's compensation, sick leave, salary disparities between Transkeian companies and their sister companies in South Africa, lack of recognition of service and experience, unlimited working hours, lack of training and lack of communiciation between employer and employee

The industrialists had their problems too A number had established factories in the Transkei because labour is traditionally cheaper in the independent states and there are fewer problems with trade unions Some factory owners complain that labour may be "cheap" but productivity is low and skills limited

General Holomisa and his government, in the words of an Umtata businessmen, walked a tightrope They had to find a way of ending the strikes without sacrificing workers' rights — or frightening away potential investors

At the end of the week, General Holomisa admitted the Transkei would not be able to "escape" trade unions forever

"Workers want representation," he said

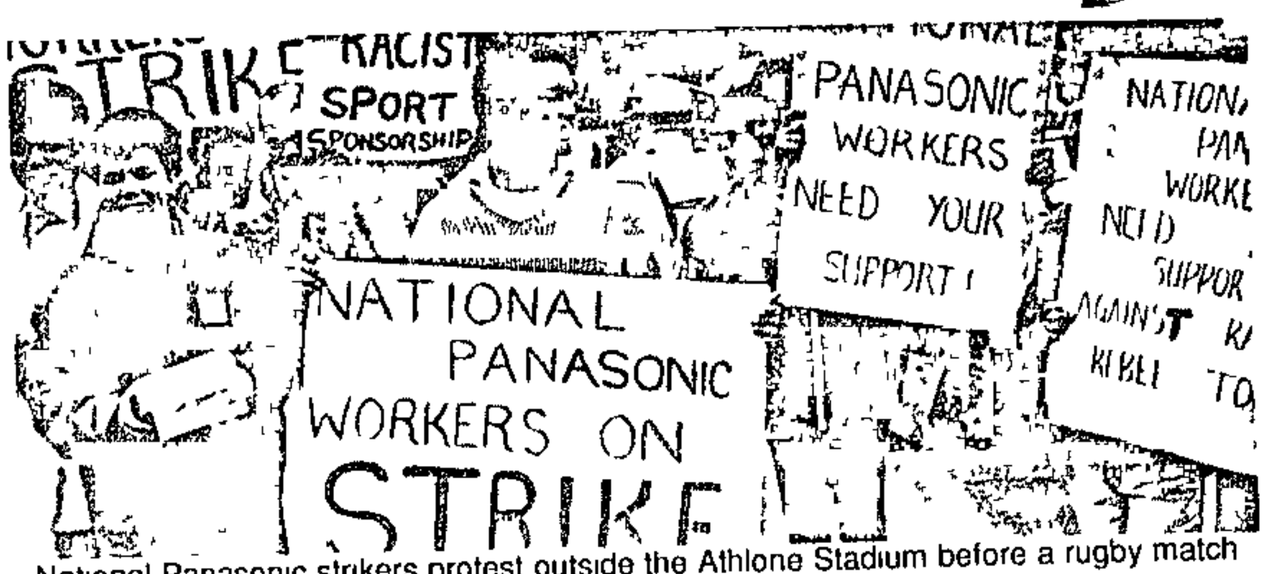
South 26/10 - 1/11/89 (139)

Strike diary

WORKERS on strike do not battle against the bosses only — they also have to fight boredom

The 186 National Panasonic workers who went on strike nine weeks ago realised this and have kept themselves busy everyday

These are extracts from a dairy they keep



National Panasonic strikers protest outside the Athlone Stadium before a rugby match

Day 25

As usual we picket at the gates of National Panasonic Company (NPC) It s amazing to see how management is also standing at the gates so early

At 9am we proceed to the hall where we hear the meeting has been postponed until Tuesday because there is a Japanese visitor

We feel very disappointed because we want to hear what management has to say

We decide to march to the company's premises

At 12 30 we proceed to the company Comrades sing anthems at the entrance of the offices We are very disappointed to see how the factory doors and the security gates are locked Other workers inside the factory are locked in during their lunch hour

We have chips and cool drinks to show management we are not starving

At 3 45 we all disperse

Day 26

We picket at the gates of NPC We are all shocked to see management has introduced new strict security measures

There are extra security guards, two dogs, new gates and fences, extra management with a video camera and a traffic cop opposite who is monitoring the situation

It is the first time in history that management allows dogs on the premises

At noon our officials returned to the hall with the news that management walked out of the meeting

Day 27

After 12 we welcome two bands who have come to share their music with us

Sabenza express their music through poetry which touches all our hearts

Township music is new to us Each of the songs ends to thunderous applause

Next is the band from MAPP

They play a few of their own songs and also some of the well known tunes we all know

The people start dancing to the music and even the caretaker joins in

We leave for our homes in a happy mood

Day 29

Tonight we are having a dance in Retreat for fundraising

The most needy comrades get food parcels to take home

Day 30

We are glad no one has gone back to the factory so far It is a victory for us because we are in the sixth week of our strike

The dogs are still on the premises watching us

At 9am we proceed to the hall where we divide into groups Some go out to fundraise, others go for a course in Mowbray

There we learn how the workers make the bosses rich The poor class are the ones who must struggle to keep their families alive The biggest weapon for the workers is unity

Day 31

A group called Erase visits us and gives a workshop on racism and sexism

It is good for us to learn about this topic because some of us didn't know what racism and sexism are

We all go home at 2 30pm

Day 32

Our union officials went to a meeting with the Japanese embassy

We disperse early, at 1pm, because most of us are tired from the previous function

Day 33

It s a beautiful day so we walk to the hall after picketing

People from the Community Arts Project visit us They bring paints and materials

We really enjoy ourselves with the paintings

We paint the NPC as it is inside and outside We also paint management s faces — the good, the bad and the ugly!

Day 34

We picket at the gates between 7.30am and 9am

Many of the workers who pass by throw money into our collection tin Others shout encouragement.

Some of our comrades can now feel the struggle but we are all still strong

As it is a short day we disperse early with our food parcels

Day 37

We discuss the following day's proceedings We are going to march through the industrial area with people from our communities Comrades are busy preparing the placards Everyone seems in a happy spirit and looking forward to tomorrow

Day 40

The comrades discuss the big march in town the previous Saturday

The march was successful and National Panasonic s banners were also there This is to show other factories that we are still on strike Our comrades had tins at the march and they collected some money for us

All in the family for striking Rosalyn

By CHIARA CARTER

WHEN Rosalyn Shericke left school last year it was almost natural that she should go work at the National Panasonic factory in Parow Industria Both her parents had been working there for many years

Shericke's decision to join a strike by National Panasonic workers nine weeks ago came almost as naturally Her mother was one of those who went on strike, and her father had been retrenched the previous day — after being with the company for 10 years

Shericke, 20, is the youngest of the National Panasonic strikers who meet daily in the All Saints church in Belhar

"It is because of my family's involvement at the factory that I am determined not to return to work unless our demands are met," she said

"I decided to join the strike because it was a way of showing what I feel about National Panasonic The frustration of working there built up until a strike seemed the only way we could win rights "

As she spoke, some of the other women strikers were sitting on the church lawn chatting, while groups of men were playing "klawerjas"

It was Friday, and some of the needy strikers had just been given food parcels

The workers had been briefed by senior shopsteward Mohamed Ismail He had told them that there were signs that management was crumbling

The strikers had then discussed their plans for the forthcoming week and fundraising ideas

For the Shericke family and several others the strike has meant no income in the household

On the first day of the strike the workers set up a sub committee to raise money

Among the six workers on the committe is Eleanor van Wyk the sole breadwinner for her three children

She said that while there has not been money to spare, no one has gone hungry, partly because of the food parcels, which are the result of an agreement between the Electrical and Allied Workers Trade Union and Plessey SA

Not all the workers get money or food, said Van Wyk

Financial hardships are not the strikers only problems Many have met with opposition from their families

Usually once we explain to relatives why the strike is important they agree to support it " Van Wyk said

One problem the strikers have not had is boredom

Each day of the strike there has been a programme of activities

Their day begins outside the factory gates where they picket for about two hours

From the factory the workers go to the All Saints church which is the nerve centre of the strike

Striker Mrs Sarah Grodes said the programmes 'have opened up another world'

All these years we have been stuck doing the same work with little incentive to develop During this strike we have seen new worlds We will never be the people we were before she said

For all the strikers the first day of the strike was a watershed They remember it as a highly emotional moment

Nobody knew what to expect We had never been on strike before Some of the union members resigned because they were afraid of the strike Other people joined the union minutes before the strike began Some of the workers who are members of the sweetheart union at the factory, wept when we left,' Ismail recalled

Jasmine Salie who has worked at the factory since it opened said Management thought they could always push us around because most of us are women and we are all used to years of not answering back

But the past nine weeks has strengthened all of us We have learnt that we can fight for our rights, and that we can endure "

INDUSTRIAL RELATIONS - GENERAL

1990

JANUARY — SEPT.

PEOPLE AT THE TOP ARE ON THE MOVE SEE PAGE 7

APPOINTMENTS

MANPOWER MIRROR by ROBYN CHALMERS

PAGES AND PAGES OF THE BEST JOBS IN SOUTH AFRICA

S/Times 7/1/90 (132)

Employers, workers brace for conflict

LABOUR analysts predict upheavals in industrial relations (IR) this year

The results of actions in 1989 will become evident this year Some will be positive, some negative and others are unpredictable

The Labour Relations Amendment Act (LRAA) for example is likely to continue to be a source of conflict between employers and trade unions unless the National Manpower Commission (NMC) report does the impossible — satisfy both parties

Indications are that the report recommends scrapping of the controversial Section 79 (2) which allows employers to sue unions for damage caused by a strike The unions would welcome such a decision but many employers favour retention of their right to claim compensation for losses incurred by a strike

WALLIE CONRADIE *housing a major issue in 1990s*

At best it can be hoped that the report will be able to strike a compromise that satisfies both unions and employers

Cosatu and Nactu have threatened a new round of industrial action in continued protest against the Act.

The state of the economy is likely to play as big a role in IR in 1990 as it did last year At the end of 1988 Institute of Industrial Relations (IIR) senior professional officer Adrian Hersch correctly predicted that the economy would most directly affect the critical spheres of retrenchment and unemployment.

He identified privatisation and the weak rand price of gold as the two most vital elements in this scenario

Predictions for the gold price in 1990 appear fairly optimistic Many analysts believe it will reach about $405 an ounce and then rise steadily, auguring well for the mining industry

Others are more cautious warning of the vulnerability of marginal gold mines should the price fall In the run-up to the 1989 negotiations between the National Union of Mineworkers (Num) and the Chamber of Mines large-scale retrenchments took place because working costs on 32 mines exceeded the gold price of $385 an ounce

Widespread retrenchments are likely to take place when privatisation gets off the ground and will affect both blacks and whites in the public sector

Sats for example is pumping millions into training its workers Although spokesmen will not link this to retrenchments after privatisation it is the most likely cause of the increased training activity

Analysts believe privatisation could cause major industrial action especially because trade unions are opposed to it.

A recent edition of the SA Labour Bulletin reports a loss of 132 000 jobs as a result of privatisation and steps leading up to it. Eskom has shed 14 000 jobs Iscor 23 000 Sats 75 000 since 1975 and the Post Office 20 000

As in 1989 disputes between management and labour are likely to involve many matters, including worker violence and housing

Mr Hersch believes a long-term solution to the problems of violence in the mining industry may be found in those instances where managements employ workers who live with their families.

But in cases where the migrant labour system operates even if a code of conduct is negotiated the long term chances of success have to be considered

A lasting solution will probably only be found when this system finally ceases to operate, which apparently could take up to 10 years

Housing will be a primary issue for negotiation The SA Housing Trust annual report puts the housing backlog at 1,26-million

Of this 820 000 are needed in SA. The annual building requirement to eradicate the backlog by the end of the century is now estimated to be 250 000 units

Housing Trust acting managing director Wallie Conradie believes employers will have to make a greater effort to help provide accommodation for workers If they do not, there could social disruption and confrontation

Last year's Institute of Personnel Management (IPM) conference was told that personnel practitioners would be faced with big changes in the 1990s.

Speakers identified productivity and training as crucial areas, particularly because of the increasing shortage of skilled workers and the need for companies to remain competitive in a changing environment.

Human resouces management will become a major challenge as SA moves into the 1990s, particularly in a post-apartheid era when the need to manage black white relationships properly will be critical

Minister decides on changes to labour law

Star 18/11/90

By Drew Forrest

The Minister of Manpower, Mr Eli Louw, has made a decision on politically sensitive labour law changes planned for the next parliamentary session and the legislation is currently with Government draftsmen

This was confirmed yesterday by the director-general of manpower, Mr Joel Fourie

Changes are expected to the controversial section 79 (2) of the Labour Relations Act, which broadens union exposure to damages in illegal strikes.

In line with the views of Cosatu/Nactu and major employers, the National Manpower Commission (NMC) is known to have urged the scrapping of the section

But there were signs last year that the Government was seeking to placate conservative unions who want the section retained

● The NMC confirmed yesterday that the official deadline for submissions on the revamping of the entire LRA has been extended to the end of next month

Minister asks for LRA amendments from his advisers

132

ALAN FINE

MANPOWER Minister Eli Louw has instructed government legal advisers to draft amendments to the Labour Relations Act for tabling in the forthcoming session of Parliament, director-general Joel Fourie said yesterday.

The proposed amendments are based on a recent National Manpower Commission (NMC) report which examined the controversial issues of union liability for damages suffered by employers during unlawful strikes and time limits for processing disputes through conciliation boards or industrial councils.

Fourie said it was hoped the drafting work would be completed soon.

He disclosed last month that the Cabinet had agreed to waive the rule requiring that proposed legislation be before the Cabinet by the previous September

Fourie said until the Bill was tabled, details of the amendments would remain confidential.

The contents of the NMC report have also not been made public

However, it is understood the NMC recommended the scrapping of section 79 (2) of the Act.

The section transfers to unions the onus of proof that they were not responsible for damages incurred, thus increasing the scope for employers to sue successfully

It is believed the NMC also proposed extending time limits and loosening up conditions for waiving them. Unions have protested that the Act potentially allows employers to avoid resolving disputes by using time limit technicalities

B/Day 23/11/90

Overhaul

Fourie said the NMC was still working on two other major, longer term, investigations related to labour legislation.

The first involves a total overhaul of the Act and the second is into the effects of labour legislation on small business development.

He said the NMC had received a request that the January 10 deadline for submissions on these two investigations be extended

He said he believed this had been agreed to

PEOPLE AT THE TOP ARE ON THE MOVE SEE PAGE 11

MANPOWER MIRROR by ROBYN CHALMERS

Unions ready for battle if they don't win

S/Times 28/1/90 (132)

EMPLOYERS and trade unions are anxiously awaiting news from the forthcoming session of Parliament at which amendments to the Labour Relations Amendment Act (LRAA) will be tabled

The Government s legal advisers are drafting the amendments They are based on a report by the National Manpower Commission (NMC), which handed its recommendations to Manpower Minister Eli Louw last December

Employer organisation Saccola and union federations Cosatu and Nactu have discussed the LRAA for more than a year But the drafting of the amendments effectively means there can be no more participation on their part.

Eli Louw quest for peace in labour relations

Now it is all up to the Government.

Mr Louw believes that labour peace is one of the most important considerations in industrial relations this decade, and that the amendments to the LRAA will play a decisive role

Taken that two major stayaways against the Act last year cost the economy almost R1-billion in lost production, employers are anxious that the new amendments appease unions, but without swinging the bias against them.

Although neither the NMC nor the Government will divulge details of the report, industry spokesmen believe the controversial Section 79 (2), which makes unions liable for strikes, will be scrapped and time limits relating to dispute procedures will be extended.

This deals with two of the six interim demands listed by Cosatu and Nactu.

The other four demands are that employers stop seeking urgent court interdicts to stop strikes; industrial court appeals should be quick and be handled by experts; union registration should be replaced with non-racial certification, and all references to strikes and boycotts should be scrapped from the definition of unfair labour practices

It will not be known whether these demands have been dealt with until next month but if unions are not satisfied there will probably be widespread labour unrest.

The National LRAA Co-ordinating Committee (NLCC), which is made up of Cosatu and Nactu affiliates, pledged late last year to intensify action against the LRAA in 1990 if the amendments did not meet their demands.

The Innes Labour Brief on socio-political and industrial relations prospects for SA in 1990 says if the unions' major objections to the Act are not dealt with mass protests will ensue.

Since its promulgation almost a 18 months ago, the LRAA has provided a perfect vehicle for the increased politicisation of trade unions which the Innes brief says will continue throughout this year

"As far as Cosatu and the Mass Democratic Movement (MDM) are concerned, the six recently released ANC leaders are likely to pay greater attention next year to seeking to overcome the organisational weaknesses of the MDM and its affiliates.

"In order to do this, they are likely to draw even more strongly on the resources of the black unions — where organisation is known to be strongest. This must lead to the greater politicisation of the Cosatu unions in particular, but also other unions, during 1990"

The brief says another factor influencing this process is that the MDM and other black political groups will try to make use of the political space President De Klerk is providing to mobilise their support and recruit members.

The unions, it says, will come under increasing pressure to call out members in support of political campaigns. Stayaways and political protest will continue and even increase throughout 1990

Although greater politicisation of unions could heighten conflict with employers, so could the trend in the union movement in favour of centralised bargaining forums

The brief says the determination with which the union movement pursues centralised bargaining will increasingly conflict with the purist view of decentralised bargaining held by some employers.

Unions, employers in impasse on Labour Act

By Drew Forrest

Efforts to re-launch vital employer-union talks on the Labour Relations Act appear to have reached an impasse, with both sides looking to the other for the next move

Star 30/11/90

Progress in the talks, which aim at joint submissions to the State, may be the only way to avert a fresh LRA campaign threatened by the unions late last year. Union anger over the Act has already sparked two stayaways and a national overtime ban

Mrs Friede Dowie, secretary of the employer body Saccola, said employers were awaiting an answer to a proposal that talks resume early next month

(132)

TIGHTENING

But metal unionist Mr Jeff Schreiner said the unions were waiting for a written Saccola response to proposals on key points of contention in the talks

Chief among these are employer interdicts against strikes, the statutory definition of unfair labour practice and the exclusion of public sector and farm workers from the LRA

It is understood employers propose a tightening of court rules to ensure interdicts are only granted in urgent circumstances.

They also favour a much looser definition of unfair labour practice in the LRA, embodying such concepts as irreparable damage through strike action

"Reasonableness is the key," said one employer. "The Industrial Court must strike a balance between the right to strike and the long-term consequences of the strike"

vast improvement, say experts

Govt to relax controversial labour laws

B/Day 30/1/90.

132

ALAN FINE

THE Manpower Department has produced a Labour Relations Amendment Bill that goes some way towards addressing union objections to two aspects of the 1988 amendments that sparked outbreaks of shopfloor militancy.

A copy of the Bill, acquired by Business Day, shows government intends scrapping that part of Section 79 (2) of the Labour Relations Act (LRA) that transfers to unions the onus of proof, in the event of litigation, that members and officials were not acting with union authority in causing financial loss to companies during unlawful strikes

The Bill also substantially extends and makes more flexible the time limits on the referral of disputes to industrial councils or conciliation boards, and simplifies these procedures

It is based on the recommendations of a National Manpower Commission report completed late last year.

The report was commissioned by Manpower Minister Eli Louw

It is expected the Bill will become law during the next session of Parliament, which opens on Friday. The Cabinet has waived its rule that proposed legislation be tabled before it by the previous September

Labour lawyers yesterday expressed general satisfaction in that the Bill represented an improvement on the present provisions of the Act.

Graham Damant described it as "a vast improvement", while Paul Benjamin said it was generally "unproblematic"

The amendment to Section 79 (2) deletes the assumption that members or officials of unions or employer organisations "shall until the contrary is proved be deemed to have been acting with due authority" of their organisation

This part of the Act had been attacked as opening the way for crippling litigation against unions.

The Act will continue to specify that interference with the contractual relationship between employers and employees renders one liable for damage claims

However, both attorneys said, this was the common law position in any event, and they speculated that the passage might have been retained as a "political compromise" to satisfy right-wing groups.

They welcomed an amendment that would scrap the requirement for disputes to be referred to industrial councils or conciliation boards within 21 days of deadlock being reached

The existing law prevents any referral after the 21-day period has passed. Unions and lawyers have objected, saying this has prevented disputes from being resolved due to a technicality, and that it has therefore hindered good labour relations

In terms of the Bill, it will still be required that disputes be referred to councils or boards within 90 days of such disputes arising, or the unfair labour practice coming into being.

The attorneys regretted this section had

☐ To Page 2

Labour laws

B/Day 30/1/90 132

☐ From Page 1

been retained, as it would "still cause hardship" However, Damant said, the law permitted an industrial council or the Manpower director-general to condone late referrals

The minimum period accorded an industrial council or conciliation board to resolve a dispute will be extended from 30 to 45 days — effectively lengthening the "cooling-off" period for which the Act provides

Parties to a dispute will, in terms of the Bill, have up to 30 days — instead of the present 14 — to refer an unresolved dispute from a council or board to the Industrial Court The court will be empowered to condone late referral if good cause is shown

132

Hopes for industrial peace fade as Labour Act changes proposed

Changes proposed for the new Labour Relations Act may knock off some of the harsher edges — but they don't begin to satisfy trade union demands.
By EDDIE KOCH

PROPOSED changes to the Labour Relations Act, contained in a draft Bill leaked to the media this week, ignore the feelings of organised labour and will provoke labour unrest this year, says the Congress of South African Trade Unions

"Unilateral changes to the LRA, which do not take into account what Cosatu and the trade union movement as a whole say, will not bring industrial peace," said Marcel Golding, assistant general secretary of the National Union of Mineworkers

Golding, member of a Cosatu working committee that is examining the law, said the labour federation would discuss a programme of protest action against the law when its executive committee meets this weekend He refused to disclose details before the meeting

Apart from changes to section 79 (2), a clause which allows employers to sue unions for damages arising out of illegal strike action, the Bill tightens the restrictions on union activity and legal strike action, said Golding.

"In particular, the extension of the 'cooling off period' between the date of deadlock and the date on which disputes must be referred for conciliation, from 30 to 45 days, is designed to restrict workers' rights and to prohibit strike action "

Golding criticised the SA Consultative Committee (Saccola), which represents major employer groups, for suggesting that the Bill addressed many of the issues raised in talks the organisation held with the union movement last year.

"Saccola's enthusiastic remarks in response to the Bill raise doubts concerning sincerity about negotiating changes to the LRA."

Saccola chairman Bobby Godsell this week said the changes contained in the draft Bill were a "step in the right direction".

"But, having said that, we still will not have good labour law until blacks have equal access to the legislature, and organised labour is fully involved in bodies like the National Manpower Commission (which advises the minister of labour on policy matters)," he added

The new Bill leaves employers with the right to sue unions for damages sustained in illegal strike action but removes the section obliging union officials to prove they were not involved

The unions are not perturbed that the right to sue will remain in the labour law as employers would be able to exercise this right in terms of common law anyway.

But in December last year, Cosatu's working committee on the LRA issued a statement which outlined organised labour's short-term demands for changes to the Act.

High on the list were demands that clauses which outlaw all forms of solidarity strikes between workers at different factories and consumer boycotts, be amended.

The new labour law also makes it easy for employers to obtain urgent interdicts from the industrial court to force striking workers back to work.

These powers were used by employers with abandon during the whole of last year to frustrate strike action and the unions are adamant they must go

"The changes outlined in the draft Bill are not a genuine attempt to deal with the grievances of the unions," said labour lawyer John Brand

"One must remember that these two issues (the suing clause and time limits) were also those that employers found to be counter-productive last year

"It is no coincidence that it is only these that the government is willing to change."

If their demands were not met in their totality, the union statement said, "a sustained programme of action" would be mounted against the law.

It included calls for:

- Marches in industrial areas during working hours.
- Defiance of industrial court interdicts against striking workers.
- Workplace occupations
- Further stayaways.
- Drawing up a blacklist of companies which make extensive use of the LRA

Fight against inflation to focus on labour next

B/Day 2/2/90

132

GRETA STEYN

THE labour market will become the next focus in the fight against inflation because of unemployment and the inflationary effects of high pay rises.

Until now, the emphasis has been on tight monetary and fiscal policies. But Reserve Bank Governor Chris Stals sees the labour market as an essential third element in the anti-inflation drive.

In economics, there is no such a thing as a free lunch. Crushing inflation in a vice-grip of monetary and fiscal policy will lead to some unemployment.

Adherents of some forms of the "rational expectations" theory would argue that unemployment flowing from tight money policies is necessary to illustrate seriousness about fighting inflation.

People will adjust to the new environment and accept lower wages — unemployment will be a temporary phenomenon. In due course, wage rates will decline to a level where the supply of labour will equal the demand.

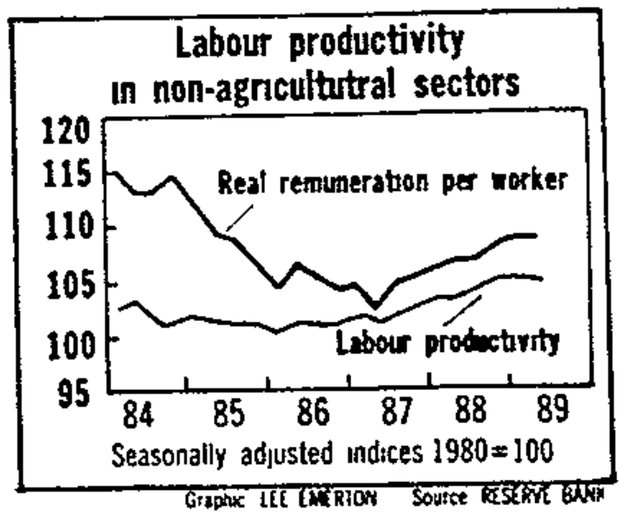
In other words, the slower the rise in pay, the less the unemployment flowing from an anti-inflation drive. The "real world" implication of the theory is that restraint in pay rises would cut down on the casualties of a war against inflation.

It can also be argued that restraint helps in the actual battle against inflation, as wage increases in excess of productivity increases have a cost-push effect on the inflation rate

Labour productivity is a factor in the inflation equation that sometimes goes unnoticed, while money supply, budget deficits and exchange rates get all the attention. But higher unit labour costs have a ripple effect throughout the economy.

Real unit labour costs declined from 1985-1987, according to the Reserve Bank's Quarterly Bulletin, but rose 0,3% in 1988 and at a year-on-year rate of 0,5% in the first quarter of 1989.

"Because of broadly similar rates of increase in labour productivity and in the real wage per worker in the second quarter of 1989, real unit labour costs subsequently showed little further change during that period," the bulletin said.



But maintaining pay rises in line with growth in productivity will be difficult in a period of economic slow-down and still-high inflation.

Built in to demands for pay rises is an informal "indexation" principle, whereby wage rises are linked to increases in the Consumer Price Index

While productivity could decline in a slow-down, wage increases linked to the inflation rate will simply help perpetuate inflation.

SA's economic policy makers have not ignored labour market implications for the battle against inflation

Stals cannot be accused of having a narrow Friedmanite "money supply is all" view of inflation But as a central banker, he naturally emphasises the monetary aspects of the inflation problem.

"Restrictive monetary and fiscal policy remain the two most important elements in the anti-inflation drive. But the success of these policies will depend on the third element — the labour market," says Stals.

"We can achieve much with really strict financial discipline, but rising labour costs in the current economic environment will put pressure on firms' profitability The result will be higher unemployment levels."

If labour costs could be contained, unemployment flowing from anti-inflation policies could be kept to a minimum, he believes

Stals has been reading about the Chilean inflation experience, and how reducing wages in nominal terms helped that country.

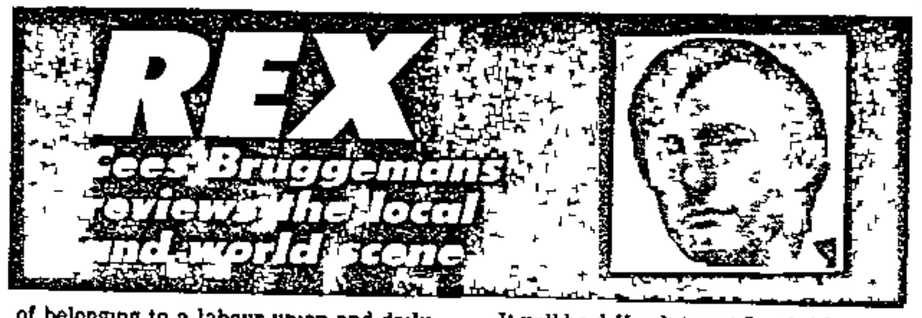
With a chuckle, he says "Of course, they do have a military dictatorship It helps when you want to introduce pay cuts "

REVIEW

Labour a key to slaying inflation dragon

S/Times 4/2/90

132



FIGHTING inflation is a painful business

Americans did not know what had hit them at the beginning of the 1980s when the Federal Reserve brutally set out to change general economic behaviour by allowing US interest rates to rise to unprecedented highs It worked. Inflation fell from double-digit levels to the 4,5% of recent years.

Our policymakers appear to be equally determined Inflation will be licked, come what may

From a high of 21% in 1986 the consumer price index inflation rate fell to 12 5% before rising to a cyclical high of 15 7% in June last year From there it has fallen once again and by the middle of this year it should at most be about 13%

That will be the relatively easy part because the oil price, interest rate and weak rand effects of a year ago will drop out of the inflation s measuring base.

However the process of lowering inflation is not supposed to stop there. Further progress is to be made in the second half of this year and luck permitting, we could even reach 10% next year It would be a decisive new cyclical low

Curiously the authorities do not give the impression that they are taking the nation by the scruff of its neck and wringing it hard to induce behavioural changes.

A prime overdraft interest rate of 21% and consumer interest charges of up to 30% are, of course far from easy living

But we are being treated quite gently compared with the US economy in the early 1980s. In a flexible economy, reduced spending and production lead to more competition — among companies and in the labour force.

When such a domestic recession is aggravated by intense competition with foreign companies and their workforces, a change of habit becomes inescapable. Instead of forever trying to live beyond one's means, and passing on the bill to others through demands for higher wages and hidden tricks, such as repaying debt with devalued money life becomes a matter of giving more than one receives for the chance of retaining one's livelihood.

It is remarkable what such competitive pressures can do to attitudes. Instead of belonging to a labour union and daily insisting on more one tends to become thankful for having a paying job at all.

Life becomes a struggle to retain a job, rather than to turn it into a device which will allow leverage over all and sundry The British experience under Mrs Thatcher in the early 1980s and for that matter the French one under President Mitterrand in the mid-1980s, was no different.

It seems that SA commerce, industry and the workforce need not fear such a harrowing experience. This in turn throws doubt on the progress we are going to make in getting inflation well below 10% and keeping it there.

It will be difficult to get South Africans to believe that a single-digit inflation rate is for real

The problem facing us is one of structural rigidity large powerful groupings by force of their market positions have the ability to duck any disciplinary burden by passing it on.

The policymakers have a case for quietly demurring by pointing out that their main policy attempt is aimed at changing the structure of the economy In the process, less inflationary tendencies should evolve eventually

This long term anti inflation strategy can be said to have four legs.

First, improving the soundness of fiscal policy by containing deficit financing of government spending.

Second, initiatives such as deregulation and privatisation, aimed at improving the operating efficiency of the economy by encouraging greater competition.

Linked to this are the efforts of the Competition Board to constrain anti competition efforts of the business sector the efforts of the Board of Trade to prevent uneconomic import substitution, and indeed welcoming healthy import competition where it is beneficial, and not least the efforts of our many various education authorities whose job it is to improve the quality of the labour force.

Third, all these efforts are to be supported by a monetary policy which is to maintain high real interest rates, ensuring a judicious use of scarce capital and a better use of our abundant labour resource.

Fourth the public sector as the country's largest employer can set a wage norm which private-sector employers are likely to emulate whenever it is in their interest to do so.

This is not merely a theoretical policy framework that is bound to fail because of some fatal flaw If it is to fail, as policy has for the past decade, it will be due to a fatal failing of spirit in not carrying out the the intentions.

In the 1980s there was no end to defence needs. There was a peculiar belief in decentralisation economically and politically by throwing money at it, there was a very old belief in protecting one s own kind and empire building ensuring a 20% increase in public-sector employment, an inflation proof existence and pension enhancement for those so engaged.

There was also a belief in bread and circuses for all through too-low interest rates which made financial speculation rewarding and encouraged investments that were not necessarily in the country's long-term interest.

That this was humbug is now coming out in the wash With the total onslaught having changed in character so goes defence. With separate development reversing, so go regional incentives and "development" subsidies. And interest rates are going to remain real.

Although the intentions are real and beneficial, the dividend of a much lower inflation rate may require more action, and for much longer than perhaps envisaged.

For one, the entrenched nature of corporate concentration will remain For another the country lacks social harmony as old income disparities are addressed through growing union action.

The true inflation linchpin may be the labour force, where the British experience is instructive.

After excessive union power was dismantled, overmanning reduced and surplus labour reabsorbed what remained was an inadequate education system and a strangling shortage of specific labour skills. In a growing economy, especially an open and competitive one, that is the structural Achilles' heel which entrenches inflationary forces and a weak currency

Good intentions, even honourable ones, will not be enough. If we are really going to whip inflation by the turn of the century, labour may be the key

Unbannings could cause shifts in the unions - Innes

Sowetan 7/2/90

132

By DREW FORREST

PRESIDEN F W de Klerk's watershed February 2 announcement will lead to intensified political pressures on the black trade union movement, believes labour analyst and Wits University sociologist Professor Duncan Innes.

Innes says an ANC-Cosatu alliance is a distinct prospect. But unionists suspicious of the ANC and the SA Communist Party (SACP) can be expected to seek independent political bases, perhaps through the creation of a Labour Party, he adds.

"Some say the unbanning of the ANC will enable Cosatu to redirect its attention to the shop-floor - I don't agree," said Innes, editor of the *Innes Labour Brief*.

"Returning political organisations have no formal structures here. They know they have black union backing and will try to mobilise them to support their aims."

Labour sources say Government moves have thrust two issues to centre stage: the future of the ANC's labour wing, the 40-year-old SA Congress of Trade Unions (Sactu), and the role of the SACP.

Although never banned, Sactu was forced into exile when its leaders, mostly ANC members, were jailed, banished or died in detention in the 1960s.

It is known to have told activists to organise workers into Cosatu, and now enjoys largely symbolic support - notably among Cosatu's "populists". With Cosatu it shares the principles of non-racialism, political unionism and shop-floor mobilisation.

Sactu president Mr Stephen Dlamini said this week from Lusaka he expected Sactu and Cosatu to merge, but clearly viewed his organisation as the senior partner. Any amalgamation would have to bear Sactu's name, he said.

Some local unionists fear a repeat of recent developments in Namibia, where former exile John ya Otto, installed as general secretary of National Union of Namibian Workers at a controversial AGM last year, has enforced policy favouring Swapo over the labour movement.

Sactu's role has been intensely debated within the MDM, unionists say. One argument, that the movement could be useful on the international front, had been weakened by the discrediting of its Eastern European government contacts.

Within Cosatu, the majority view was that it had no further role and should disband, with Sactu members being absorbed into local unions, the sources said.

What of the SACP, unbanned after 40 years? "Many unionists who look to a socialist future see the need for a strong SACP to promote workers' interests," was one union man's comment.

B/Day 14/2/90

Concern over correct 'mix' of labour, capital

132

GRETA STEYN

SA's economic policy makers have been concerned with the "correct" mix of capital and labour to produce SA's GDP for some time now, which partly reflects worry about unemployment They are keen to remove distortions in the relative prices of the two factors of production.

The preoccupation with the use of capital relative to labour was recently highlighted in the tightening of the tax write-offs against depreciation of capital assets Deputy Finance Minister Org Marais said capital was too cheap in relation to labour — and a stricter depreciation allowance was a move to a "more correct" price.

Manpower

Reserve Bank senior Deputy Governor Jan Lombard often said capital, the scarce production factor relative to labour, had been priced too cheaply because interest rates had been negative in real terms. Arguing this had resulted in a wasteful application of domestic savings, he said it had "seriously distorted the capital-labour ratios in the production processes The outcome was lower employment, albeit at higher rates of output per worker, and a serious drop in capital's productivity"

Because capital was priced too cheaply, investment had been aimed at replacing manpower rather than increasing production and was aggravated by an overvalued rand.

"For an economy like SA, with its rapidly growing urban labour force and the heavy demands on its domestic savings, this trend is obviously heading in the wrong direction."

Concern about the "correct" mix of capital and labour in production was echoed by Bank Governor Chris Stals in his speech at the Financial Mail investment conference It was used as an argument for positive real interest rates However, some economists, including finance special adviser Japie Jacobs, argue that care must be taken not to understate the cost of labour when looking at relative prices of labour and capital to explain the mix The argument is that the cost of industrial action such as strikes and stayaways should be added to wages to determine the cost

Nedcor's Edward Osborn said it was unlikely too-low real interest rates had resulted in distorted capital-labour ratios — inflation relating to capital equipment had been so high that the interest rate factor could not have had this influence.

"It is more likely that the increasing cost of labour and the problems of dealing with unions have contributed to the trend. Otherwise the driving consideration with regard to the capital/labour mix is that of technology and efficiency"

Marais notes pay rises exceeding productivity increases can lead to labour being replaced by capital

"The imbalance between wages and productivity has the negative effect of capital deepening replacing semi-skilled workers and increasing the demand for professional labour"

The mix of production capital and labour was probably the result of a number of factors — interest rates, wage rates, labour productivity, inflation and the exchange rate

In the early '80s, SA was replacing labour with capital at a breathtaking pace According to National Productivity Institute figures, the index for the capital-labour ratio (base 1985) in the manufacturing sector jumped from 86,5 in 1982 to 95,3 in 1983 and 100 in 1985.

There has subsequently been a sharp turnaround — ascribed largely to higher interest rates in 1985, a lower rand and a stagnant fixed capital stock. In 1986 the capital-labour index for the manufacturing sector declined to 97,6 and continued down to 91,1 in 1988 In this period, labour inputs remained relatively constant while capital inputs dropped

Additional

In the manufacturing sector, fixed capital stock has declined in real terms every year between 1985 and 1988 Spending on fixed investment during the past upswing was largely to replace obsolete capital stock

The ratio of capital-to-labour improved, but there was no meaningful increase in the employment of labour The improvement lay in a more productive employment of capital

Nedcor's Osborn predicts additional production in the mining and manufacturing sectors will not result in proportionate increases in employment. The additional production is likely to flow in the main from capital investment because of technological and efficiency considerations

The current focus on the capital-labour mix serves to highlight that the formal sector does not provide nearly enough jobs to absorb the growing number of job seekers This is likely to be the case even if distortions in relative prices are removed

S/Times 18/2/90

Post-apartheid challenge for managers

132

THE dramatic political developments of the past few weeks will require managements to review relationships with employees

Kalgar Group Consultants managing director Phaldie Kalam believes that as most company employees become conversant with, and exercise, their new political rights, the manner in which they expect to be managed in the business environment will change.

The reason for the link, he says, is that businesses are microcosms of the society in which they operate, often reflecting the value systems and practices of the day

Under the pending dispensation Mr Kalam says the essential elements of a democratic political system such as empowerment and equal participation will be carried into employee-management relationships and become a core managerial concern.

Phaldie Kalam a new style of managing to pay more heed to workers' views

"We have been advising managements for some time now that the pending change in the socio-political environment will impose a heavy duty on corporate executives to review, realign or change their company cultures to meet this eventuality '

The events of the past weeks have certainly brought into focus the need for management to adopt new approaches and acquire skills for managing in a post-apartheid era

Mr Kalam says political freedom is likely to bring pressure for a true industrial democracy

In turn, this will require managements which have made only token moves along this road to increasingly deal with employees as assertive stakeholders who wish to influence actions related to their work.

"Companies can expect a period of intense readjustment by employees who will be seeking greater fulfilment in their work lives — as they would expect in their political lives — through more participation in corporate decision making."

Employee participation and empowerment can be frightening terms for those accustomed to total control of the manner in which the human resources are used. He believes, however that this can be dealt with through corporate culture change programmes.

Mr Kalam says authoritarian and even patronising management styles will come under increasing pressure in an industrial democracy They are likely to be met with hostility, compelling management to look at other approaches to manage successfully

The main challenge for corporations in an industrial democracy, says Mr Kalam, is to ensure that managers are schooled to understand that authority is not derived solely from shareholders but also from the consensus of those they manage.

"We believe the successful companies of the future will be those whose visionary management has enabled them to synchronise their corporate cultures to include the desires and values of both their internal and external environments.

"The going-in position of the successful company will be that it will not impose rigid policies and procedures, but get committment and performance by incorporating and managing the differing interests of its employees under the banner of unifying corporate objectives '

Managers will have to be taught these skills as part of a committed corporate culture change programme which is integrated into the company's entire business philosophy, organisational structure, production systems and management practices.

He warns that executives should guard against giving their companies a superficial dose of corporate culture change.

"Embarking on a public relations exercise about corporate culture change simply to improve employee morale will serve only to heighten expectations and cause huge credibility problems when the outmoded substrata of company values and practices does not alter

Neither management nor employees should see corporate culture change for a post-apartheid era as a panacea he says

Several complexities will continue to exist as long as mangement and employees represent two special interest groups

"Creating a stable corporate culture does not imply that you acquire a passive labour force. Indeed, the conflicting interests of management and labour will remain, but a more communicative and tolerant approach could be created."

By the same token, a participative corporate culture while reshaping management prerogative, does not necessarily imply that managers abdicate their roles to make decisions says Mr Kalam.

"The companies which use the new management approaches should satisfy their workforce, customers and investors.

SOWETAN Friday February 23 1990

(132)

A new era for union politics

By LEN MASEKO

THE unbanning of the ANC and other political changes may lead to the removal of some economic constraints and a new approach by trade unions to certain issues.

So says Mr Richard Cooke, manager of Juta's Law Publishing Division, who predicts that recent political developments will influence events on the labour front in the near future.

"Black leaders empowered with legal political platforms could change the nature of union politics," Cooke says.

A new era in industrial relations is unfolding in the wake of State President Mr FW de Klerk's landmark announcements, according to Cooke. "The exiled Sactu, for instance, is now free to return to South Africa and engage openly in labour organisation," he says.

"Important developments are happening daily (in the labour arena), considering that the Industrial Court became a reality 10 years ago and the Industrial Appeal Court only two years ago," he says.

Juta is hosting several seminars on labour law and the role of trade unions in a changing South Africa.

Speakers at the meetings include Mr Halton Cheadle, assistant director of Wits University's Centre for Applied Legal Studies, Mr Clive Thompson, director of the University of Cape Town's Labour Law Unit, Professor Adolph Landman of the University of South Africa, and Prof PAK le Roux, an attorney.

The seminars will take place at the Sandton Sun Hotel (Johannesburg) today, Elizabeth Sun Hotel (Port Elizabeth) on March 1 and Royal Hotel (Durban) on March 5.

Key industrial relations conference

By LEN MASEKO

A KEY conference on South African industrial relations is to be held in Johannesburg on March 6 and 7.

The conference, organised by the Institute of Personnel Management (IPM) and the SA Chamber of Business, will be officially opened by Minister of Manpower Mr Eli Louw. Sowetan 23/2/90

132

Speakers at the meeting include Professor Roger Blanpain, president of the International Industrial Relations Association, American author Professor Robert McKersie, and Mr Michael Salamon of the Bristol Business School in Britain

Other speakers are Mr Bobby Godsell, chairman of the SA Consultative Committee on Labour Affairs, trade unionist Dr Bernie Fanaroff and Professor Loet Dekker, professor of industrial relations at Wits University's Graduate School of Business.

Fee is R650 each

The meeting, to be held at the Carlton Hotel, will focus on "The challenge of the 1990s: creating wealth through good industrial relations"

The conference fee is R650 a delegate. Robyn Cullis can be contacted at (011) 642-7263/73, for more details.

SITE – employers face problem with casuals

Star 24/2/90 (132)

ONE often feels that 90 percent of one's time is spent solving 10 percent of one's problems! Implementing the SITE system is no exception, according to Mark Crisp of Deloitte Haskins & Sells taxation division

Once one becomes familiar with the rules, the SITE system is reasonably easy to implement for a full-time employee The problem arises, in the main, in respect of casual or part-time employees

In an attempt to bring some clarity, a definition of "standard employment" was introduced for the current year of assessment There are three parts to the definition However, the most important part states that an employee will be in "standard employment" if he or she is required to render services to one employer for a period of at least 22 hours in every full week (ignoring temporary absences)

If an employee falls outside the definition of standard employments the employee will not be taxed in terms of the SITE system.

Conversely, if an employee ordinarily works for less than 22 hours per week, he or she would be considered to be deriving "part-time remuneration" and the employer is required to deduct employees' tax at a flat rate of 25 percent The only exception to this rule would be if the employee declares on his or her IRP2 that this is his or her only employment, in which case the employer, if this declaration is considered valid, may apply the appropriate daily, weekly or monthly tables

Where the employee is not in standard employment, the employer would show the employee tax deducted as PAYE on the IRP5.

A special concession made by the fiscus is that where a casual worker is employed for a single day only, and will not be employed for more than five days in total, during the year of assessment, no employee tax need be deducted if the remuneration for the day does not exceed R40

However, unless one is in the last week of February, it is virtually impossible to know for certain as to whether any employee will qualify in terms of the "five-day rule" For practical purposes an employer is thus left with the choice of taxing all casual employees or of treating all casual employees earning no more than R40 a day as falling within the exception

Clearly the second choice is far more attractive, bearing in mind that the employer is obliged to deduct tax at the rate of 25 percent unless the employee makes the declaration on a IRP2 In addition, there is the practical problem of having to issue a vast number of IRP5s

Not being in standard employment, these employees do not fall into the SITE system As such, what would be relevant is the total income of such employee for the year of assessment For example, if such an employee was a single person, he or she would have had to obtain employment for approximately 60 percent of the time at the top rate, ie R40, before earning sufficient income to be subject to tax (based on 260 days per annum) In the case of a married man with two children whose wife is not working, he would have had to obtain casual employment almost 100 percent of the time at the top rate of R40 to be liable for tax

With many of these casual employees being unsophisticated, and therefore unlikely to lodge a tax return, it is a great temptation for the employer, bearing in mind the administrative responsibility, eg deduction of tax and issuing of IRPSs, to simply "short-circuit the system" and not to deduct any tax at all

Clearly this is an unacceptable situation, both from the point of view of the fiscus and of the employer There is thus a need for more practical yardsticks to be set to relieve the employer of the administration burden in respect of these casual employees but on a simpler basis, which still protects the position of the fiscus.

Employers in front line

S/Times 23/12/90. (132)

IT is essential that employers review their industrial relations strategies to keep pace with major political changes.

This advice from John Povey, a director of IR consultancy Gillam Bruniquel & Associates, is based on a belief that political developments are overtaking the initiatives adopted by commerce and industry.

Mr Povey says: "Not so long ago, employers were at the forefront of change. But the events of the past few weeks have put political parties back in control of the pace of change."

Mr Povey stresses that companies cannot afford to sit back and expect the Government, the ANC and other political organisations to determine events

Employers should keep abreast of fast-moving political changes

"Changes in society could well outstrip changes in the workplace, companies having to catch up with social developments

"The aspirations of black workers have been lifted by recent events and cannot be overlooked"

Mr Povey says all workers should be treated equally, but admits that this is easier said than done. It can be achieved only through a concerted effort by management to become actively involved in the change process.

This requires management dealing with the problems of all parties — workers, supervisors, managers and other staff members.

To tackle these problems, Gillam Bruniquel has developed a workshop course entitled Formulating IR Strategies (First). Mr Povey says First is designed to identify companies' culture, objectives, IR philosophies and strategic plans.

It then gets to grips with the action that needs to be taken

Mr Povey contends that companies have to adopt pro-active programmes to ensure that they keep pace with the volatile environment

"There is no sense in companies structuring business plans that do not pay enough attention to managing human resources

"Increasingly, the stability and success of SA commerce and industry lies in the motivation of employees at all levels of the organisation."

Ad hoc reactions or policies are inadequate to cope with the changes. Carefully structured IR action plans should be formulated.

Sowetan 26/2/90

Attack on workers continues - Golding

PRIVATISATION of industries was an attack on workers and a way of further entrenching apartheid, a senior trade unionist said at a workers' rally at the weekend

Mr Marcel Golding assistant general secretary of the giant National Union of Mineworkers, told the rally at Mamelodi near Pretoria, that despite talk of change the Government and big capital "attacked workers through privatisation and the entrenchment of apartheid"

Flags

The rally, punctuated by shouts of "Viva ANC", was attended by about 8 000 members of the Congress of South African Trade Unions.

African National Congress flags fluttered in the crowd. (132)

Mr Donsie Khumalo, a high-ranking Cosatu official, told the rally that the federation rejected the outcry from big business and the Government on nationalisation following pronouncements by Mr Nelson Mandela and the ANC.

Golding said Cosatu would press ahead with its opposition to the Labour Relations Amendment Act - Sapa.

Industrial councils facing death by market freedom

132

EDWARD WEST

GOVERNMENT moves towards market related freedoms and emphasis by companies on decentralised management style could mean the end of industrial councils

This was the view of University of Cape Town School of Business's Kate Jowell who quoted Barlow Rand labour specialist Jan Hiemstra in the Indicator publication as saying industrial councils were not expected to survive the next decade

Policies towards increasing market freedom represented an approach that leaned away from social democratic philosophy which underlined systems supporting collective bargaining — particularly at national or industrial level

These policies towards more market freedom brought pressure for privatisation, deregulation and support for developing businesses, bringing pressures to bear on industrial councils, Jowel said

The president now had the power to suspend industry wage agreements and various protective clauses embodied in long-standing Acts of Parliament such as the Machinery and Occupational Safety Act

A second pressure was that several major companies had withdrawn from industry associations because they did not want to be subject to bargaining and strikes at two levels, Jowell said

B/Day 3/11/90

Demise

Other companies argued that they did not support centralised bargaining in principle, which was not in line with decentralised management style

These companies had hastened the demise of several industrial councils, including the Printing and Newspaper Council, said Jowel

Jowell asked how far government exponents of a freer labour market would be able to push their policies before hitting the countervailing power of collective self-interest

The Cosatu unions were relentlessly persuing centralised bargaining on a number of fronts with or without statutory structures such as industrial councils

The Steel Engineering Industry Federation of SA's success in drawing the Cosatu and Nactu unions into the metal industry and Numsa's growth had greatly improved the bargaining power of the countervailing collective bargaining

Will established black unions seek a coalition with the newer black unions to protect their wider interest in central bargaining? How far will the influence of decentralised bargaining supporters among management really spread, Jowell asked

Parties to industrial relations were creative and adaptable, and the ironies of SA society might prove Hiemstra wrong, Jowell added

 F/M 2/3/90

Sweet and sour

Businessmen hoping that political glasnost might translate into a more relaxed industrial relations climate were warned to think again at last week's *Juta* labour law seminar in Cape Town UCT's Clive Thompson warned of "new levels of volatility" in the pre-negotiation phase and predicted that 1990 would be an exceptionally difficult one in labour relations

But short-term difficulties are balanced by some reasons for optimism Thompson hinted that the International Labour Organisation was looking to play a role in SA Locally, he highlighted two factors on the capital and labour front, the prospect that negotiated solutions may yet emerge from employer-union talks; and from government, a more sensitive approach under President F W de Klerk and Manpower Minister Eli Louw.

Thompson said the experience of the 1988 amendments showed it was crucial that a new labour statute — which is in early preparation — should carry all the major actors with it, including small business It should also be clear and simple; supportive of collective bargaining as the best way of handling industrial relations; and consistent with world standards.

He singled out nine major issues which the Manpower Commission would have to address in preparing a new statute

- ☐ A final deracialisation of the statute;
- ☐ Abolition of the system of registration — "more Pretoria bureaucracy" — to be replaced by a simpler procedure;
- ☐ An introduction of a generalised duty-to-bargain with recognised unions (not a rigid rule, but merely direction on what is probably the situation at common law anyway);
- ☐ The statute must be "encompassing" — it should cover domestic, agricultural and State employees;
- ☐ A move away from the "unfair labour practice" system to one based more on rights This would be essentially a style change that would see employers and employees "asserting a positive rather than proving a negative;"
- ☐ An effort to incorporate private processes — for instance, certain West German companies have arrangements with Numsa which fall outside the Act;
- ☐ Strikes should be decriminalised. This would be a "modernisation and civilisation" of labour law,
- ☐ Society shouldn't have to bear the costs of some disputes. The right to strike should be limited to economic issues, and
- ☐ The Industrial Council system would need to be restructured

Earlier in the seminar two interesting improvements were suggested to the way dismissals are handled

Thompson addressed the concern that procedural issues are too dominant a factor in dismissals He suggested that pre-disciplinary hearings should be abolished He noted that they once served an important function, curbing management's peremptory instincts, but that phase has now passed and they are "a financial burden to everybody"

Thompson conceded that the unions would need to be persuaded what they stood to gain from sacrificing two bites at the cherry The scheme could be implemented only where there is consensus and mutual trust

The other suggestion came from Wits professor Halton Cheadle He suggests that in cases where the risk of intimidation means secret witnesses have to be used — a device open to abuse — or where neither party wants to lead evidence, a preferable solution would be that both parties agree to appoint an inquisitor whose task is to find out the truth. The parties would agree to abide by whatever finding the inquisitor made No lawyers would be involved ■

Economy in a rut if ANC nationalises, prof claims

Star 5/3/90

By Norman Chandler, Pretoria Bureau

132

ANC plans to nationalise the banks and gold mines would drag SA's economy deep into a Third World rut, a top academic said at the weekend.

Professor D J J Botha, head of the Centre for Economic Analysis, also told a Human Sciences Research Council seminar a politicised educational system did not make economic sense

Since President de Klerk opened Parliament on February 2, "our hopes have risen ... Let us trust that the discordant note of nationalisation will in time prove to have been the result of political fury getting the better of economic sense," he said

South African politicians had to heed the lessons of Eastern Europe and the Soviet Union — "some of our politicians have not been able to adapt to the new world situation, hence the claim that banking and the gold mining industry should be nationalised," the professor said.

"This would be the surest way of quickly reducing the whole economy to the level of a Third World country. Nationalisation could only lead to disaster (and) a reduction in national wealth"

Education had suffered major neglect "when scarce funds were diverted to projects that could not be justified on economic grounds. This was at the expense of other, more worthy causes, such as essential services, especially health and education"

Employer-union discussions are back on track

Star 6/3/90 (132)

By Drew Forrest

Vital talks between trade unions and employers on the Labour Relations Act are back on track after a three-month hiatus.

The chairman of the employer body Saccola, Mr Bobby Godsell, confirmed talks would resume on Thursday.

He also said that in line with a union request, Saccola had invited the National Manpower Commission, the Commission for Administration, SA Transport Services and the SA Agricultural Union to attend

Last week, the Congress of SA Trade Unions wrote to Manpower Minister Mr Eli Louw proposing a meeting on the LRA. Unions want to meet him before Thursday, and are likely to urge him to ensure the attendance of employer bodies

Cosatu/Nactu have consistently demanded one labour statute for all workers.

Also on the agenda will be new Saccola proposals on strikes and interdicts, including

- The creation of an expert committee, representing unions and employers, to probe strike law here and abroad.
- That Industrial Court interdicts against strikes should be subject to the same rules of urgency as the Supreme Court

Focus 'must shift' to restructured economy

B/Day 7/5/90 (132)

ADELE BALETA

THE Saccola, Cosatu and Nactu forum was a good one for starting negotiations or exploratory discussions on restructuring the economy, National Union of Metalworkers of SA (Numsa) engineering secretary Bernie Fanaroff said yesterday.

He was addressing a labour conference organised by the Institute of Personnel Management and the SA Chamber of Business in Johannesburg on The Challenge of the 1990s. Creating Wealth through Good Industrial Relations.

Fanaroff said negotiations on the Labour Relations Act should be completed as soon as possible and the important issue of restructuring should begin.

Government's solution to the economic crisis — deregulation, privatisation, rationalisation, retrenchment and increased labour flexibility — did not stand up to scientific scrutiny and would not solve the problems, he said.

It was "wishful thinking" to believe there would be a flood of aid for a post-apartheid SA as Western nations and banks were preoccupied with Eastern Europe were there was a highly trained, educated and relatively docile workforce, a substantial infrastructure and a potentially large market, Fanaroff said.

He said the only way to make a transition from a protected low wage, high cost economy into a high wage, low cost economy was through planning.

Many trade unionists were committed to socialist principles which included social ownership of the production means and planning of the economy.

The ecomomy could not be transformed without full democracy and openness at all levels of society. There was a need for economic incentives for some period and market forces had a crucial role to play, Fanaroff said

Resources diverted to provide housing, hospitals and education could not come solely from tax.

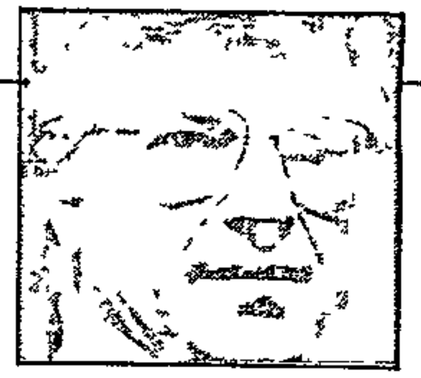
A fundamental change in management's attitude was needed.

In his opening address, Manpower Minister Eli Louw said more workers downed tools and more working days were lost through strikes last year than in 1988 in spite of a 16% drop in the number of strikes.

Should workers fear the ANC?

(132)

S/Times 11/3/90



Harald Pakendorf

says trade unions should pause to think about nationalisation and how it will affect them

ON TELEVISION and in a great many photographs you can see him standing just behind Nelson Mandela — Cyril Ramaphosa of the National Union of Mineworkers

And he is listening to what Mr Mandela is saying We are going to nationalise the mines and banks and break up the monopolies

I wonder what he is thinking as he stands there, listening?

Perhaps striking against the capitalist mine bosses was the *right* thing to do Striking against mine bosses who are the ANC will that be right? Will it be possible?

Won t I lose my power base? After all, I am an important man in the country, working for my union members against the Great Exploiters

Look at Zimbabwe a liberated country where the unions have little say and are of less consequence In fact, where on our continent are the unions in the same powerful position as they are here?

Perhaps, Mr Ramaphosa might be ruminating, nationalisation is something we can think about again After all, why not let an ANC government hit big business really hard with tax while we go on strike for higher wages? That might be a better way of redistributing wealth

On the other hand, in any period after liberation will we still be free to strike at all? There is very little historical evidence of freedom to strike to put pressure on a new government anywhere in the world

It might just be expected that we all pull together, that we be united for the greater good of all, that we should suffer a little — only in the beginning, the new government will say, but who knows how long the beginning is going to be?

Is that what Cyril Ramaphosa is thinking as he stands behind Mr Mandela? If not, he ought to be considering some of the possibilities which liberation may bring with it

After all, it is not as if all the unions — even in his federation, Cosatu — are as one on all issues, either politically, in the way they see their own roles, or on how the economy should be run

Because what has happened since February 2 is that the political playing grounds are now open to all — not quite level, though, as some still have to play uphill while the powers-that-be have several advantages

We are all South Africans now, competing with each other for political power and influence among all the people of the country And that makes a difference

Cosatu already knows this It is competing with Nactu And if our own Communist Party is anything like communist parties elsewhere in the world, it is also looking to the workers as its real power base — to Cosatu members, to Cyril Ramaphosa's supporters

Is the ANC not also going to look to the same people for votes in future — competing with the SACP, the PAC, Inkatha and possibly a number of smaller groupings — politely knocking on your door, and asking "Excuse me, sir, I represent the ANC and I wondered if you would care to join?"

And if you decline, the kindly canvasser will shake your hand and say "It's a free country and you can join any political party you wish, sir Thank you for your time, sir"

Is that how it is going to be? Somehow, I doubt it. Initially the competition for support might just be more direct

However it happens, the fact is that just being against apartheid and white minority rule is not enough any more We all need to consider what it is we want when the New South Africa comes about — and it is something we have to begin to spell out now and to live now

Just mouthing the words of long ago might be safe and make you feel good, but South Africa today is not anywhere near the South Africa of the Fifties

The New South Africa will be even more different, with this nice exception to the past we can all help shape it It is conceivable that the mineworkers and other union members do not see their new-found freedoms *as workers* just disappearing in the name of liberation

Perhaps then we should not be all that concerned about some of the slogans some of the politicians are mouthing some of the time — because all of the voters are not going to fall for all of the slogans

Because it *is* a new ball game and nationalisation might not be bad only for Anglo but also for the mineworkers And the union bosses

Housing for peace

S/Times 11/3/90

HOUSING is one of the major issues being put forward by trade unions at the negotiating table.

The huge backlog in SA and surrounding territories, estimated at about 1,26-million units, has made it essential that employers become actively involved in funding housing projects

SA Housing Trust managing director Wallie Conradie believes much of employer reluctance to finance such projects is based on the abandoning of long-term planning by many companies because they are uncertain about SA's economic and political stability

Mr Conradie says "Employers cannot see the benefits of assisting employees in housing because the spin-offs are long term, and will not directly impact on the bottom line in a short span of time

"The benefits of a housing programme are improved labour relations, less industrial strife, lower staff turnover and reduced absenteeism The consequences of not embarking on such a programme could be huge social disruption and confrontation"

Industrial relations consultancy FSA-Contact is preparing a survey on housing policies in order to provide companies with the necessary background to the issue

FSA-Contact senior consultant Kira Schaffler says housing schemes tend to take the form of loans, subsidies or the benefit of free or cheap residential accommodation

Mrs Schaffler says the rapid moves to a new SA could add complexities to the housing issue

"Should the Group Areas legislation be scrapped, the whole situation concerning company housing for employees could change, many employees qualifying for housing closer to their place of employment This could also have an effect on property prices

"It is therefore essential that management be provided with an adequate guide as to how these issues should be tackled from the outset"

The aim of the FSA survey is to provide information about all the main issues which face organisations regarding housing assistance for employees in the 1990s

Mrs Schaffler says it will not only focus on black housing, but will look at the benefits executives receive

WALLIE CONRADIE benefits in long term

PEOPLE AT THE TOP ARE ON THE MOVE SEE PAGE 11

APPOINTMENTS

MANPOWER MIRROR by ROBYN CHALMERS

PAGES AND PAGES OF THE BEST JOBS IN SOUTH AFRICA

A bigger pie means a larger slice for all

S/Times 11/3/90

(132)

THE creation and equitable distribution of wealth can be influenced by industrial relations, say experts.

The increasing numerical strength of black trade unions means they will be key players in deciding what form redistribution of wealth will take in the post-apartheid SA

By the end of 1989, there were 212 registered trade unions with a membership of 2,13-million compared to 209 in 1988 with 2,08-million members

In spite of pleas for wage restraint from Finance Minister Barend du Plessis and Reserve Bank Governor Chris Stals, unions are again demanding big increases

Eli Louw wealth creation the core IR issue in 1990s

The National Union of Metalworkers (Numsa) is seeking pay rises of between 24% and 56%, showing that unions are aiming to maintain their inflation-beating increases which averaged 21,2% in the past five years

Although such increases are great for the 2-million trade-union members, they go only a small way towards the widespread wealth redistribution needed in SA

Manpower Minister Eli Louw believes that wealth creation through sound industrial relations will be a core challenge facing SA in the 1990s

He told an Institute of Personnel Management (IPM) and SA Chamber of Business conference in Johannesburg this week that SA faced the challenge of balancing the interests of the worker, the employer and the economy as a whole

"In the new SA scenario, key labour parties will conceivably have a role to play in the major political arena Trade unions have produced some credible leaders and there are indications of greater maturity in dealing with employers.

"There are greater efforts in the union movement to accommodate diverse views This move contains the possibility of a more united labour front, something which may have to be contended with in future"

Mr Louw said a two-tier system of labour relations had developed On the one hand was centralised bargaining at industrial-council level and on the other plant-level bargaining as governed by individual recognition agreements

He believed that the Government should not prescribe a particular system to be followed, but leave it to market forces

At present, the trend appears to be towards centralised bargaining, which many believe may be a key mechanism in creating wealth

Robert McKersie, professor of industrial relations at the Alfred P Sloan School of Management, Massachusetts Institute of Technology, is one of them

He says collective bargaining has two functions in the creation and redistribution of wealth

- It helps to minimise the discord inevitably present with industrialisation When workers are disgruntled they can withhold their labour, they can be politically disruptive or they can excercise their voice and through negotiation solve their problems
- It helps to create value by enabling employers and workers to engage in joint activities that bring about better results for all concerned

JCI group economist Ronnie Bethlehem says wealth distribution must be seen against the background of huge demographic transformation combined with social, political and economic inequality

In 1904, for example, whites constituted 22% of the population and blacks 70% By the year 2020 the black figure is expected to rise to 80% and the white to fall to 10% This is because, on average, the white population is growing at under 1% a year and the black at more than 3%

Looking at inequality, Dr Bethlehem says 83% of whites earn more than R16 000 a year and 2% under R3 000, only 5% of blacks earn more than R16 000 and 38% earn less than R3 000

Unemployment as a percentage of gross domestic product rose from 25,2% in 1960 to 37% in 1985 and could jump to 40% or even 50% by the year 2000 if sanctions continue, says Dr Bethlehem

"There is a trade-off between economic growth on the one hand and increased employment on the other In the 1950s, SA's GDP increased by an average 4,4% a year and employment by 2,4%

"Yet by the 1980s, GDP rose 1,5% and employment increased at just 1% It is only by GDP growing at about 5,5% that employment will move up to the 4,5% mark, which will uplift the entire economy"

HOUSE OF ASSEMBLY

INTERPELLATIONS

The sign * indicates a translation The sign †, used subsequently in the same interpellation, indicates the original language

General Affairs

Workers' Day

1 Mr P J PAULUS asked the Minister of Manpower *

> Whether discussions had been held with White trade unions before 1 May was declared Workers' Day, if so, with which such trade unions, if not, why not?
>
> B499E INT

*The MINISTER OF MANPOWER Mr Chairman, there were comprehensive consultations with White trade unions *inter alia* before 1 May was declared Workers' Day This took place *inter alia* at a gathering in Stellenbosch on 14 April 1988 and on 10 June 1988 in the Union Building, Pretoria

During the gathering on 14 April 1988 the question of Workers' Day was discussed in depth and the delegates were almost unanimous that Workers' Day should be on 1 May During the second meeting, on 10 June 1988 the vast majority of delegates, with the exception of the Mineworkers' Union, expressed themselves in favour of 1 May as a paid holiday

A total of 26 trade unions were represented, of which 15 were exclusively White trade unions [Interjections] In addition the National Manpower Commission, in which both the employer and trade union organisations are represented, held detailed consultations with all parties Here, too, a broad spectrum of White trade unions was represented

The recommendation of the National Manpower Commission remained that 1 May should be declared Workers' Day

The Government realises that there are certain groups of people who have objections to 1 May as a holiday for ideological reasons, because of the connection it has with communist ideology The recent past has shown that this connection is becoming irrelevant [Interjections] Yes, that is the case This is happening as a result of the economic failure of that ideology [Interjections] Consequently Workers' Day will become more and more detached from any specific ideology [Interjections]

Therefore it is artificial to keep the dispute concerning 1 May as Workers' Day going, and it is not in the interests of industrial peace or of all the workers of South Africa [Interjections]

*Mr P J PAULUS Mr Chairman, I want to make it very clear today that White trade unions were not consulted when it was decided to let Workers' Day fall on 1 May this year [Interjections]

Let us see what the hon the Minister—then still Acting Minister—said last year when we spoke about Workers' Day He said that Workers' Day would fall on a Monday, and no longer on a Friday, so that the workers could have a long weekend We made it very clear to the hon the Minister that the Government would change its standpoint and move Workers' Day to 1 May I can see why the hon the Minister is moving it to 1 May this year, because he has just told us He said Workers' Day had a communist connotation and they have now embraced the Communist Party in a big way [Interjections] I want to ask whether the hon the Minister spoke to comrade Ramaphosa when he did this [Interjections]

In the *SA Werker* of February 1990, the general secretary of the trade union for iron and steel workers said it was a sad day on which we had to see 1 May declared Workers' Day, and that the perennial demand to declare the first Monday in September as such, as well as the possibility of a long weekend, were things of the past

We read the hon the Minister's reply in Hansard of 26 April 1989 [Interjections] The reason we have the first Monday in May, is that all the workers should get a long weekend I still remember the remark made by the hon member who was the MP for Sasolburg He said we had not given them any reason for not wanting the first Friday

The NP is turning somersaults When I was still with the trade union, I called Fanie Botha Somersault Botha I shall be calling the hon the

Minister of Manpower Somersault Louw because he does not know what he wants [Time expired]

Mr B B GOODALL Mr Chairman, there are two issues involved here One is whether there should be consultation with trade unions on matters like this The answer is yes, there should obviously be consultation—not only with the trade unions, Black and White, but also with the employers' organisations This, we understand from the hon the Minister, has been done It would not have helped, however, because what we have here is an attempt by the far right to organise White labour in South Africa for political purposes [Interjections]

The second point is whether we should celebrate 1 May as Workers' Day It is an internationally accepted holiday It is celebrated in West Germany and in France, and those are not communist countries In South Africa 1 May was a *de facto* holiday We have actually brought the law in line with reality We had a situation in which we were celebrating the same event on two separate days We cannot afford to do that Our labour productivity is low enough as it is It is estimated that each time we have a public holiday, we lose R340 million in lost production

We have got to decide how many public holidays South Africa is going to have We should then work out what they will be We shall have to take into account the needs and wishes of the various segments of our population, not only the White sector That is the sane, rational thing to do I find the growing similarity in the tactics of the lunatic left and the reaction very interesting [Interjections]

The MINISTER OF MANPOWER Mr Chairman, I want to thank the hon member for Edenvale for his sensible arguments in this debate

*It is a pity that the CP is trying to score political points out of this matter [Interjections] The hon member for Carletonville denied that there had been negotiation I told him that one out of the 15 White trade unions were opposed to this, and he can come to my office where I shall give him the names of the other 14 [Interjections]

Then he said we had suddenly embraced the communists because we had declared 1 May Workers' Day [Interjections] As the hon member for Edenvale said, this is also the case in England and Holland, and after all, they are not communist countries [Interjections] The CP has not embraced the communists just because the hon member for Overvaal is going to Russia, after all [Interjections]

The hon member referred to what I had said about the long weekend in a previous debate on my Vote I still think a long weekend is a good idea I told the White trade unions that if there was consensus among the workers of South Africa, they could come back to me on the question of a long weekend, and I would consider it once again I said then that it was a good idea

To say that we are hand in glove is the biggest load of nonsense under the sun, and I blame the hon member and his party for trying to manipulate our White workers who should actually play a leading part, for political gain They can play a part on the basis of reliability, expertise and discipline, but the CP is politicising them so that they cannot play that part [Interjections]

*Mr P J PAULUS Mr Chairman, I should like to tell the DP that the only difference between them and the NP nowadays is the name [Interjections] Every time a DP member rises, he is praised and thanked by the NP for what the DP says about the NP [Interjections] They are fraternising with the NP just as the NP and the SA Communist Party are fraternising today [Interjections]

I want to repeat that I did not even mention the name of the Mineworkers Union, because I know they did not negotiate, but I did mention the trade union for iron and steel workers That is the largest White trade union, and they deny that there were negotiations with them at any stage

What was even more ridiculous, was that the hon the Minister mentioned 1988 In 1989 he said we knew what the Government's standpoint was, and that was to make it the first Monday in May Once again I say the Government does not know what is going on [Interjections]

They say they want to protect the rights of the minorities Up to now they have avoided telling us how they want to protect the rights of the minorities I want to make it clear that the employers and the Black trade unions—I said this last year, and that was exactly what happened—are going to celebrate Workers' Day

from 30 April to 4 May Once again the White workers are going to sacrifice traditional White holidays to give the Blacks in South Africa an opportunity to have a holiday [Interjections]

How is the hon the Minister going to prevent that, and how is he going to protect this minority of Whites? He cannot do so, because he fears the Black trade unions If he picks up the telephone and it is a Black trade union, he says they must not speak He has heard it is a Black trade union and he will comply with their demands The hon the Minister does so without even listening to what they want [Interjections]

*The CHAIRMAN OF THE HOUSE Order'

*Mr P J PAULUS I want to make it clear that at present the Blacks are demanding Soweto Day When the Manpower Vote is discussed we must not be surprised if this hon Minister says the Government has decided to make 16 June Soweto Day, because the SA Communist Party and the ANC are going to claim that day, and once again the minority of Whites in South Africa are going to be left in the lurch by the NP There is no point in the hon the Minister's telling us we want to capitalise on the question We want to protect the White workers in White South Africa and we shall do so as far and for as long as possible The Government will not stand in our way

The White workers are turning against the NP to an increasing extent, because they know they can no longer rely on the NP for protection [Interjections] That is why the hon the Minister for Virginia received a majority of only 47 votes That is proof that the workers are turning against them

*The CHAIRMAN OF THE HOUSE Order' There is no Minister for Virginia in the House [Interjections]

*The MINISTER OF MANPOWER Mr Chairman, the hon member said we did not protect minorities If 14 of the 15 White trade unions say 1 May is acceptable to them, must I permit the standpoint of the remaining one to prevail? How does he justify his story about minorities then?

The fact is that in order to gain points for the CP, the hon member is reducing the White mineworkers to a political group of people who have to experience a threat in everything He is doing the White trade unions a great disservice by presenting that argument I shall say that to the White trade unions, because they have a function to fulfil They can play a leading role, also in the new South Africa, as a result of their expertise and reliability The White trade unions can play an enormous role on that basis, and I shall continue to say that

Naturally productivity is an important consideration After all, we cannot afford to have another workers' day We acknowledge that there must be a workers' day but as the hon member said almost R400 million is lost every day that workers do not go to work No country's economy can afford that Nor can the country subject its workers to that The National Productivity Institute was also consulted in respect of the matter and gave it their full support

By declaring 1 May as Workers' Day, we have done all the workers of South Africa a good turn [Time expired]

Debate concluded

Independent Black states

2 Mr C W EGLIN asked the Minister of Foreign Affairs

Whether the Government is prepared to consider taking steps which would make it possible for the four independent Black states once again to become part of the Republic of South Africa?

Hansard 13/3/90 B504E INT

*The MINISTER OF FOREIGN AFFAIRS Mr Chairman it is not up to the South African Government to take steps to make possible the re-incorporation of the TBVC states in the Republic of South Africa Those states became independent in terms of legislation of this Parliament, and that independence was preceded by lengthy discussions, negotiations and in most cases by referendums or elections which were held in those countries before it was decided that they should become independent

It is therefore not up to this Government to take the initiative It is up to the relevant countries This Government has made it clear, through the hon the State President, that their return to the sovereignty of the Republic of South Africa is an option It is an option, not because this Government has made this decision or needs to make this decision It is an option which they have as independent states in any case, namely the

option to strive for any political objective they want to strive for, provided it is borne in mind that one cannot unilaterally by means of legislation in this country bring about their re-incorporation in the Republic of South Africa

Similarly, it will again require a decision from this Parliament It will require a thorough study of the various implications It will require consideration of the type of structure those countries are going to submit to their voters, because they cannot ask their voters even in a referendum to become part of the Republic again if they do not tell their voters on what basis they will do so [Interjections]

Will it be on the basis of a confederal relationship a federal relationship a regional government or a provincial government? What are the implications in respect of agreements which they entered into after they became independent? What are the implications of loans they may have negotiated with foreign banks, governments or other financial institutions in this country?

This Government cannot be expected simply to take over debts incurred and contractual obligations entered into by independent countries Hon members can therefore see that there are quite a number of complex questions arising from this issue [Time expired]

Mr C W EGLIN Mr Chairman, I have noted the hon the Minister of Foreign Affairs cautious reply to this question I am not arguing about the details and how one should get there

The South African Government was for many years not neutral on this issue For many, many years after Dr Verwoerd came to Parliament, they actively pursued the idea of Bantustans They promoted that concept What is more, the choice that was given to Black South Africans at that time was not a neutral choice It was Hobson's choice Their choice was either to go independent and have citizenship in relatively poor Black territories or else to stay in apartheid South Africa with no vote and no constitutional redress in this country

I do not believe that a neutral approach is good enough We believe the time has come for the Government to try to bring down the curtain on the Vewoerdian era of apartheid [Interjections] It has done enough damage to South Africa internally and externally, more than any other policy ever pursued in South Africa We have asked and expect this of the Government in view of the expectations raised *inter alia* by the hon the State President's speech, and by the Government's constant reference to an undivided South Africa, which to Black people has a very specific meaning, and in view of *inter alia* the instability which is being created because of the economic and political uncertainty of the future of those TBVC countries

We believe that this Government must admit that the Bantustan experiment in South Africa s history was costly and disastrous While the Government may not be able to force or to coerce, it must adopt a very specific attitude and say that it is leaving the nightmare of partition to the CP It must say it stands for a truly reconstructed and united South Africa to which all the components that were part of South Africa can come back home

Mr J H VAN DER MERWE Including Botswana? [Interjections]

Mr C W EGLIN The Government should adopt a positive attitude towards this This does not mean that it invades or that it coerces, but it means that it must stop being neutral on this matter The Government must say that its policy is to work together with those other states for a new united South Africa

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*Dr F J VAN HEERDEN Mr Chairman, on a point of order I do not think it is parliamentary to refer to a sheepish expression

*Mr J H VAN DER MERWE You have one on your own face Sit down' [Interjections]

*The CHAIRMAN OF THE HOUSE Order' The hon member for Soutpansberg may proceed

Govt to meet with unions, management

Way cleared for changes to LRA

Cape Times 13/3/90

(132)

Own Correspondent

JOHANNESBURG. — Fast-moving developments in the last few days have opened the way to an agreement beween organised labour, management and government on mutually-acceptable labour legislation in SA

One prominent employer said if all went well this process could lead to the formulation of SA's first set of "post-apartheid" legislation

In the last few days, employer federation Saccola reached in principle agreement with Cosatu and Nactu on various changes to the Labour Relations Act (LRA), and proposed legislation based on those principles has been drafted

And the office of Manpower Minister Eli Louw yesterday exchanged several communications with Cosatu and Nactu aimed at finalising a date, time and venue for a meeting between them at which the process of devising new legislation would be the main agenda item

Saccola has also been invited to attend the meeting — which could take place as soon as Thursday or Friday

One observer said the meeting would be the first cabinet-level meeting between government and the organised left in more than three decades.

The first major breakthrough came at a 12-hour meeting between Saccola and the union federations which ended at 2am on Friday The meeting agreed on various amendments to the Act and appointed a legal committee to draft legislation based on the agreement

Saccola chairman Bobby Godsell disclosed yesterday the committee completed its task on Saturday, although he had not yet seen the final product The committee has also been mandated to do a longer-term study on strike law — an aspect of the LRA mostly not covered by the union/Saccola agreement.

It is expected that the amendments to the LRA proposed jointly by Saccola, Cosatu and Nactu will be presented to the Minister when they meet him

Cosatu and Nactu proposed meeting Louw in a letter written to him last month

A Nactu spokesman said yesterday the unions wished to discuss with Louw the possibility of the proposed amendments being placed before the current sitting of Parliament

He said they also wished to discuss with Louw their views the amendment Bill drafted late last year by the Manpower Department (whose details were published by Business Day in January), and express their dissatisfaction at not having been consulted on its details

In general, the spokesman said, the unions wished to discuss with Louw ways of ensuring government took account of their views whenever new labour legislation is developed in future They also wanted to discuss the problem of non-participation by State and agricultural employers in the talks with Saccola.

The Nactu spokesman said the unions had set aside their traditional reluctance to speak to government because "we have to bring this matter to finality and a meeting offers an opportunity to do this"

The unions previously criticised have government's draft Bill because they had not been consulted on it They were also highly critical of one aspect of the Bill — that which would lengthen the "cooling-off" period during which a legal strike may not occur from 30 days to 45 days

The Manpower Department has indicated it would be willing to hold back the tabling of the Bill in Parliament

Godsell said the two proposed pieces of legislation needed to be integrated Apart from the extension of the cooling-off period, there was no conflict between the two, and employers were willing to recommend the retention of the existing law in this respect

The government Bill also proposes the scrapping of the controversial section 79 (2) which relates to union liability for damages sustained in unlawful strikes, and extends the time limits for processing disputes through official channels — both high on the list of union demands

While details of the Saccola/union proposal were unavailable yesterday, the issues raised include limits on interdicts against lawful strikes, scrapping of racial features of the union registration process, and accessibility of Industrial Court judgments

HOUSE OF ASSEMBLY

INTERPELLATIONS

The sign * indicates a translation The sign †, used subsequently in the same interpellation, indicates the original language

General Affairs

Workers' Day

1 Mr P J PAULUS asked the Minister of Manpower *

> Whether discussions had been held with White trade unions before 1 May was declared Workers' Day, if so, with which such trade unions, if not, why not?
>
> B499E INT

*The MINISTER OF MANPOWER Mr Chairman, there were comprehensive consultations with White trade unions *inter alia* before 1 May was declared Workers' Day This took place *inter alia* at a gathering in Stellenbosch on 14 April 1988 and on 10 June 1988 in the Union Building, Pretoria

During the gathering on 14 April 1988 the question of Workers' Day was discussed in depth and the delegates were almost unanimous that Workers' Day should be on 1 May During the second meeting, on 10 June 1988, the vast majority of delegates, with the exception of the Mineworkers' Union, expressed themselves in favour of 1 May as a paid holiday

A total of 26 trade unions were represented, of which 15 were exclusively White trade unions [Interjections] In addition the National Manpower Commission, in which both the employer and trade union organisations are represented, held detailed consultations with all parties Here, too, a broad spectrum of White trade unions was represented

The recommendation of the National Manpower Commission remained that 1 May should be declared Workers' Day

The Government realises that there are certain groups of people who have objections to 1 May as a holiday for ideological reasons, because of the connection it has with communist ideology The recent past has shown that this connection is becoming irrelevant [Interjections] Yes, that is the case This is happening as a result of the economic failure of that ideology [Interjections] Consequently Workers' Day will become more and more detached from any specific ideology [Interjections]

Therefore it is artificial to keep the dispute concerning 1 May as Workers' Day going, and it is not in the interests of industrial peace or of all the workers of South Africa [Interjections]

*Mr P J PAULUS Mr Chairman, I want to make it very clear today that White trade unions were not consulted when it was decided to let Workers' Day fall on 1 May this year [Interjections]

Let us see what the hon the Minister—then still Acting Minister—said last year when we spoke about Workers' Day He said that Workers' Day would fall on a Monday, and no longer on a Friday, so that the workers could have a long weekend We made it very clear to the hon the Minister that the Government would change its standpoint and move Workers' Day to 1 May I can see why the hon the Minister is moving it to 1 May this year, because he has just told us He said Workers' Day had a communist connotation and they have now embraced the Communist Party in a big way [Interjections] I want to ask whether the hon the Minister spoke to comrade Ramaphosa when he did this [Interjections]

In the *SA Werker* of February 1990, the general secretary of the trade union for iron and steel workers said it was a sad day on which we had to see 1 May declared Workers' Day, and that the perennial demand to declare the first Monday in September as such, as well as the possibility of a long weekend, were things of the past

We read the hon the Minister's reply in Hansard of 26 April 1989 [Interjections] The reason we have the first Monday in May, is that all the workers should get a long weekend I still remember the remark made by the hon member who was the MP for Sasolburg He said we had not given them any reason for not wanting the first Friday

The NP is turning somersaults When I was still with the trade union I called Fanie Botha Somersault Botha I shall be calling the hon the

Minister of Manpower Somersault Louw because he does not know what he wants [Time expired]

Mr B B GOODALL Mr Chairman, there are two issues involved here One is whether there should be consultation with trade unions on matters like this The answer is yes, there should obviously be consultation—not only with the trade unions, Black and White, but also with the employers' organisations This, we understand from the hon the Minister, has been done It would not have helped, however, because what we have here is an attempt by the far right to organise White labour in South Africa for political purposes [Interjections]

The second point is whether we should celebrate 1 May as Workers' Day It is an internationally accepted holiday It is celebrated in West Germany and in France, and those are not communist countries In South Africa 1 May was a *de facto* holiday We have actually brought the law in line with reality We had a situation in which we were celebrating the same event on two separate days We cannot afford to do that Our labour productivity is low enough as it is It is estimated that each time we have a public holiday, we lose R340 million in lost production

We have got to decide how many public holidays South Africa is going to have We should then work out what they will be We shall have to take into account the needs and wishes of the various segments of our population, not only the White sector That is the sane, rational thing to do I find the growing similarity in the tactics of the lunatic left and the reaction very interesting [Interjections]

The MINISTER OF MANPOWER Mr Chairman, I want to thank the hon member for Edenvale for his sensible arguments in this debate

*It is a pity that the CP is trying to score political points out of this matter [Interjections] The hon member for Carletonville denied that there had been negotiation I told him that one out of the 15 White trade unions were opposed to this, and he can come to my office where I shall give him the names of the other 14 [Interjections]

Then he said we had suddenly embraced the communists because we had declared 1 May Workers' Day [Interjections] As the hon member for Edenvale said, this is also the case in England and Holland, and after all, they are not communist countries [Interjections] The CP has not embraced the communists just because the hon member for Overvaal is going to Russia, after all [Interjections]

The hon member referred to what I had said about the long weekend in a previous debate on my Vote I still think a long weekend is a good idea I told the White trade unions that if there was consensus among the workers of South Africa, they could come back to me on the question of a long weekend, and I would consider it once again I said then that it was a good idea

To say that we are hand in glove is the biggest load of nonsense under the sun, and I blame the hon member and his party for trying to manipulate our White workers, who should actually play a leading part, for political gain They can play a part on the basis of reliability, expertise and discipline, but the CP is politicising them so that they cannot play that part [Interjections]

*Mr P J PAULUS Mr Chairman, I should like to tell the DP that the only difference between them and the NP nowadays is the name [Interjections] Every time a DP member rises, he is praised and thanked by the NP for what the DP says about the NP [Interjections] They are fraternising with the NP just as the NP and the SA Communist Party are fraternising today [Interjections]

I want to repeat that I did not even mention the name of the Mineworkers' Union, because I know they did not negotiate, but I did mention the trade union for iron and steel workers That is the largest White trade union, and they deny that there were negotiations with them at any stage

What was even more ridiculous, was that the hon the Minister mentioned 1988 In 1989 he said we knew what the Government's standpoint was, and that was to make it the first Monday in May Once again I say the Government does not know what is going on [Interjections]

They say they want to protect the rights of the minorities Up to now they have avoided telling us how they want to protect the rights of the minorities I want to make it clear that the employers and the Black trade unions—I said this last year, and that was exactly what happened—are going to celebrate Workers Day

from 30 April to 4 May Once again the White workers are going to sacrifice traditional White holidays to give the Blacks in South Africa an opportunity to have a holiday [Interjections]

How is the hon the Minister going to prevent that, and how is he going to protect this minority of Whites? He cannot do so, because he fears the Black trade unions If he picks up the telephone and it is a Black trade union, he says they must not speak He has heard it is a Black trade union, and he will comply with their demands The hon the Minister does so without even listening to what they want [Interjections]

*The CHAIRMAN OF THE HOUSE Order!

*Mr P J PAULUS I want to make it clear that at present the Blacks are demanding Soweto Day When the Manpower Vote is discussed, we must not be surprised if this hon Minister says the Government has decided to make 16 June Soweto Day, because the SA Communist Party and the ANC are going to claim that day, and once again the minority of Whites in South Africa are going to be left in the lurch by the NP There is no point in the hon the Minister's telling us we want to capitalise on the question We want to protect the White workers in White South Africa, and we shall do so as far and for as long as possible The Government will not stand in our way

The White workers are turning against the NP to an increasing extent, because they know they can no longer rely on the NP for protection [Interjections] That is why the hon the Minister for Virginia received a majority of only 47 votes That is proof that the workers are turning against them

*The CHAIRMAN OF THE HOUSE Order! There is no Minister for Virginia in the House [Interjections]

*The MINISTER OF MANPOWER Mr Chairman, the hon member said we did not protect minorities If 14 of the 15 White trade unions say 1 May is acceptable to them, must I permit the standpoint of the remaining one to prevail? How does he justify his story about minorities then?

The fact is that in order to gain points for the CP, the hon member is reducing the White mineworkers to a political group of people who have to experience a threat in everything He is doing the White trade unions a great disservice by presenting that argument I shall say that to the White trade unions, because they have a function to fulfil They can play a leading role, also in the new South Africa, as a result of their expertise and reliability The White trade unions can play an enormous role on that basis, and I shall continue to say that

Naturally productivity is an important consideration After all we cannot afford to have another workers' day We acknowledge that there must be a workers' day, but as the hon member said, almost R400 million is lost every day that workers do not go to work No country's economy can afford that Nor can the country subject its workers to that The National Productivity Institute was also consulted in respect of the matter and gave it their full support

By declaring 1 May as Workers' Day, we have done all the workers of South Africa a good turn [Time expired]

Debate concluded

Independent Black states

2 Mr C W EGLIN asked the Minister of Foreign Affairs

Whether the Government is prepared to consider taking steps which would make it possible for the four independent Black states once again to become part of the Republic of South Africa?

Hansard 13/3/90 B504E INT

*The MINISTER OF FOREIGN AFFAIRS Mr Chairman, it is not up to the South African Government to take steps to make possible the re-incorporation of the TBVC states in the Republic of South Africa Those states became independent in terms of legislation of this Parliament, and that independence was preceded by lengthy discussions, negotiations and in most cases by referendums or elections which were held in those countries before it was decided that they should become independent

It is therefore not up to this Government to take the initiative It is up to the relevant countries This Government has made it clear, through the hon the State President, that their return to the sovereignty of the Republic of South Africa is an option It is an option, not because this Government has made this decision or needs to make this decision It is an option which they have as independent states in any case, namely the

option to strive for any political objective they want to strive for, provided it is borne in mind that one cannot unilaterally by means of legislation in this country bring about their re-incorporation in the Republic of South Africa

Similarly, it will again require a decision from this Parliament It will require a thorough study of the various implications It will require consideration of the type of structure those countries are going to submit to their voters, because they cannot ask their voters, even in a referendum to become part of the Republic again if they do not tell their voters on what basis they will do so [Interjections]

Will it be on the basis of a confederal relationship, a federal relationship a regional government or a provincial government? What are the implications in respect of agreements which they entered into after they became independent? What are the implications of loans they may have negotiated with foreign banks, governments or other financial institutions in this country?

This Government cannot be expected simply to take over debts incurred and contractual obligations entered into by independent countries Hon members can therefore see that there are quite a number of complex questions arising from this issue [Time expired]

Mr C W EGLIN Mr Chairman I have noted the hon the Minister of Foreign Affairs cautious reply to this question I am not arguing about the details and how one should get there

The South African Government was for many years not neutral on this issue For many, many years after Dr Verwoerd came to Parliament, they actively pursued the idea of Bantustans They promoted that concept What is more, the choice that was given to Black South Africans at that time was not a neutral choice It was Hobson's choice Their choice was either to go independent and have citizenship in relatively poor Black territories or else to stay in apartheid South Africa with no vote and no constitutional redress in this country

I do not believe that a neutral approach is good enough We believe the time has come for the Government to try to bring down the curtain on the Vewoerdian era of apartheid [Interjections] It has done enough damage to South Africa internally and externally, more than any other policy ever pursued in South Africa We have asked and expect this of the Government in view of the expectations raised *inter alia* by the hon the State President s speech, and by the Government's constant reference to an undivided South Africa, which to Black people has a very specific meaning, and in view of *inter alia* the instability which is being created because of the economic and political uncertainty of the future of those TBVC countries

We believe that this Government must admit that the Bantustan experiment in South Africa's history was costly and disastrous While the Government may not be able to force or to coerce it must adopt a very specific attitude and say that it is leaving the nightmare of partition to the CP It must say it stands for a truly reconstructed and united South Africa to which all the components that were part of South Africa can come back home

Mr J H VAN DER MERWE Including Botswana? [Interjections]

Mr C W EGLIN The Government should adopt a positive attitude towards this This does not mean that it invades or that it coerces but it means that it must stop being neutral on this matter The Government must say that its policy is to work together with those other states for a new united South Africa

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*The CHAIRMAN OF THE HOUSE. Order! The hon member for Soutpansberg may proceed

B/Day 14/3/90

132

Militancy disrupts workplace

ADELE BALETA

INCREASED militancy since the unbanning of political organisations and Nelson Mandela's release has caused confusion and uncertainty in the workplace, labour sources say.

Some employers are already examining the implications of political developments which have heightened worker expectations and seen a "new-found confidence" which is likely to be displayed at the negotiating table.

National Union of Metalworkers of SA (Numsa) engineering secretary Bernie Fanaroff says a consequence of political developments is that union activists are having to spend time in townships dealing with macro-political issues This means less planning in the workplace and more spontaneous action.

Sharing

"Workers feel liberation is imminent, causing increased militancy."

He says worker demands are changing and this is witnessed in a demand for the sharing of the economy.

OK Bazaars industrial relations executive Gavin Brown says the impact of political developments on the workplace is characterised by uncertainty and confusion and unrealistic expectations which still have to be manifested in a tangible form.

Companies, he said, are responding with more tolerance and sensitivity, but this is not part of a long-term policy.

He believes political developments will affect wage negotiatons with heightened worker expectations of greater increases.

National Union of Mineworkers (NUM) assistant general secretary Marcel Golding says workers realise it is their right to participate in democratic organisations of their choice.

They believe this right has to be freely expressed, putting the spotlight and pressure on employers to put "their houses in order".

Recent NUM members' activity in the Free State illustrates the continuing demand for the removal of discrimination on the mines.

Golding says: "We are no longer at the level of tabling demands which remain unaddressed. Workers have repeatedly tried to use the grievance procedure without success.

"Workers expect the right to organise on the mines where employers have used their property rights to restrict them."

Chamber of Mines president Kennedy Maxwell says "it is vital the parties work together to seek potential solutions", particularly in the mining industry where recent developments are cause for concern.

He says: "It appears there has been a deliberate attempt to create polarisation (between workers and management)" and prospects for a favourable outcome to future negotiations will be reduced if parties enter the exercise from positions of polarisation.

An article in the February issue of Seifsa News lists employer guidelines on how to manage "the impact of the events which have created conflicting emotions in the labour force ranging from jubilation and raised expectations to anxiety and concern".

Implications

It states worker reaction to the developments can generate anxiety among other sections of the workforce, leading to confrontation and violence.

Employers are advised to consider the implications of implementing disciplinary action, which should be avoided wherever possible.

Industrial Relations Consultant Andrew Levy said worker expectations had risen and they had been shown that all was negotiable.

"Trade union's will push against the door which is swinging open and one can only speculate there will be an increase in industrial action," he said

The Star Finance

Star 14/3/90 (132)

Move from CSIR to mining leads to top post at Genmin

By Stan Kennedy

The desire to impress his young bride with a new car to take them on their honeymoon 20 years ago was the big inducement for Brian Gilbertson, Genmin's new chairman, to leave the CSIR and take up a career with a mining house

At the CSIR he was involved in technical and research activities and didn't earn a big salary. JCI advertised a job, the qualifications for which matched his skills and with it came "an enormous salary and a car"

"There are few jobs which offer a young man the challenges to be found in a mining house," he says.

"You start off being in charge of a group of people and then, if you work hard, you get the responsibility of eventually looking after a company with assets worth billions of rands."

At JCI he went into a position which was exploration-related. In no time he was moved to head office and when he left 18 years later to join Gencor, he was a director of JCI and managing director of Rustenburg Platinum Mine, the world's largest producer of platinum

It was difficult for him to leave JCI after 18 years and join a rival group He agonised over it but with the offer being so attractive, coupled with suggested possibilities of moving up the ladder, his ambitious disposition won the day

He joined Gencor exactly two years ago and was appointed executive director and deputy chairman of Genmin, the group's mining house He became Genmin chairman on March 2 this year after the retirement of Steve Ellis

For 20 months he had nothing to do with Impala platinum mine because of an understanding between the two groups that he would not involve himself in its affairs

At the end of the period, both parties felt relaxed about his involvement and he joined the board of Impala, taking charge of its strategic decisions

Brian Gilbertson, Genmin's new chairman.

The four operating divisions of Genmin — coal, gold, platinum and metals and minerals — are placed among the first three largest producers in the world

"It is a great responsibility but very challenging," Mr Gilbertson says. "I am fortunate that I have competent chief executives slotted into the key positions after a number of people retired during our recent restructuring."

A JSE listing for Alusaf is a possibility but it will not be pushed because of the aluminium market taking a downturn People are working on the "numbers," waiting for better days and considering whether it might not be better to do it a different way.

Genmin has interests which don't fit into any of the normal divisions and it is felt it might be sensible to combine them into a major listed operation.

His responsibility for coal came at a time when Trans-Natal, a large exporter, had been severely hit Prices had dropped to below $20 a ton and at the same time there had been a big increase in rail tariffs. This threw the company into desperate financial straits

It has since made a satisfactory turnaround with prices rising to about $30 a ton, although Mr Gilbertson says this is still too low.

"I think this is partly due to sanctions when certain markets were closed to some exporters A few went into the backyard of other exporters to sell their coal and this led to intense competition

"However, I am excited about the Japanese who, since the beginning of the month, have been asking for options on South African coal They are becoming nervous that sanctions could possibly be lifted and that South African exporters will go back to their traditional markets"

One of the first things he did to improve the gold division was to change the emphasis on production Mine managers were instructed to focus on cost per kg instead of cost per ton milled

"We had been mining ore that was not payable at great time and expense. It has not been easy making the changeover It has been painful and we have had to make 15 000 workers redundant as we cut back on unpayable areas

"However, the results have been dramatic. We have maintained our cost structures per kg for almost a year and mines which we considered closing are now operating profitably."

The aluminium market, he says, is depressed and all Alusaf can do is to ride it out and hope for better days.

Mr Gilbertson has an easy style which comes from 20 years in mining management. For someone who is responsible for a group with earnings of some R600 million a year and assets of almost R7 billion, he shows no signs of stress or frustration.

"I don't have all the knowledge, only a basic understanding of what it is all about There is a common thread in mining

"We have to identify the most important issues and deal with them first. I depend a great deal on my executives, who identify the critical issues and give recommendations as to what should be done. I then help them choose the course of action"

Poor get poorer and rich get richer, say trade unions

Star 14/3/90 (132)

Market freedom scorned

The world crisis of socialism has sparked intense debate, rather than ideological despair, among local unionists A restatement of socialist ideals was thrust under employer noses at the SA Chamber of Business labour conference last week, reports **DREW FORREST.**

Eastern Europe's upheavals may have prompted deep soul-searching among local trade unionists, but their faith in a socialist South Africa and rejection of free market doctrines appears unshaken

Thousands of public sector workers took to the streets of Johannesburg at the weekend to protest against the Government's privatisation policies

And at the SA Chamber of Business labour conference last week, one of South Africa's most experienced unionists unleashed a scathing indictment of the "economic nostrums of state and capital", arguing that these would worsen South Africa's ills

At the heart of an address by the National Union of Metalworkers' Dr Bernie Fanaroff was a warning that there could be no "quick fix" for the South African economy and that policy would be constrained by workers' demands

Moves to boost business competitiveness by depressing wages and weakening unions would simply not be accepted, he said

Dr Fanaroff reserved his most withering scorn for the "religion of Thatcherism/Reagonomics", and its central tenet that the poor benefit from market freedom

"Abundant figures" showed that poverty and social differentiation had increased in Britain during the '80s, he said Research indicated that 20 percent of Americans received 44 percent of US income in 1988, the highest yet recorded, and that the poor received 4,6 percent, the lowest since 1954

"The evidence for 'trickle-down' doesn't exist What does exist is 'trickle-up' — the rich get richer and the poor get poorer, and there are more and more poor"

Turning to privatisation, Dr Fanaroff stressed that major European public corporations, such as the Swiss and German railway and telecom systems, remained efficient

Efficiency was a function of management style, not private ownership, he said, quoting Iscor as an example of a concern whose productivity had risen over many years before it was privatised

And as public companies had to satisfy a range of needs set by social policy — such as providing low-cost inputs to industry and cheap housing and transport — they could not be measured by the same yardstick as private undertakings

On the "myth" of deregulation, Dr Fanaroff said that far from creating employment, the policy "turned relatively high-wage jobs to absolutely poverty-wage jobs"

A Numsa study had revealed that over a five-year period, a "negligible" 150 metal industry jobs had been created in deregulated decentralisation and industrial growth points, while 67 000 jobs had been lost in metropolitan areas

Available evidence also indicated that deregulated small businesses in industrial parks were very unstable, he added

Local unionists are still grappling with an economic programme which recognises post-perestroika realities and meets South African conditions, but Dr Fanaroff's speech gave key glimpses into labour's thinking

He poured cold water on the social democratic option, arguing that that this assumed an injection of aid "perhaps on the scale of the Marshall Plan" With its skilled workforce and developed infrastructure, Eastern Europe offered a far more enticing target for investors

Dr Fanaroff held that planning was the key to a high-wage, low-cost economy in South Africa, but took a flexible view, arguing for the integration of a planned economy and market forces

The lesson of Eastern Europe was not that socialism has failed, he said, but that democracy was needed at all levels of society and that the market and economic incentives had a vital role to play

Pointing to the failure of private developers to provide low-cost housing, Dr Fanaroff said profit was not a sufficient motive And as taxes alone would not yield the resources needed to raise living standards, direction of production and investment would be required

What of the thorny issue of nationalisation? Dr Fanaroff said few unionists saw state ownership as an end in itself or a full economic answer, and that there was still intense debate around what form it should take

But union experience, he added in a blunt warning to the captains of industry, "convinces us that employers and shareholders in South Africa will not co-operate in any significant way with restructuring and the redirection of resources, so nationalisation will be necessary"

Workers left out, says NUM

132

Sowetan Correspondent

THE Budget contains nothing for workers, other than a clear indication that they will have to fight harder for pay rises this year, says the National Union of Mineworkers.

Sowetan 16/3/90

Commenting on the creation of a fund to redress socio-economic backlogs, announced in the Budget speech, the NUM said the major backlog for black workers was "deeply discriminatory" wage levels.

This was not recognised by Finance Minister Mr Barend du Plessis, who blamed inflation on wage rises and called for increases below the inflation rate.

"There is no call on businessmen to limit price rises, or distribute profits to workers," the union said.

"Black workers' wages need to rise in real terms so that they may address all the backlogs identified by the Minister. But the Minister wants real wages to fall."

this could signal the start of ...
new

businessmen at a Wits Business School — Union of Metalworkers of SA (Numsa) — eradication of apartheid.

Big demand for mediation

S/Times 18/3/90 (132)

THE demand for mediation and arbitration services has increased markedly over the past six years

The graph shows how mediation and arbitration proceedings undertaken by the Independent Mediation Service of SA (Imssa) have risen sharply since 1984

In a review of its activities, Imssa says the role of professionals in private alternative dispute resolution is an increasingly important one

But the organisation anticipates that while the demand for mediation and arbitration will continue to grow interest in a variety of other forms of alternative dispute resolution will develop

During 1989, the use of mediation by organisations rose 52% over the previous year Imssa says most mediations during 1989 concerned disputes of interest, including wages and conditions of service and recognition

It says, though, that issues of direct socio-political relevance increasingly appeared on the bargaining table

There was also a marked increase in the use of mediation in disputes of right, including discipline, dismissals and retrenchments

"Between 60% and 70% of disputes referred to mediation were settled during mediation Many other disputes were settled in the post-mediation phase prior to industrial action as a direct result of mediation intervention

"Mediators increasingly see their role not only as moving the parties from point of conflict to settlement, but also to assist parties in rethinking their approach to collective bargaining in a manner which builds and strengthens their relationship"

Imssa says there is some evidence in mediation proceedings to suggest that the parties have developed greater skill in the collective bargaining process and in the use of mediation

"All too prevalent, however, is the positional bargaining syndrome where parties go though the motion of bargaining according to predetermined inflexible strategies

"They adjust positions to the limits of their mandates without seriously engaging each other about the interests, expectations and concerns which inform and dictate positions adopted at the bargaining table"

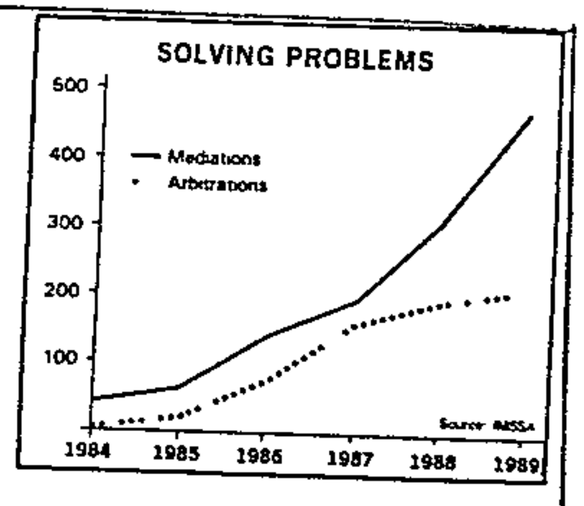
Imssa says the vast majority of mediations still occur in the Transvaal, although this trend may be changing The average mediation in 1989 lasted one day and the cost to the parties was about R1 000

Probably the most prominent mediation undertaken by Imssa so far was in the SA Transport Services (Sats) strike, which was handled by Imssa director Charles Nupen

Mr Nupen's task was a difficult one as the context in which mediation took place was characterised by a history of violence, damage to property and clashes between strikers and vigilante groups

It took 48 gruelling hours to develop a relationship between Sats and the union, which Mr Nupen says is longer than most mediations But he says a more sophisticated approach to collective bargaining by both unions and companies has meant they are becoming tougher and longer

In contrast to mediation, arbitration was only used to a slightly greater extent during 1989 compared to the previous year, but Imssa expects this to increase during 1990



It says the majority of arbitrations concerned the determination of rights disputes in the area of discipline and dismissal, although it was not uncommon for contract interpretation disputes, job grading, retrenchment and duty to bargain issues to be referred to arbitration

The average length of arbitration in 1989 was about two days and the average cost a day was R1 500

Unions in merger bid

132

Sowetan 21/3/90

By MOKGADI PELA

THE Congress of South African Trade Unions and the South African Congress of Trade Unions met early this week in Zambia and agreed on the phasing out of the external-based trade union in line with the principle of "One Country, One Federation".

A statement released at the end of the one-day meeting said the phasing out of Sactu would provide an opportunity to broaden trade union unity under Cosatu.

Both bodies would elect five delegates to oversee the process.

N Transvaal shop stewards to look at workers' rights

132

Sowetan 21/3/90.

SHOP stewards of Cosatu's Northern Transvaal region are meeting in the Pretoria city hall at the weekend to discuss a workers' charter.

The proposed charter will be debated in the various regions before it is discussed and adopted at Cosatu's national congress later this year

The congress will decide whether the charter, dealing with workers' rights, should be included in a future constitution or not.

A questionnaire on basic worker rights, trade union rights, female workers' rights, parental rights and political rights is being circulated among members of the trade union, which has 1,2 million members.

Basic worker rights to be debated include the right to join trade unions, a living wage, social security, education, training and skills upgrading, job security, the right to work and the right to healthy and safe working conditions.

Workers will discuss trade union rights which include the right to bargain collectively, the right to appoint judges to the Industrial Court and the right to negotiate laws affecting workers.

Taxation, social security and contraception are among the rights to be debated for female workers.

Other issues to be discussed during the campaign are political rights for workers and whether trade unions should be independent of the state and political parties.

The meeting begins at 10am on Saturday.

Star 21/3/90 (132)

'Effort needed to aid blacks'

By Peter Fabricius, Political Correspondent

The question of distribution of wealth in South Africa would have to be addressed to develop an equitable system, British Foreign Secretary Mr Douglas Hurd said yesterday

Mr Hurd, who is visiting South Africa en route to Namibia's independence celebrations, was speaking at the annual general meeting of the South Africa Foundation in Johannesburg

Mr Hurd said that although the policy of nationalisation had obvious fallacies, it was important that SA business did not adopt a negative or defensive position in relation to black aspirations ("What we have, we hold")

He welcomed the fund launched by the Government last week to help redress the distribution of resources

The Land Acts would have to be repealed, but this in itself would not make land available to black South Africans

This would require an effort similar to the effort made through the Land Bank to help Afrikaner farmers get started

"We must not wait for the end of apartheid before we start alleviating the misery it has caused," Mr Hurd said Ending apartheid would not be a magic wand bringing rapid prosperity and freedom.

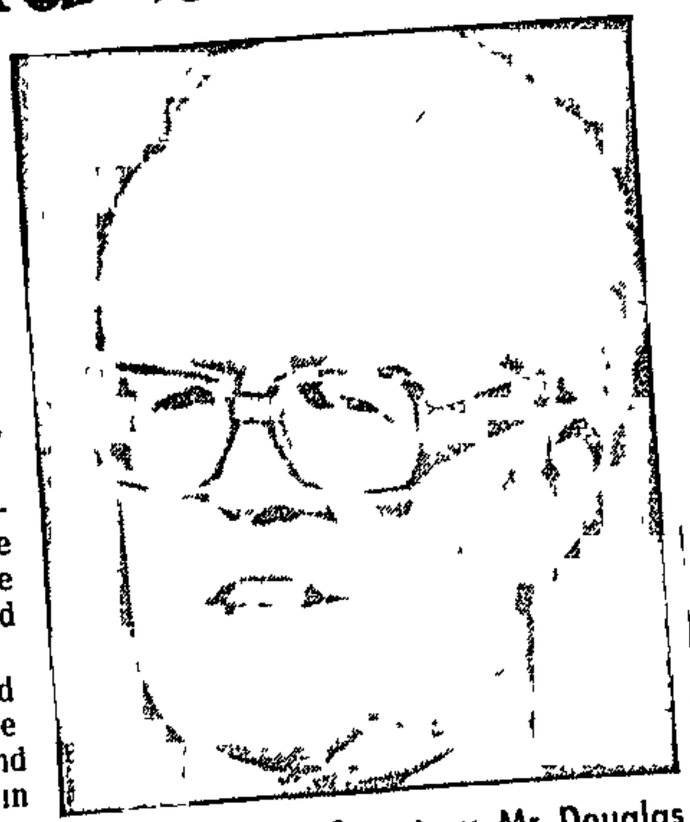
South Africa could never generate capital to provide new jobs for the millions of blacks coming on to the labour market

The world was not queueing up to invest in South Africa Competition was fierce and the opening of Eastern Europe to the West meant it would be fiercer still

Mr Hurd said that sanctions were "yesterday's debate" The great debate now was about the future economic system This would go hand in hand with the debate about the future constitution, and the future of South Africa, and also in large measure its neighbours, would depend upon the outcome

"New thinking is sweeping the world Dictatorships are crumbling everywhere It is no coincidence that Marxism and apartheid are coming to a dead end in tandem — both are unrealistic creeds now shot to bits by the incessant popular demand for the freedom of choice that modern economic and political life demands"

The real prize for the new South Africa which was about to be negotiated would not be the approval of the world, but whether the world decided that South Africa was the sort of country it wanted to visit, do business with and — most of all — invest in



British Foreign Secretary Mr Douglas Hurd

"South Africa will be no exception to the rule that political liberty and economic performance go hand in hand"

An introduction to trade unionism

Abel Majola of the Wits Business School in this article tells us about the role of a trade union. This is part of our fortnightly series on industrial relations. The series is aimed at giving our entrepreneurs a deeper insight into labour relations.

Sowetan 22/3/90

132

Trade unionism was imported into this country by British skilled workers who worked on the diamond mines and gold fields.

As most of them belonged to unions in their mother country, they started branches of those unions in this country.

In practice, all racial groups were represented in labour relations. However, 1922 saw a new turn of events. White workers, mainly Afrikaners, went on strike, forcing the Government to exclude black workers from labour relations. It is argued that white workers were agitated by employers promoting job fragmentation and exploiting black workers through lower wage rates.

A trade union is defined as an organisation, controlled and funded by workers, to promote their interests at the workplace and in the community. The power of unions comes from membership and this forces employers to enter into recognition negotiations to establish procedures.

Objectives

Unions are democratic organisations and their constitutions require not only election of leaders but report backs and voting on issues through ballots. The constitution also provides for departments such as organising, education and the legal units.

In most countries unions form federations with the following objectives:

* to organise workers at the workplace.
* to ensure unions are controlled by workers.
* to negotiate a living wage and working conditions.
* to strive for a just standard of living and social security.
* to protect workers against injustices and victimisation.
* to facilitate education and training for workers

There are different types of unions:

Industrial unions.

They organise members in an industry irrespective of their jobs but for a specific industry. For example, Numsa in the metal and Sacwu in the chemical industries.

General unions.

Their aim is to organise on a general basis, irrespective of industry, area or job. For example, Saawu. Another example would be Uwusa, formed by Inkatha.

Craft unions.

Most of the early white unions were craft unions and organised all workers in specific jobs e.g. carpenters, bricklayers. The confederation of the Metal and Building Unions represents the majority of white artisans.

Federations

In South Africa the principle of craft protection through controlled training and opportunities was also used to keep unions exclusively white. In comparison the black unions organise mainly unskilled and semi-skilled workers.

There are presently two major black federations: Cosatu - with an estimated membership of over one million and Nactu - with an estimated membership of between 250 000 - 400 000. We also have white federations.

When members are organised they can negotiate specific issues as a group with their employer, who will be on the other side of the table. Collective bargaining is a two-way process of give and take.

Although unions are, in a technical sense, primarily organisations of workers irrespective of political affiliation, circumstances in this country have forced them to be politicaly active.

Unions back judicial 'council spies' probe

EDYTH BULBRING

THE disclosure that a spy network had operated from the Johannesburg city council had seriously jeopardised council relations with the 13 trade unions representing more than 20 000 council workers, manpower director Jaap Kitshoff said last night. B/Day 23/3/90

He added that he had never received a report on union activities from the security department.

Town clerk Manie Venter has admitted that R17 000 from the security budget was paid to spies for information on political and trade union organisations to safeguard the city's interests.

The Johannesburg Municipal Trade Unions' Joint Committee held an urgent meeting yesterday to discuss the allegations that its activities had been monitored. (132)

It supported calls by other organisations for a judicial inquiry.

"The relationship of mutual trust and understanding which existed between us and the city council has been shattered,"

☐ To Page 2

Judicial probe

B/Day 23/3/90

☐ From Page 1

the representative unions said in a statement yesterday

Chairman Lorraine Lotter said the Johannesburg city council had experienced unprecedented labour peace over the past decade

She said the committee abhorred the fact that it was considered to be within the investigation framework and objectives of the security department.

Meanwhile, city treasurer Willie Siebert said allegations that the security budget was R50m was rubbish

He said R23m was allocated annually to the security department and his books were open to Business Day's scrutiny

In the House of Assembly yesterday, Budget and Local Government Minister Amie Venter said he had discussed the matter with the responsible MEC in the Transvaal, Olaus van Zyl

Van Zyl had undertaken to give it urgent attention

"We both regard this in a serious light and will treat it as a very urgent matter," he said in reply to debate on the Local Government vote

● Comment: Page 6

SA unions set for big battle with privatisation

132

Star 29/3/90

The labour movement's anti-privatisation push moves into top gear this week. **DREW FORREST** looks at the rationale for the campaign, which has vital implications for South Africa's economic future

The Government's privatisation thrust, long a bugbear of the trade union movement, is emerging as a major flashpoint on the labour front.

As part of a continuing anti-privatisation campaign, adopted at last year's Cosatu congress, Cosatu unions in the rail, postal, health and municipal sectors are planning countrywide marches and rallies during working hours this week

A centrepiece of the protests is today's march on the Johannesburg Stock Exchange to warn "prospective purchasers" that a future government may re-nationalise privatised concerns without compensation.

Further action, including overtime bans and stayaways, are also on the cards

Some union anxieties appear unfounded. For example, Transnet (formerly SA Transport Services) is to be registered as a company with the State as sole shareholder on April 1 and not listed on the stock exchange, as some unionists believe

As for the post office, draft legislation is being prepared providing for the formation of two companies, one for postal services and banking and the other for telecommunications, owned by the State

In the cases of Transnet and the post office, the stress is on "commercialisation", the creation of profit-making business units.

But the State has singled out these concerns, along with Eskom and the phosphate mining concern Foskor, as long-term targets for privatisation In Transnet, the airways and road transport could go first

Business leaders often assume black workers are "capitalists at heart" and agitation on the privatisation issue will subside as they come to see the virtues of private ownership

In fact, the union objections, part of a wider rejection of the capitalist ethic, seem profoundly rooted and are unlikely to go away.

At their heart is an instinctive revulsion against the surrender of socially owned and controlled wealth, and a belief that privatisation cannot address, and may worsen, poverty and joblessness

Unionists also claim to see a trade-off between private monopolies avid for new investment, particularly in sectors with a developed infrastructure and a tightly controlled workforce, and a government strapped for cash and looking to shield minority interests under a future democracy

Job cuts

An immediate concern is that the sell-off of state enterprises, and the process leading to it, inevitably entails job cuts Unionists point to the steady shrinkage of Transnet's workforce and the loss of 16 000 jobs at Eskom since 1985

"We used to have a state transport service which gave work to 286 000 people," said National Union of Mineworkers' economist Mr Martin Nicol "It now employs 170 000 Privatisation goes hand in hand with building lean, mean companies based on the immediate pursuit of profit."

Linked with this is a concern that the loss of subsidies and the profit motive will bring increased service charges weighing most heavily on the poor. In last year's Cosatu congress resolution, privatisation was seen as a threat to affordable transport, postal services and health care

But there are broader concerns Arguing that the National Party historically used the state sector to uplift poor whites, unionists see it as a future instrument of social policy

"Privatisation removes resources from a future people's government," said SA Railway and Harbour Workers' Union leader Mr Martin Sebakwane "It aims to undermine a new government's capacity to implement programmes of benefit to the mass of South Africans"

Mr Sebakwane said the railways had historically served "apartheid interests" by focusing on the white industrial heartland, while neglecting rural areas

"kaNgwane, for example, has no railway With people's transport, one might want to service workers there"

The point was driven home this week in an address by key union economic strategist Mr Alec Erwin, who argued that the electrification of black areas, a key aspect of development, would be hamstrung by a sell-off of Eskom

"No private corporation will supply electricity unless it can make a profit. This is just not satisfactory. We must have one grid so areas that can pay will subsidise others," he said

B/Day 3/4/90

More man-days lost because of strikes, says commission

(132)

Political Staff

CAPE TOWN — There was an increase in the number of man-days lost as a result of strikes last year, National Manpower Commission (NMC) chairman Frans Barker said in his annual report yesterday

The report, which was tabled in Parliament, indicated about 1 238 686 man-days were lost between November 1 1988 and the end of October last year when there were 855 strikes involving 177 712 workers

Although the number of strikes was lower than in 1988, the number of man-days lost increased from 914 000, but it was considerably lower than the 5 825 000 man-days lost in strikes in 1987

The NMC did, however, point out that last year's figures excluded the Sats strike, which started on November 1 and reportedly involved 20 000 workers, and the SA Breweries strike, which was only settled on December 1

The Manpower Department said in its annual report, which was also tabled in Parliament yesterday, that R42,6m was estimated to have been lost in wages in strikes last year

This was higher than the R24,3m lost in strikes in 1988 but lower than the estimated loss of R111,1m in 1987

In his review, Barker said it was disconcerting to note the degree of violence and loss of life that characterised certain strikes in 1989

"One would hope that as trade unions became more mature they would be able to exercise greater control over their members and that disputes between employees and employers could be dealt with without either of the parties resorting to violence of any sort"

The NMC said the manufacturing sector was hardest hit by strikes

Wages and wage-related issues gave rise to 44% of all strikes, while working conditions and disciplinary measures led to 35% of all strikes The causes of the remaining strikes were not known

The NMC also disclosed the strict racial division in trade unions had decreased appreciably and by last year nearly 80% of members belonged to unions which were registered as multiracial

Membership of registered trade unions rose from 2,08-million in 1988 to 2,13-million last year

Black membership of registered trade unions had increased and it was estimated that in 1989 blacks accounted for 63% of total registered trade union membership

A further 10 trade unions registered for the first time last year and at the end of October, 212 unions were registered

The number of registered union members constituted 20% of the total economically active population, or nearly 41% of the labour force that fell under the Labour Relations Act

The Manpower Department's report said the registration of a trade union was voluntary but there were about 85 unregistered trade unions at the end of 1989 with about 550 000 members

Guidelines for Cape

Manpower expects

Economic activity 'hampered by Act'

(132) ANDREW GILL

THE Group Areas Act — apart from its "inherent evils" — was seriously hampering economic activity, Law Review Project executive officer Prof Louise Tager said yesterday B/Day 4/4/90

In a statement, she welcomed the opening of all land-zoned businesses in Johannesburg to all races, saying this would create new business opportunities

"If local authorities around the country took the same decision they would soon come to experience not only the goodwill of the people but the growth of the economy in their areas," she said

Deregulation was based on the principle that there should be appropriate legislation, rather than over-regulation or no regulation at all

Appropriate laws, Tager said, were those necessary for public health and safety and ones that were simple, respected and complied with

Deregulation was an essential ingredient for the creation of a free economy where more jobs were created as growth and development were allowed to increase

Speaking about union opposition to deregulation and privatisation, Tager said it stemmed from the concern that labour legislation, especially industrial council agreements, would become the target of deregulation Unions had to be involved in deregulation in these areas

"Given the international experience that deregulation and privatisation create a favourable climate for job creation in the long run, the unions would themselves benefit in the form of increased membership from the very system they are opposing," she said

Shop stewards face a busy schedule

132

Sowetan 5/4/90

ABEL Majola of the Wits Business School continues his series on industrial relations. In this article he looks at a scene one would find on any working day on the shop floor or factory.

A SHOP steward arrives at work in time, to report for duty and is faced with a task of representing a fellow comrade appearing in a disciplinary hearing meeting for misconduct. It is crucial for the worker to be represented by his elected leader, but the shop steward is also a frontliner in the struggle to serve the interest of all workers.

Later that day he will address a lunch hour meeting about the progress made in the negotiations for a new agreement.

What is a shop steward?

A shop steward is a democratically elected leader by workers, who work in the same department at the same work place.

As a representative of union members, he or she is the mouth-piece and a voice of the workers.

Requirements of a shop steward

The constitutional requirements for a shop steward are that he\she is employed at that company, is in good standing as paid-up member of his union in the department he is elected for, and for a period of office laid down in the constitution.

* Most constitutions, state one shop steward may represent 20 members.

* The election of the shop steward is physically conducted during working hours on company premises. Often this is arranged with management. The employer should be informed either in writing or verbally about the outcome of the election.

This can be be important in case of victimisation.

* To prevent autocratic and bureaucratic tendency the shop steward is elected annually or once every two years.

Why is a shop steward important to managers

The shop steward is the line of communication between management and worker at shop-floor level. He or she is the go-between, serving as a link between the two parties. At times he deals with issues of mutual concern, for example working hours arrangements.

At times the issues he takes up are indirect conflict with management - for example, at disciplinary inquiries, or retrenchment talks.

Responsibilities

The following are the constitutional responsibilities of a shop steward:

1. To recruit other workers (the non-union members), to join the union.

2 To organise members into a single collective voice, by encouraging unity at all times. This involves calling regular members' meetings in departments at the workplace or outside working hours. This encourages shared responsibilities among members in various levels

*To Page 25

Heavy load for stewards

132

Sowetan 5/4/90

*From Page 24

of union activities.

3. To promote peace among members, at all times with reference to the unions' constitution, as a source of guidance.

4. To represent workers to management in matters affecting membership interest For example disciplinary and grievance hearing meetings. In a shop steward committee meeting, in a region, or national level is viewed as the champion of members that is expected to report back.

5 To educate members in union matters, by sharing available information on the following:

* Encouraging or facilitating its discussion related to trade unionism in general, or socio-political.

* Helping members understand their rights at the workplace and the need to continue struggling for these rights.

* Helping members in understanding and knowing the union constitution.

6. Finally, as a negotiator, a steward handles negotiations on behalf of the workers with management and is guided in the process by a mandate from workers Should a stalemate or final point be reached, it is expected that a report back meeting will be held shortly later to give an accountability to workers

Conclusion:

In summary, the role of a shop steward is to link or facilitate communication between management and workers through mutually agreed procedures. Also to co-ordinate union activities among members.

15 unions reject increase offer in negotiations

STAR 6/4/90 By Shareen Singh

Fifteen unions, representing close to 400 000 workers, have rejected a employers' wage offer of between 10 and 12,9 percent, in the second round of wage negotiations in the metal and engineering industries

The Steel and Engineering Industries Federation (Seifsa) made an opening offer at Wednesday's talks, of increases ranging from 10 to 12,9 percent for the various wage categories. The proposed across-the-board hourly increases of 46c for labourers and 83c for artisans would raise the minimum wage rates in the industry to R4,02 and R9,14 an hour respectively.

The National Union of Metalworkers of SA (Numsa), the largest union body at the negotiations, demanded a R2-an-hour increase or a 56 percent minimum, while the Confederation of Metal and Buildings Union demanded 20 percent across the board.

Numsa also tabled extensive non-wage demands on issues such as job security, job creation, training and deracialisation of the industry.

Seifsa responded negatively to Numsa's proposal that employers should withdraw support from racist training institutions.

All the union parties rejected employer assertions that deregulation would create more jobs. Numsa proposed that management starts addressing the unemployment crisis by negotiating job-creation programmes at industry level.

The union says a large part of the unemployment crisis is due to big business not investing profits in projects to expand the country's manufacturing sector.

The metal industry alone has lost more than 100 000 jobs over the last eight years while input over the same period increased, the union said.

A key aspect of Numsa's proposal on job creation is the restructuring of the manufacturing industry, with full worker participation. Crucial areas are the setting up of training programmes and reorganising of production, to reduce the ratio of skilled to unskilled workers

Employers made a few concessions to the 61 demands tabled by the unions These included agreement in principle to living-out allowances, for June 16 to be a paid holiday and for guaranteed minimum increases for apprentices.

Negotiations will continue on April 20, and in the interim the parties will meet to discuss Numsa's proposals on job security and the possible restructuring of the National Industrial Council

Halve number of holidays — Saccola

(132)

B/Day 10/4/90

Own Correspondent

CAPE TOWN — The number of public holidays taken by SA workers should be halved, according to former SA Employers' Consultative Committee on Labour Affairs chairman Bobby Godsell.

At present there are 10 officially designated holidays. A further series of days are traditionally observed by black organisations, including June 16 (Soweto Day), March 21 (Sharpeville Day) and October 19 (Black Wednesday, commemorating the banning of black consciousness organisations and the death of Steve Biko).

The number of public holidays — each costing the economy about R650m in lost production — should be reduced to seven, Godsell notes in the latest annual report of Saccola, SA's largest employer body.

Godsell submits that SA's pattern of public holidays presents employers with at least three problems:

- The National Productivity Institute has suggested that a country of SA's level of development should not have more than seven public holidays on its annual calender;
- The divergence of the official calender of public holidays and the actual pattern of observence by black organisations in particular; and
- All SA's public holidays were at present fixed date holidays. "Therefore, most fall mid-week, and are highly disruptive of the work process."

Godsell states: "Saccola has therefore sought to find ways to integrate the official and actual calenders, to reduce the total to seven and to promote the idea of holidays falling on Mondays, rather than mid-week."

- ALAN FINE reports AHI representative Anton Roodt was elected Saccola chairman at the organisation's AGM last Thursday. The SA Chamber of Business's Bokkie Botha was elected vice-chairman.

A Saccola statement said Godsell would retain his leadership of Saccola industrial relations matters, including the talks with trade unions on labour legislation.

Looking at the Labour Law

132

IN continuation of the series on this subject, I want to pick up from the contract of service and proceed to a more prescriptive terrain of the relationship between the employer and the worker - labour law. This is going to be a selective introduction to law, so only the rudimentary parts will be discussed.

Briefly, labour law is that body of legal rules which regulates individual and collection labour relationships between

a) employers and workers

b) workers among themselves

c) the state and the employers and workers

Sources

There are basically four important sources that constitute modern labour law These are

Roman-Dutch law, which was transplanted to this country and extended and developed by the courts to become our common law

Statute law, which comprises laws passed by Parliament and is sometimes referred to as the Acts or legislation, so statute and legislation will import the same meaning in this article

Case law is that body of law created by courts in the process of interpreting the statute Industrial Courts and Supreme Courts are particularly responsible for setting down precedent law

And finally, the International Labour Organisation (ILO) passes conventions and recommendations which our courts, notably the Industrial Court, have been inclined to use as guidelines for fair employment practices

Worker

The relationship between the individual employer and the individual worker is by far the most important relationship in labour law

It is sometimes referred to as individual labour law, mostly regulated through the contract of employment, which I discussed in the previous article

There is also collective labour law, which is concerned with the relationships on the collective level, i e between groups of organised workers and the employer

Collective labour law concerns itself with questions such as how collective agreements are, their legal effects, and the problem of whether an employer should be compelled to bargain with a representative trade union representing his workers

The statutes of collective labour law can also lay down minimum standards applicable to all employers falling within their scope

Possibly the most significant feature of such a collective agreement however, is that it can regulate the terms and conditions of employment in a business company covered by the agreement

For example, such an agreement could regulate hours of work, overtime, holidays or wages

South African collective law consists of a combination of common law principles and legislation

Two pieces of legislation that give meaning to collective law will be given prominence in this discussion These are the Basic Conditions of Employment Act No 3 of 1983, and the Labour Relations Amendment Act No 83 of 1988. However, I do not propose to deal with them here, save to highlight those sections that underscore the principle of collectivity

I must point out that the object of these two Acts is to lay down the barest minimum conditions of employment and to regulate same.

Affect

It affects equally the small entrepreneur as well as the established business, irrespective of the size, trade, or industry

The LRA's definition of "employee" has been expanded It now means any person who is employed by or working for an employer and receiving remuneration, and any other person whomsoever who in any manner assists in carrying on or conducting the business of the employer

"Employer" means any person who employs or provides work for any person and pays him/her.

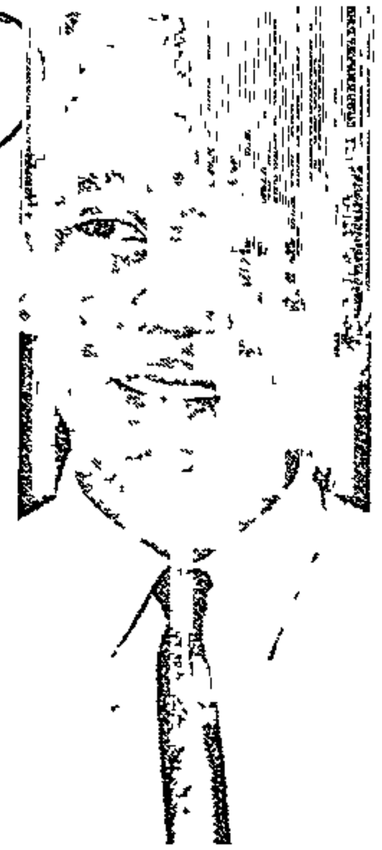
From the foregoing it is quite apparent that a significant portion of those of our friends who employ cousins, brothers, nephews and in-laws fall broadly within the ambit of this definition

Consequently, the concomitant rights and obligations that arise out of this relationship cannot be escaped except where there is an express exclusion by this Act or another.

For a moment I am going to avoid looking at specific exclusions in respect of certain categories of employers, industries and areas. by virtue of deregulation for obvious reasons, but am going to focus on broad areas covered both by the Basic Conditions of Employment Act and Labour Relations Act as amended.

It is most important to

*To Page 20



Sipho Mzolo, a consultant with the Institute of Industrial Relations, has prepared this week's industrial relations article. He takes a look at the contract of service and the legal relationship between employer and worker. These articles are aimed at assisting entrepreneurs grasp more clearly industrial relations in the industry.

Labour laws

132

*From Page 17

understand the provisions relating to the BCEA's scope and application

The Act does include all employees who work in shops, offices and factories within its ambit and their employers Besides its ordinary meaning, "shop" will include hairdressing saloons, barber shops and restaurants The definition of "office" covers any premises where bookkeeping, typing, writing or other clerical work is performed

The Act regulates the maximum daily ordinary working hours

Entitled

Periods of leave are not discretionary. Every worker is entitled to them.

If a worker is absent from work for a period of more than two days, his employer is bound to pay sick leave provided that the worker can produce a medical certificate

Under this Act an employer is under certain circumstances prohibited from certain acts relating to payment

For example, an employer may not

- require a worker to repay him any remuneration paid
- commit any act as a result of which a worker is deprived of the benefit of remuneration
- fine a worker for committing any act or omission in the course of his employment
- deduct any money without the worker's authorisation

132

Economic hopes raised by reform, study shows

ADELE BALETA

THE rise in political aspirations has not resulted in a massive increase in political hopes but rather an increase in economic expectations, the 1990 SA Township Annual has found.

The annual — compiled by Steuart Pennington and Associates and designed to close the information gap between management and labour — was based on a study of 36 townships serving major industrial areas.

In the annual's Industrial Relations (IR) review, Wage Bargaining Issues for 1990, the authors said the poltical climate, moves towards industry-wide bargaining, the housing and education crisis and the revival of "pension inadequacy perceptions" would be major influences on wage bargaining this year.

In addition, increasingly inflexible employment practices and poor business understanding would exacerbate these influences.

It appears progressive socio-political changes had created the expectation that similar changes in the economic environment would occur. "Demands for a fairer share" would intensify.

The wage bargaining agenda would change this year

Employers needed to be more creative, flexible and aggressive and to move away from the "demand/response" syndrome of wage bargaining to a process of "exchange".

Adopting a more creative approach to granting increases was required, and suggestions included combining percentage with across-the-board increases, considering differential rand amounts per job grade, creating a reasonable differential between the increase on the minimum grade and the general increase for the grade. The myriad of leave demands should be rationalised, they said

It was critical employers embarked on a "business awareness campaign" to empower all employees with a thorough knowledge of the business process they were involved in.

This year, the determination with which the union movement pursued centralised bargaining would increasingly conflict with the "purist view" of decentralised bargaining held by some employers, to the point of confrontation, the authors said.

It would be important for those employers opposed to and those for centralised bargaining to develop a consistent view in order to facilitate meaningful bilateral talks.

Housing, which had become an IR problem, was now second only to wages on the bargaining agenda.

Retirement

Employers needed to consider a wider range of assistance than bond collateral or other such "arms-length" facilities. Finding land and houses, providing assistance with purchase and bond "red tape", lending deposits and assisting with the fluctuating bond rates were some areas employers needed to consider.

Business had to focus on the quality of their pension/provident fund benefits and would need to recognise that demands for a reduction in the retirement age were a reality

While the education crisis persisted, the need for workers to supplement the services provided by the Department of Education and Training by paying fairly substantial school levies would increase and employers would be expected to contribute, they said.

Despite positive political developments, the year ahead was fraught with political dangers, the authors predicted

Viljoen hopes talks will start this year

Star 18/4/90

132

By David Braun,
The Star Bureau

WASHINGTON — Stressing the urgency of constitutional negotiations in South Africa, Constitutional Delopment Minister Dr Gerrit Viljoen said yesterday he hoped such talks would start by the end of the year.

He expected that a new political system, the result of negotiations, could be introduced in about two years.

The Minister, in the US on a short visit, was briefing the Carnegie Endowment for International Peace in Washington on the thrust of the government's reform plans and progress towards negotiations.

He said the full implications of the rising level of violence and the effect of rhetoric about armed struggle in this regard would be thrashed out in talks between the Government and the African National Congress on May 2.

These talks would address specifically the requirement to eliminate remaining legal restrictions on the normal political process (the state of emergency and the release of political prisoners) and the continued use of rhetoric about the armed struggle.

Dr Viljoen said such rhetoric was causing problems by enabling young people to justify their use of violence in townships and other areas of South Africa.

The Minister was highly complimentary of Mr Nelson Mandela, deputy president of the ANC, who he said was firmly committed to a peaceful solution for South Africa.

Dr Viljoen described Mr Mandela as an impressive person.

Mr Mandela, he added, was no doubt under heavy pressure from younger people who did not share his enthusiasm for a peaceful solution and who would prefer to fight it out.

Dr Viljoen is scheduled to hold high-level meetings with US government leaders today, including Secretary of State Mr James Baker and White House Chief of Staff Mr John Sununu.

In search of harmony

(132) S/Times 22/4/90

THE wider economic and social environment must be examined before solutions to increasing violence in the workplace can be found

Institute of Personnel Management (IPM) executive director Wilhelm Crous says there has been a significant increase in violence in the past four years both by and towards employers, employees and trade unions, and the Government

He notes, however, that violence in the workplace is not merely a shopfloor issue which can be resolved through the intervention of industrial relations practitioners

Mr Crous writes in the IPM journal that reasons for violence include the poor quality of life of most people, high unemployment, the shortage of housing and the absence of outlets for social and political grievances

CRUCIAL

"The key to the solution of the problem lies in the macro social, political and economic arena as well as within organisations

"It is crucial for disparities in social, economic and political matters to be removed and the disadvantaged to be empowered"

In spite of the initiatives taken by President De Klerk in unbanning organisations, Mr Crous says management will continue to respond to socio-political demands from employees and their trade unions

Before undertaking socio-political actions on behalf of employees, management should ensure that the workplace is free of discriminatory practices

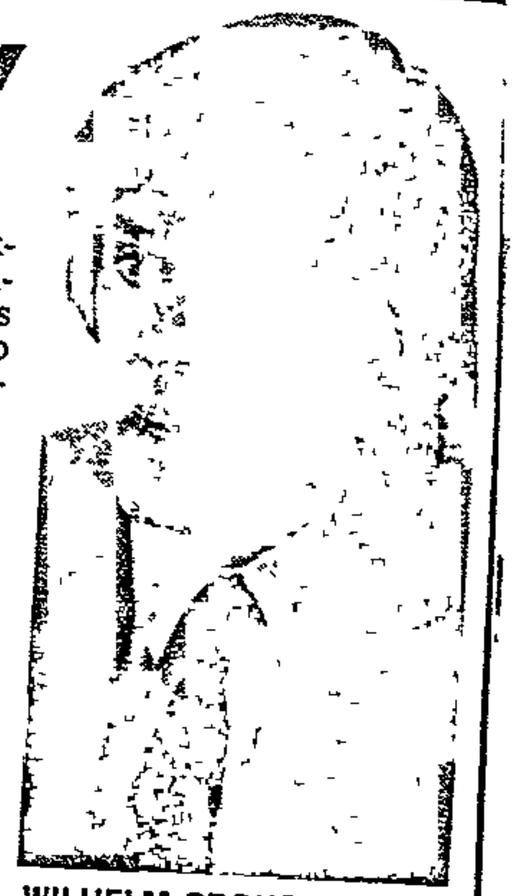
"Management must halt unilateral actions and enter into meaningful consultation and negotiation on all issues which could affect an employee's worklife

"Consideration must also be given to democratisation of the workplace — to such issues as worker participation and participative management It is important for management to consider white resistance, uncertainty and prejudice."

IMPORTANT

Intimidation is clearly an important cause of violence Mr Crous says picketing could provide a solution to violence during strikes

Picketers could be allowed to operate on company premises by agreement between management and trade unions Rules could regulate the number of picketers permitted, their conduct and location.



WILHELM CROUS .. ways to end workplace violence

Critical stage in labour talks

B/Day 23/4/90

ALAN FINE

NEGOTIATIONS between business and labour on changes to SA's labour legislation have reached a critical stage with a meeting tonight between employer federation Saccola and Cosatu and Nactu.

The meeting, to attempt to finalise a draft agreement, takes place after disclosures that Manpower Minister Eli Louw had told the union federations he required the complete agreement soon if there were to be time to consider translating it into legislation

Saccola spokesmen confirmed the organisation had submitted to the unions on Friday certain proposed changes to the original interim draft agreement drawn up by legal representatives of the two sides.

Cosatu and Nactu announced last week they were ready to sign the draft.

It could not be ascertained exactly what these changes were.

Cosatu negotiating team member Marcel Golding said he had not yet had an opportunity to study the Saccola document so could not comment on the differences.

It would appear that there is a new urgency to finalise the agreement after Louw wrote to the union federations last week telling them the agreement should be submitted to him as soon as possible. Failing this, it would be too late to draft legislation for passage through Parliament this session.

132

The communication between the Minister and the union federations follows their first meeting in March, during which they agreed new labour legislation should be based on consensus of as broad a range of interested party opinion as possible.

The interim draft agreement proposed that all workers be covered by the legislation and secured basic rights for all workers. These included the right of all workers to belong to unions, to strike, to bargain collectively, of access to stop orders and the recognition of shop stewards Proposals included reverting to the unfair labour practice definition exixting before the amendment of the Labour Relations Act.

Artisans demonstrate against foreign labour

W/Mail 20/4 – 26/4/90 (132)

By CARMEL RICKARD
Durban

MORE than a thousand artisans and their families marched through Durban this week in protest against the employment of foreign workers by a local shipbuilding and construction company.

Carrying placards reading, "Solve South Africa's employment problems first" and "Portuguese go home" demonstrators marched to the offices of the Department of Manpower on Wednesday to demand that the company, Dorbyl, "gets rid" of its foreign workers.

ANC official Patrick "Terror" Lekota told demonstrators before they set off on the march that the UDF and ANC supported the Dorbyl workers, some of whom were sacked last month after striking against the employment of foreign workers.

Lekota told the gathering that the employment of foreign workers was "an attempt to increase white numbers" and added:

"On behalf of the ANC I wish to make the point that companies such as Dorbyl will not enjoy the right to do as they have been doing with workers in the past.

"They must get rid of those foreign workers. It is not because we are against workers of other countries. But the interests of workers from other countries cannot be placed ahead of the interests of workers of this country."

A number of workers sacked for ignoring a management ultimatum to return to work after striking against the employment of foreign workers have since applied to join the National Union of Metalworkers of South Africa.

Numsa officials said they have tried to help the workers where possible, but that they were limited until membership formalities had been completed.

Later a representative for the marchers said they had "nothing against foreign labour" but that South Africans should be employed first.

He said most of the foreign workers employed by Dorbyl were from Portugal, but that there was talk that some would be arriving from East Germany and Turkey.

At the offices of the Department of Manpower, the marchers handed over a memorandum to the regional representative, Hennie Venter.

They urged that foreign workers' permits should not be renewed.

Venter replied it was the policy of his department that local workers should be given preference if they were capable of doing the job.

He said he would send the memorandum to his head office immediately and added, "I can assure you that this matter has been addressed already. I know that certain steps have been taken by my department and the Department of Home Affairs."

Venter said Dorbyl had told his department the company was training skilled workers, but could not do so fast enough to meet its demand.

W/Mail 2/4-3/5/90

Unions and industry meet to draft new Labour Act

132

By EDDIE KOCH

TRADE unions and organised industry were last night locked in intensive efforts to draft a new labour law for South Africa.

The high-powered meeting was the latest in a string of attempts to break the logjam between unions and big business over the controversial Labour Relations Act (LRA).

A joint committee of experts from both parties met for most of yesterday to draft a new and mutually acceptable bill so that it can be passsed by parliament this year

The outcome of the drafting session was not known at the time of going to press But both union and employer sources said the aim was to agree on a draft piece of legislation that could be recommended to their members for urgent adoption.

An alliance of unions from the Congress of South African Trade Unions (Cosatu) and the National Council of Trade Unions (Nactu) plan to meet employer associations on Monday next week for the draft to be formally accepted If this happens, it will be forwarded to the Minister of Manpower so that it can be tabled in parliament during the current session

The on-off talks between the unions and the South African Consultative Committee on Labour Affairs (Saccola), which represents big business, ran into snags last week as employers asked for an earlier version of the jointly drafted law to be amended

The main stumbling block was the employers' insistence that they retain the right to apply for urgent court interdicts against legal strikes in cases where these posed a threat to lives or the future of a company.

The earlier version of the joint Saccola/union draft included the right to interdict illegal strikes.

"We are not prepared to compromise on the right of workers to proceed with legal strikes What is the use of workers complying with all the procdures to make their strike legal if, in the end, they can be interdicted by their employers?" said a senior union representative.

"We have accepted that the employers' concerns can be accomodated by redrafting the wording of the document A joint team has been established to try and arrive at a mutually acceptable document that can be reccomended to both constituencies for approval on Monday."

Saccola representative Freda Dowie declined to comment on the debates that took place in talks this week. "These are very sensitive and premature publicity could hinder our ability to get agreement on the draft," she said

The parties agreed that all workers will be covered by labour legislation although it is not yet clear if farmworkers and state employees will be covered by the LRA or separate legislation, says Golding

Court victory for municipal union

THE South African Black Municipality and Allied Workers Union is set to significantly boost its membership among council employees in the wake of a decision by the Rand Supreme Court granting the union the right to represent employees at Industrial Council hearings.

In a judgment against the Johannesburg City Council on Friday, Mr Justice PJ Schabort ruled that the dismissal of three employees be referred to the Industrial Council and that Sabmawu be granted the right to assist their members in the hearing.

The case arose from the dismissals of the three in November 1988, after which Sabmawu appealed to the Industrial Council to intervene and settle the dispute.

But the Johannesburg City Council objected to the presence of the union on the grounds that it did not belong to the closed shop, and therefore had no locus standi to approach the Industrial Council.

The proceedings then came to a halt.

However, Friday's judgement has effectively overturned the Johannesburg municipality's argument, thus forcing the council to recognise in an oblique manner the existence of Sabmawu.

General secretary Mr Philip Dhlamini, told Sapa on Saturday that his union would boost its membership substantially.

Sowetan 30/4/90

B/Day 9/5/90 (132)

Focus in industrial relations shifting from political needs

MATTHEW CURTIN

INDUSTRIAL relations in SA were entering a new depoliticised phase in the aftermath of President F W de Klerk's February 2 speech, labour consultant Andrew Levy said yesterday

Addressing the Levy, Piron and Associates (ALJP) labour law seminar in Johannesburg, Levy said as legitimate forums now existed for organisations such as Cosatu and the ANC outside the workplace, there would be a de-escalation of politically motivated activity on the shopfloor

Political issues which affected workers might still result in industrial action, but the experience of the Saccola/Nactu/Cosatu agreement on the Labour Relations Act signed on Monday demonstrated newfound capacity for compromise in industrial relations

But Levy said rising political and economic expectations among the black labour force had already signalled greater union militancy with a projected three-fold increase in strike incidence this year

The spotlight would be increasingly on industrial relations, mainly in the public sector where state, provincial and municipal workers were poorly organised and underpaid The hospitals strike showed industrial action was being brought to the doorstep of the ordinary citizen, he said

Forces

Everite group affairs and industrial relations manager J P Landman said the shifts in SA labour affairs — only seven years ago union control over provident funds, now commonplace, was rejected outright by employers — were not as dramatic as South Africans painted them Rather SA was moving closer to the position of established industrial countries

Landman stressed SA players in the field of industrial relations were increasingly influenced by international forces

The International Labour Organisation (ILO) was keen to play a role in SA as demonstrated by an ILO-convened conference in Harare this weekend, to be attended by union and National Manpower Commission delegates

Multinational corporations were playing a role too All West German-owned companies in SA had signed a West German labour code guaranteeing workers' unlimited right to strike, freedom from dismissal and freedom to picket, moves far ahead of SA legislation

Landman said as unions became more assertive, employers had to negotiate future legislation today The price of multilateral employer/employee agreements for management was meeting the rising expectations of all those concerned

He suggested future strike law would be based on the concept of the "protected strike" The conditions for such a strike would be the correct balloting and mandating of strikers, the exhaustion of conciliatory procedures, the subject of the strike being within the ambit of union and employer control, and legislative structures outlawing the destruction through industrial action of the employer

Black minorities threatened, says economist

BILLY PADDOCK

IMPORTANT black minorities may suffer in a future SA unless a liberal, multiparty democracy emerges, economist Charles Simkins says in the latest SA Institute of Race Relations newsletter

The first group is the rural minority which is becoming a smaller part of the population and, as shown in the Carnegie Commission, is suffering much worse poverty than that in urban slums

He says that with the homeland leaders being accused as collaborators, "the scene is set for an increase in urban bias in SA"

Should this happen rural dwellers will effectively be shut out of participating equally in state support and a new patronage boundary will be erected

"The result will be endemic instability of this frontier," Simkins says

The other group, he says, is a smaller but also important one, consisting of well-educated people working in management and the professions — under threat if one dominant group entrenches itself in power

Their oppression would be subtler and more "exquisitely frustrating"

Simkins says such opression will consist of pressure for conformity exerted by a political elite in its own interests, but passed off as what is required for black emancipation, as the general will

"Has one not already seen the mechanisms ostracism, cultural desks deciding which art does and does not aid the cause of liberation, the threat — and performance — of physical violence?"

He warns that if this develops further it will have a material as well as spiritual cost by inhibiting the innovation so necessary to economic growth

Simkins calls for a debate about how to eliminate poverty, which he says is worse than at any time since the 1930s

He says it is necessary to devise policies that are affordable, bearing in mind that SA is "rather a poor country", belonging with Malaysia, Lebanon and Brazil in the $2 000 per capita GNP category

"No prizes can go to proponents of policies which lie well outside the SA production possibility frontier," he says

B/Day 9/5/90

Call for SA to avoid 'catastrophe' of Death Row in US

GERALD REILLY

PRETORIA — The Death Row catastrophe afflicting the US should be avoided by SA, Unisa criminology department head C M B Naude said in a study released here yesterday

The present American system where thousands languished on Death Row for years was "inhuman"

He warned that a large number of vital factors would have to be investigated before any decision was taken in SA to abolish the death sentence or retain it only for the most serious crimes.

It was vital, Naude said, that any discriminatory judicial practices that occur be investigated and remedied as far as possible as a biased and unjust legal system was detrimental to all.

SA was a multi-racial country in which the administration of justice based on a Western model was largely administered by whites

Accusations of racial discriminication especially in cases of capital punishment were often made

There was also continual and powerful pressure on government to abolish the death penalty, especially from a racial injustice point of view

After a 1967 ruling by the US Supreme Court that the death penalty was a cruel and unusual punishment many states abolished it By 1985 37 of the 50 states had reinstated it.

Naude said studies had shown only about 2,5% of reported murderers in SA were executed

The Criminal Law Amendment Bill now before Parliament incorporated measures which could contribute to a more just and humane judicial system in SA

They included an automatic right of appeal in the case of a death sentence, an automatic appeal court review where no appeal was lodged, an automatic plea for clemency to the State President and certain discretionary powers for the Supreme Court.

SA on verge of ILO breakthrough

Sunday Times Reporter

A MEETING in Harare next week could be the first step towards South Africa's readmission to the International Labour Organisation.

The meeting will be attended by senior representatives of the Government, employer bodies and the trade unions. International experts of the ILO will also be present

The conference will be chaired by a member of the ILO's Committee of Experts, Sir John Wood.

South Africa was expelled from the ILO in 1966.

Labour experts describe next week's Harare meeting as "a dramatic breakthrough".

The meeting has been organised by the Equality of Rights Branch of the ILO following representations made by the Congress of SA Trades Unions (Cosatu)

Mr Clive Thompson, director of the Labour Law Unit at the University of Cape Town and a co-ordinator of the event, said the meeting would begin in Harare on Monday and end on Thursday

The talks are historic in that representatives of the South African Government will have official contact with the ILO after a lapse of 24 years It will also be the first time that the ILO has engaged other SA parties at this level

It will also be the first time that representatives of the Government, organised labour and industry have met together in a joint forum at the same time.

The meeting comes hard on the heels of the signing last week of an agreement between organised industry and labour, Saccola (the SA Co-ordinating Committee on Labour Affairs) and Cosatu/Nactu respectively, on interim changes to the Labour Relations Act, which may become law during the next parliamentary session. S/Times 13/5/90

The task of the Harare workshop will be to co-ordinate National Manpower Commission proposals, released in April, on a broad consolidation of the LRA with the recent Saccola/labour agreement.

SA labour legislation will be examined against the benchmark of ILO conventions and recommendations.

Mr Thompson said the workshop would attempt to establish a basic consensus among the principle parties involved in industrial relations "to secure an equitable framework of labour legislation under a future democratic dispensation".

The meeting will be attended by members of the National Manpower Commission, the Department of Manpower, Saccola, Cosatu, Nactu, the ANC and Nafcoc International experts from the ILO will also be present

(132)

Wage increase levels are now against recessionist trend — expert

132

B Day 15/5/90

ALAN FINE

UNION power and the mood of increased expectation created by political developments appeared to be preventing the fall in the level of wage increases that normally accompanied recessionary periods, Rand Merchant Bank economist Rudolf Gouws said yesterday.

This, Gouws said, would have significant costs in terms of corporate profitability, fixed investment and employment.

Gouws said changes in levels of wage increases had been almost coincidental with the business cycle (as measured in the accompanying graph in terms of private sector employment growth) over the past 18 years.

Gouws's diagram showed that in each of the three previous recessionary periods the levels of wage increases granted to workers had fallen appreciably and then recovered as the business cycle did

Measuring wage levels in real terms would produce a flatter curve but similar trend, he added.

However, the latest available figures — up to the third quarter of 1989 — threw into doubt whether this was occurring during the recessionary phase which began early last year

While the economy had been in decline since close to the beginning of 1989, the rate of increase of wages was only levelling out and had not begun to decline, Gouws said.

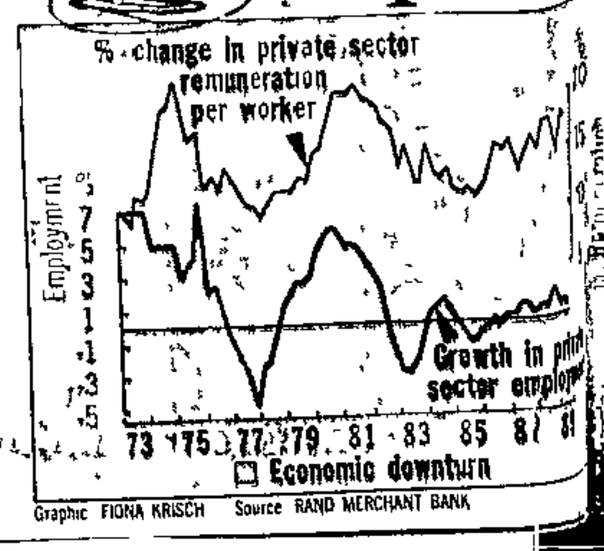
He thought it was possible to ignore, in attempting to discern a trend, the sharp though temporary dip in wage increase levels in the first quarter of 1989

"This time round there is fairly strong growth in real per capita remuneration.

"Since the economy is declining, this will happen at the cost of profitability, fixed investment and employment. Companies cannot afford to give the same increases now as they were able to do 18months ago," he said.

Gouws believed since unions were the major force behind this trend, organised workers would be the predominant beneficiaries. This would also mean, therefore, a further widening of the wage gap between organised and unorganised workers.

He hoped increases would be tempered. It was possible, he said, that as the political situation became more normalised, the contribution of unions' political power to the economic situation would diminish.



Graphic FIONA KRISCH Source RAND MERCHANT BANK

(b) Permanent Force

Hansard 15/5/90

	(i)		(ii)	
(aa)		70		13
(bb)	Overdose	40	Hanged	2
	Drank poison	2	Shot	2
	Slashed wrists	12	Gassed	9
	Hanged	3		
	Shot	2		
	Gassed	7		
	Ate metal	1		
	Ate polish	1		
	Jumped out of vehicle	1		
	Drank brasso	1		

(c) Citizen Force/Commandos

	(i)		(ii)	
(aa)		12		0
(bb)	Overdose	5		
	Slashed wrists	6		
	Ate metal	1		

Citizen Force/Commando members: deferment

377 Lt-Gen R H D ROGERS asked the Minister of Defence

(1) What percentage of Citizen Force and Commando members called up to attend camps (a) applied for deferment, (b) failed to report for service and (c) requested exemption from rendering service in townships in 1989,

(2) what total number of persons called up for military service in 1989 requested exemption on (a) religious and (b) other specified grounds?

Hansard 15/5/90 B905E

The MINISTER OF DEFENCE

(1) (a) 37,65%

(b) 8,88%

(c) 0,0113%

(2) (a) 192

(b)	Essential Services	1 318
	Service in other Forces	15
	Occupational Circumstances	59
	Medical	27
	Other	12
		1 419

Inspectorate areas: unemployment

379 Mr P H P GASTROW asked the Minister of Manpower Hansard 15/5/90

How many Whites, Coloureds and Indians, respectively, were registered as unemployed in each inspectorate area as at 31 December 1989? B907E

The MINISTER OF MANPOWER

Registered unemployed as at 31 December 1989

Region	Whites	Coloureds	Indians
Natal	2 352	1 484	6 073
North-Eastern Transvaal	1 597	157	56
Eastern Cape	684	896	4
PWV-North	1 218	332	27
PWV-Central	1 311	82	3
PWV-South	2 842	854	203
Central Areas	2 435	1 622	21
Western Cape	2 524	11 303	6

Trade unions: applications for registration

380 Mr P H P GASTROW asked the Minister of Manpower Hansard 15/5/90

How many trade unions applied in 1989 for registration in respect of (a) Black employees only, (b) White employees only, (c) Coloured employees only and (d) employees of more than one population group? 132 B908E

The MINISTER OF MANPOWER

(a) 3

(b) 0

(c) 0

(d) 7

Note These figures are for the period 1 November 1988 until 31 October 1989

Sheltered employment

400 Mrs C H CHARLEWOOD asked the Minister of Manpower:

(1) What is the status of persons in sheltered employment regarding (a) minimum wages, (b) pension fund membership, (c) permanent status and (d) housing subsidies,

(2) whether such persons are members of the Public Servants' Association of South Africa, if not, what are the relevant details?

Hansard 15/5/90 B947E

The MINISTER OF MANPOWER

(1) (a) Wages of sheltered employees are linked to the salary scale of the post class Factotum in the Public Service

(b) Sheltered employees are not members of a pension fund Their disabilities are normally of such a nature that they can in terms of section 3 of the Social Pensions Act, 1973, be eligible for disability grants

(c) Their employment is permanent while they are—

(i) not capable to compete in the open labour market, and

(ii) nevertheless able to be productively employed by the work centres

(d) Sheltered employees do not qualify for housing subsidies

(2) Yes, they may join the Public Servants' Association of South Africa voluntarily.

SADF: non-White volunteers

414 Lt-Gen R HD ROGERS asked the Minister of Defence Hansard 15/5/90

(1) How many (a) White, (b) Coloured, (c) Indian and (d) Black persons volunteered for national service in the South African Defence Force in 1989,

(2) how many of these volunteers in each category could be accommodated? B961E

The MINISTER OF DEFENCE

	(a)	(b)	(c)	(d)
(1)	938	6 945	724	3
(2)	274	2 973	182	0

Citizen Force/Commondos: percentage of volunteers

415 Lt-Gen R H D ROGERS asked the Minister of Defence Hansard 15/5/90

What percentage of the persons who rendered voluntary service in the (a) Citizen Force and (b) Commandos as at 31 December 1989 was (i) White, (ii) Coloured, (iii) Indian and (iv) Black? B962E

The MINISTER OF DEFENCE

	(a)	(b)
(i)	76,8%	81,34%
(ii)	23,2%	11,24%
(iii)	0%	2,08%
(iv)	0%	5,34%

SA delegates agree on new approach to labour

B/Day 16/5/90

132

MICHAEL HARTNACK

HARARE — Delegates to the International Labour Organisation (ILO) seminar on new industrial legislation for a post-apartheid SA have reached consensus that there should be a free system of collective bargaining, with the law acting only as a "backup when things go wrong"

This was disclosed yesterday by Sir John Wood, the University of Sheffield industrial law professor who is chairing the epoch-making seminar which has brought together ILO experts, delegations from Cosatu and Nactu, and the head of SA's parastatal National Manpower Commission, Frans Barker

"I have seen no legacy of bitterness," Wood said in an interview on the second day of the seminar

"I have seen differing points of view, but a willingness to reach workable solutions Industrial relations is a barometer, it is on the fringe of politics and therefore one can hope that the constructive approach here is a mirror of what is happening in a wider sphere"

Wood said the 50 participants had had a wide-ranging discussion covering some of the "classic problems of industrial relations", particularly that of striking a balance between a voluntary system of free collective bargaining and a legalistic system

Links

He believed SA had a far more sophisticated economy than other African states in which governmental decrees had made employer-trade union negotiations pointless

"There is clearly a consensus on the part of those here to ensure that their experience of links with both sides of industry plays a full part, and where the development of industrial relations is not merely the development of law

"They are looking to evolve a balanced system in which the two sides in industry can sit around a table in a traditional way

"They are looking for a supportive legal system which provides back-up when things go wrong," Wood said

The leader of the Cosatu delegation, secretary-general Jay Naidoo, declined to comment but Barker described the proceedings as a "breakthrough

"It is taking place in a very friendly and constructive atmosphere It is not adversarial in any sense," Barker said

"The aim is to get legislation which is acceptable to all involved"

He said the advice of ILO experts was proving invaluable

SA has been isolated from the ILO, from which it was expelled, for two decades.

The seminar is expected to close today with a media conference

ILO standards seen as a guide for SA

B/Day 17/5/90 132

HARARE — Standards laid down by the International Labour Organisation (ILO) should be used as a guide for the establishment of new labour laws in SA

This was said in a joint statement by SA delegates to a three-day ILO seminar, which ended here yesterday.

The delegates represented Cosatu and Nactu, the National Manpower Commission and Saccola.

The statement described the talks as "a lively and constructive exchange of views" that would be taken into account when labour and employers' organisations put forward proposed amendments to SA's labour relations laws in the future.

Among topics discussed were international labour laws, collective bargaining procedures, strikes and basic worker freedoms, including a vote in national affairs.

National Manpower Commission acting chairman Frans Barker said he would be reporting back to Manpower Minister Eli Louw.

"It is very difficult to revise and redraft labour legislation in isolation. We appreciate the opportunity to have had this interaction with the ILO," he said

Cosatu general secretary Jay Naidoo said the meeting "demonstrated how out of line with international standards SA legislation is".

In the past, he said, "we have constantly tried to talk to the government ... it is important that the NMC and the government now accept they will have to consult with the labour movement.

"We are are not prepared to continue endless debate. We have to see this transformed into action," Naidoo said.

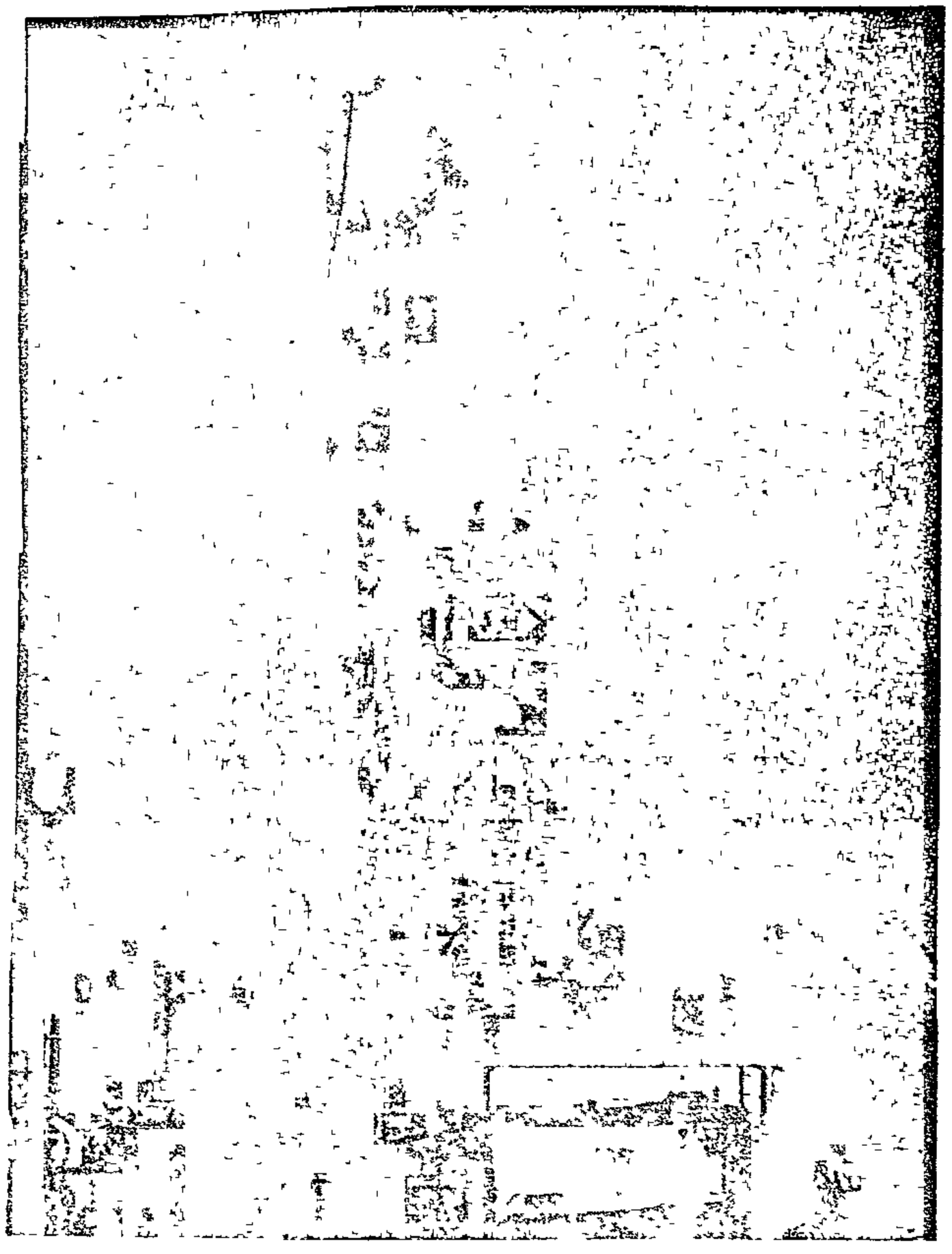
He said the Harare meeting was arranged before political reforms were announced by President F W de Klerk

Cunningham Ngcukana, representing Nactu, said his organisation did not envisage a future democratic SA following the same path as many of its neighbours, where in some cases labour unions have been suppressed, workers' rights ignored and strikers detained.

"Given the history of our trade union movement and the commitment of the liberation movement to independent trade unions and collective bargaining determined by the main players, I don't see any problems," he said.

British ILO official Sir John Wood, who chaired the meeting, described the Harare talks as exploratory.

No further meeting was scheduled at the present time, he said. — Sapa-AP



Iscor's environmentally friendly Corex plant at Pretoria

Unions will fight for a share of control

B 10/4/1990

132

UNIONS can be expected to increase pressure for a share of control over capital funds — be they pension or provident funds, foundations or CSR allocations

Labour and Economic Research Centre (Lerc) projects co-ordinator Taffy Adler says they will also increasingly link what they see as socially responsible investment to the kind of macro-economic programmes and policies being developed through Cosatu

Lerc is a group acting as consultants to the militant black union movement on such issues as housing, training, retirement benefit funding, work study, job grading, shiftwork and productivity

Adler says this priority is emerging as business continues in its unwillingness "to share CSR initiatives with unions in a seriously consultative way'

The predominant management view is that social security is a matter of management prerogative.

He says retirement security, housing and education are moving to the top of union agendas on the social security front. Of these, because of the immediacy of the problem, housing is the most insistent.

At the same time, Adler says, a clear perception has been developed by union leadership on the link between education and economic well-being

Over the last couple of years, a basic breakthrough has been achieved in union participation in the administration of retirement benefit schemes The negotiation is over the amount of money, especially employer contributions, transferred to these funds and how it is invested and disbursed.

The retirement fund investment scenario is becoming far more favourable to what Adler calls an "alternative investment policy"

Alternative

Until now, he says, there have been no serious alternative investments, even where unions are strongly involved in pension fund administration

Adler says some unions are close to major retirement fund investments in land and housing. He is unwilling at this stage to say where this is occurring

However, he says these alternative investments are not handouts In financial terms, they are the equivalent of investment in Eskom gilts — providing a market-level rate of return on a secured, no-risk investment

It is not a matter of workers' savings subsidising housing development No one believes that retirement fund assets can be used as charitable donations.

Adler says "All this has emerged in the negotiating framework and is an exciting departure from the old investment patterns"

But when it comes to CSR funding, employers are reluctant to set up funds with union participation in decision-making — not only on the level of funding but where these resources should be placed.

If unions gained a share of control over such funds, how would they use them in a manner linked to "macroeconomic programmes and policies"

Adler says these policies are being developed. However the general thrust is towards manufacturing-led internal consumer-based growth lending itself to job creation and wealth redistribution

"Socially responsible activity will be defined as that which develops this activity The trend will be away from charitable-type projects towards developmental ones and productive enterprise.

"Educational, training and housing projects will be at the forefront," he says

Worker militancy to the fore

S/Times 20/5/90

(132)

By Adrian Hersch

POLITICAL and economic expectations of the black workforce have been heightened as a result of President De Klerk's speech on February 2, says Andrew Levy, a labour relations consultant.

Worker demands have been given a major boost by a sense among trade union members that political developments are on their side. Militancy is thus expected to increase, warns Mr Levy

Mr Levy was addressing a labour relations conference organised by Levy, Piron & Associates

Factions

He believes that several factors should be considered in assessing the nature of militancy

The ANC has yet to agree on a political programme. The organisation comprises factions whose economic and political interests do not necessarily coincide Cosatu is a major player, and there are differences of opinion in its camp

Mr Levy says now that legitimate channels for political activities exist, political debates are likely to take place outside the workplace.

"Unions will apply their political clout in the political arena."

This could result in a toning down of politically motivated activities in the workplace. Although there will be heightened militancy, most demands should be confined to economic matters

However, political issues that directly affect workers could result in industrial action The protests in the past against the Labour Relations Act illustrate this But the Saccola-employee talks show that the parties are willing to compromise even in cases of severe conflict

Mr Levy says the view that militancy will increase is bolstered by the fact that far more strikes have been called this year than in the same time last year Increases in the number and length of strikes are expected Strikes will be long, hard and expensive

Credibility

Mr Levy says Cosatu has gained credibility among its members Significant gains in the workplace have been made, and promised political change has occurred Cosatu's campaigns in favour of a "living wage", for example, will have to be taken seriously

Johan Piron says that change in collective bargaining in the past decade occurred largely through the use of unfair labour practice jurisdiction of the Industrial Court.

Although the decisions of the court in themselves do not set a precedent, they have the effect of regulating collective bargaining principles and even the behaviour of management and unions

The Industrial Court has set several values for collective bargaining

Professor Piron, of the University of South Africa, says that if the major cases are examined, fundamental points emerge including

- Management is obliged to deal with trade unions regardless of whether a structured relationship exists between the parties
- A union has the right to negotiate on behalf of its members even if it does not enjoy majority representation among the workforce. However, management is not obliged to deal with inconsequential minorities.
- Management is required to negotiate on all employment-related issues including the "traditional areas' of managerial prerogative such as disciplinary rules

Thrust

- The court will evaluate the behaviour of the parties at the bargaining table as well as tactics used in bargaining
- The court requires the collective agreement to be honoured, irrespective of whether the agreement constitutes a contract or an agreement within the strict legal meaning of those terms

Some areas of collective bargaining have not been dealt with by the court. Professor Piron predicts that in the next five years developments are likely to occur regarding remedies where breach of collective agreements occur

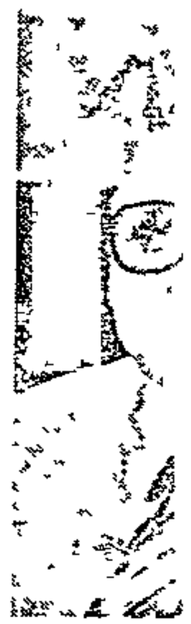
Indications are that disclosure of financial information pertaining to good faith bargaining, and the degree to which the courts should involve themselves in the cut and thrust of collective bargaining are also likely to be dealt with

At another conference, Frans van der Walt, general manager, industrial relations, of Pick 'n Pay, said management had failed to establish an industrial relations strategy to take into account the political aspirations of employees.

Management had tried to divorce itself from politics on the shopfloor and this had been a major mistake, said Mr Van der Walt.

He spoke at a conference organised by Gillam, Brunquel & Associates

Mr Van der Walt urges employers to get to grips with the conflicting ideologies of the various employee groupings and the aims of the company Every company should have an industrial relations strategy to understand the political perspectives of its employees



ANDREW and exp

132

Township stress adds to workplace gripes

By Charmain Naidoo

NEW research shows that the stress black workers experience as a result of life in the townships has an adverse impact in the workplace.

A study of Pretoria-Witwatersrand-Vereeniging townships by Wits University lecturer and human resource consultant Jacqueline Duke identifies major stress factors

Mrs Duke says "Township life is characterised by high levels of unrest, extreme poverty, unemployment, high crime rates and poor community facilities

"Inferior education and a lack of decent recreational, medical and transport facilities are also particularly stressful"

Mrs Duke found that township violence and crime raised residents' personal stress

"For example, 76% of the sample experienced disturbances of sleep due to unrest and 75% reported that life was dangerous in these areas because of township unrest"

The greatest source of stress is finding a place to live

"This is not surprising, given the backlog of housing and gross overcrowding in the townships"

Other factors causing stress are the inadequacy of transport, the education crisis and racially discriminatory laws

"Township stress heightens labour-management conflict, intensifies conflict between different faction groups in the workplace and decreases job satisfaction

"It also results in negative attitudes towards the company and leads to an increase in worker militancy This negatively affects the industrial relations climate of an organisation"

Arlene Ketz, Heather Price and Mrs Duke, through their human resource consultancy Mandate (011 648-5982), have put together two two-day conferences on township stress They will be be held on June 26 and 27 and August 20 and 21 at the Sandton Sun

Speakers will include Stuart Pennington, Duncan Innes, Theo Heffer and Mohale Hahanvale

Topics will include conditions in townships, the role companies can play in promoting change and the effect township life has on the industrial relations of organisations

Report predicts an increase in strike action in the years ahead

Star 24/5/90 (132)

By Ann Crotty

There are indications that both management and labour are improving in the way they handle disputes. Despite this, in the years ahead, production will continue to suffer because of increased strike and other labour activity.

In a Davis, Borkum, Hare report on trade unions, professors Petri Schutte and Lou van Wyk say labour activity will generally remain highly politicised until the current reform process makes provision for the realisation of black aspirations.

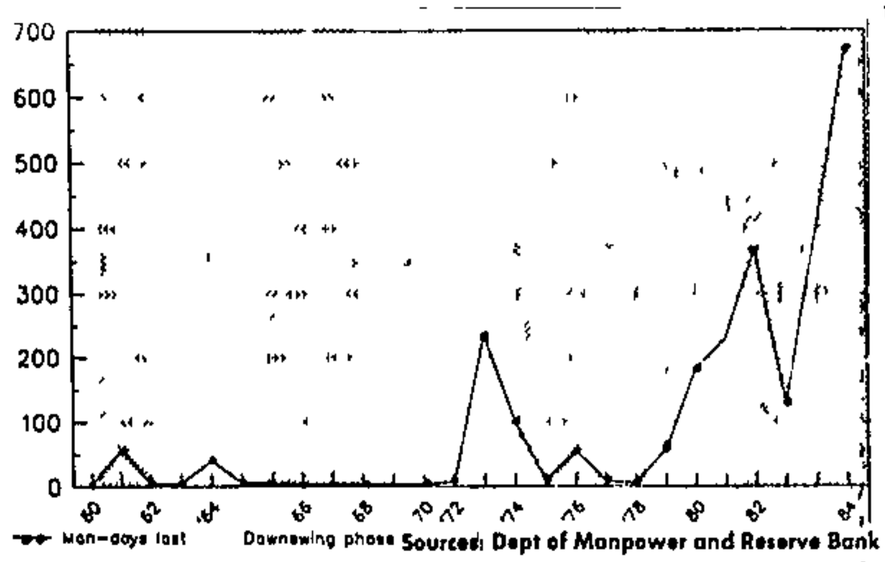
"Overall, political reform entailing greater participation of workers in management and ownership will be crucial to shaping the future in industrial relations"

The report identifies three categories in the SA union movement:

- Conservative or rightwing (1,5 percent of the economically active population)
- Independent multi-racial (eight percent).
- Progressive unions (16 percent).

The independent multi-racial unions operate within the statutory framework and strive towards the evolutionary adjustment of the political dispensation, providing it does not conflict with members' interests

"The so-called progressive unions use the collective bargaining process to achieve not only their members' economic goals, but also sometimes misuse their economic power base at the cost of the workers' interests to foster and achieve their own socio-political objectives"



Comparison between trade cycle and number of man-days lost as a result of strikes (1960-1985)

Within this "progressive" group there are two subgroups Cosatu with a membership of 80 000 (about eight percent of the economically active population and the United Workers Union of SA (UWUSA) with a membership of up to 80 000) The latter is an important Natal grouping.

Cosatu comprises two ideologies the "Workerist sect" which, the report says, "strives towards a non-racial worker-class-controlled socio-economic dispensation" "In some ways it denies support to organisations such as the ANC, SACP, PAC and Inkatha because it believes the SA worker would still be oppressed and exploited, should one of these organisations govern"

The other ideological grouping is the Charterist/United Democratic Front, which has a smaller membership, but has managed to gain control of Cosatu "This group's policies and goals are to a large extent in line with those of the ANC/SACP/SACTU alliance."

The report says that in the early nineties the progressive unions are likely to make headway in using their economic power base to put pressure on management to achieve their political ends This is why strike action looks set to increase, despite the economic slowdown

have made great strides

Sowetan 25/5/89

131

Abel Majola of the Wits Business School this week looks at the development of industrial relations in the country. The page is sponsored by Barlow Rand in its endeavour to promote business education in the community.

Although the application of source industrial relations theory is still at a developing stage, black trade unions have achieved more gains in industrial democracy during the last decade than their white counterparts.

This forced employers to pay attention to work place industrial relations

The purpose of this article is to present a historical overview of the system of control, resulting in a dormant and limited labour movement that kept unionism latent among the black workers

Coercive employment practices:

In 1841 the "Master and Servant Ordinance" in the Cape Colony was passed as a coercive employment practice, which oppressed black workers; eg workers faced a severe penalty for refusing to work overtime or for going on strike. This was only removed in the late 70s.

In order to control and hinder their movements an appendage by law forced them to carry passes.

The discovery of gold in 1886 further entrenched exploitation as black workers were classified as servants and through taxation, they were forced to earn wages. This promoted discriminatory employment conditions and practices

In 1910 the "colour bar" was introduced in the labour market with the contract system to control labour mobility

Black workers, anchored in the rural areas, had no skills to use as a bargaining weapon

The pass system and "influx laws" reinforced curbs. Black unions were unacceptable Thus the idea that workers could not be employed in labouring jobs at low wages became increasingly part of the values and thinking of that time

Racialism in labour legislation.

The 1924 Industrial Conciliation Act and other legislation reinforced the two colour bars on free movement and freedom of association

According to the Industrial Dispute Act of 1909 two precedents were established . Black workers were excluded from definition of employees in the Labour Act, resulting in white workers forming in alliance with employers to prevent the emergence of black unions

In addition, the Riotous Assemblies Act of 1914 gave the government powers to deal accordingly with strikes and also to prohibit illegal gathering that were viewed as endangering public safety.

Hence the basic features of these and other laws were entrenched in the Industrial Conciliation Act, excluding contracted black workers from the definition of employee

The practical effects which these legislation had on the character of the labour movement were profound.

In some industries there was a decline in membership and alienation to union leaderships, in particularly among blacks as a result of constant harassment by the police

The state as protector of the interest of the dominant class as a whole ensured that white workers were not subjected to any form of job or skill competetion with their black counterparts, thus co-opting white workers on its side.

In the early 1970s African workers began again, as they had tried from the beginning of the century, to organise into trade unions and challenged the dualistic structure of industrial relations

During this decade black trade unions managed to challenge certain apartheid laws.

In the past a central problem in the development of black unions, has been to wage a struggle against management's resistance to unions, state hostility and white unions

Prior to the 70s, there had been major repressive attempts to control or to clamp down on African labour movements.

During World War 2, and in the early 1950s and early 1960s each wave of unionisation was followed by repressive legislation

The implication of state intervention had serious consequences by hampering the development and growth of black trade unions

The 1973 Natal strikes were a milestone for the labour movement as thousands of black workers forced employers and the government to review labour laws. Thus the commission of inquiry chaired by Professor Nic Wichahn was set up in 1977.

The establishment of the commission was a non-event as several commissions of inquiry had been set up by the government in the past and did not bear fruits for the labour movement.

The previous commission was appointed 30 years earlier, consequently the existing Industrial Conciliation Act (1956) was amended. Since then conditions and practices in the field of labour have developed and changed considerably

(132)

Job losses set to spark state and labour conflict

W/Mail 25/5-31/5/90

By BRIAN GOLD

JOB losses are set to become a major point of friction between the government and labour as the recession sets in.

Even though unemployment will probably not fall to the levels of the mid-1980s, the hardships created by the present downturn are likely to be more controversial. Economic policies are increasingly being subjected to debate and eventually to national "negotiation".

It is likely that the Congress of South African Trade Unions (Cosatu) will be represented in future talks between the African National Congress and the government.

The ANC and Cosatu are developing a more sophisticated economic agenda. For the first time the views from such quarters will be taken seriously by business and the government.

Whereas the ANC and Cosatu, among others, focus on the plight of their members and constituency — and in this have the advantage of the moral high-ground — for the government and most private sector economists the seriousness of the downturn and the resultant unemployment is primarily its repercussions for long-term economic policy.

Will the government opt for premature relief in the form of easier monetary and fiscal policy which in turn will upset its economic policies that are only now enjoying widespread credibility among business?

The government is under increasing pressure as constitutional negotiations near and ANC/Cosatu strength grows. The question is whether the resurgence of the "econocrats" (under Finance Minister Barend du Plessis and Economic Co-ordination Minister Wim de Villiers) can be sustained.

The econocrats and their supporters worry that a greater burden on government funds and/or easier monetary policy is inflationary. Inflation is to them enemy number one. Easier economic policies are primarily lower interest rates and/or reductions in government spending.

Such policies boost the economy. In so doing they are not only inflationary but, by encouraging spending and hence imports, put pressure on the current account of the balance of payments at a time when there is limited foreign capital to finance a deficit. Given the government's improved international image and higher reserves the authorities now consider this a secondary constraint.

According to this argument, for short-term gains the long-term effects are inflation and balance of payment problems, and these means lower growth. The government and business believe the pain endured now is vital to lay a solid foundation for the future. The indicators of recession are seen as encouraging omens.

The increasingly criticised easy economic policies of 1986 and 1987 are being trotted out as an example of the danger of adopting too stimulatory a policy. The argument is growth in subsequent years was not sustained because inflation was not brought down far enough.

The econocrats believe with inflation as high as it is, it is even more dangerous to adopt an easier economic policy. We are warned that inflations would exceed 20 percent and in five years time unemployment would be higher than ever.

Yet these critics often forget just how difficult it was to get any investment even when prime was 12,5 percent.

The main threat to the econocrats are the government's constitutional mandarins, who will push for an economic easing before the econocracts because it suits their interests.

However, the difference should not be overemphasised. There is agreement within government on its unemployment stance, represented by the R2-billion Jan Steyn fund, state unemployment benefits and training schemes.

But the ANC and Cosatu see things differently. They believe the state has a responsibility to care for the unemployed. The government believes it is only responsible for interim relief and that long-term solutions are the province of business.

This leads to another fundamental difference between the government and Cosatu and the ANC.

That difference arises from the government's drive to reduce inflation by calling for an end to what it considers excessive wage rises. This is unacceptable to unions who reject the trade-off between jobs and wages.

Sactu's new role in trade union movement

(132)

South 7/6- 13/6/90

ANC national executive committee member, John Nkadimeng has a lengthy history of political involvement and work in the trade union movement

Repeatedly banned and imprisoned before he went into exile in 1976, Nkadimeng was elected general secretary of Sactu when the organisation was revitalised in 1983.

CHIARA CARTER spoke to Nkadimeng who was on a whistle stop visit to Cape Town:

"ORGANISE the unorganised" was the rallying cry of the independent unions in the 1950s when the South African Congress of Trade Unions (Sactu) was formed

Today, as Sactu is being phased out, its general secretary, John Nkadimeng, feels this is still a major challenge facing the trade union movement

"We need to reach all unorganised workers throughout South Africa, especially in the rural areas

'While Cosatu is already a giant we must strive to bring into it the million of workers in our land who remain unorganised, Nkadimeng says

He believes the unemployed should be a major focus for organising activities

"Our people are thrown in the streets not knowing how or when they can get food We have a growing mass of unemployed "

Revolutionary

When he speaks about the unemployed, Nkadimeng speaks from the heart — he experienced what it was like not to have a job

A devoted family man, Nkadimeng says the worst was having to face his children empty handed

He believes the unemployed have immense revolutionary potential

"Unemployed workers are the army of liberation An army of hungry people is an army of angry people We must look for these people and find ways of mobilising them

"They are people who clearly want change, any change and they want it now "

Explaining what is being done to organise them, he continues Cosatu is trying, but I do not think this is a job for Cosatu alone It is a very serious political challenge to the whole liberation movement

"I would be happy if I could devote myself to organising unorganised workers and the unemployed when I return home '

The major tasks immediately facing the trade union movement are the fight for a living wage and the battle against privatisation, Nkadimeng says

The unemployed have immense revolutionary potential

"The state is trying to concentrate wealth into a few private hands

"We cannot allow to happen here what occurred in Namibia After all it was the National Party which nationalised property when they came to power We must fight privatisation with every means at our disposal

Nkadimeng believes the changes in political South Africa have opened up new potential for the trade union movement

"Now workers can use the muscle of organised labour to bring about fundamental changes

The strike is the most powerful weapon of workers It is going to be more possible for them to use it effectively With the formation of unions such as the Police and Prisons Civil Rights Union (Popcru) the security forces are weakened It is more difficult for the state to act against strikers

It was the new political climate which precipitated the decision for Sactu to phase itself out

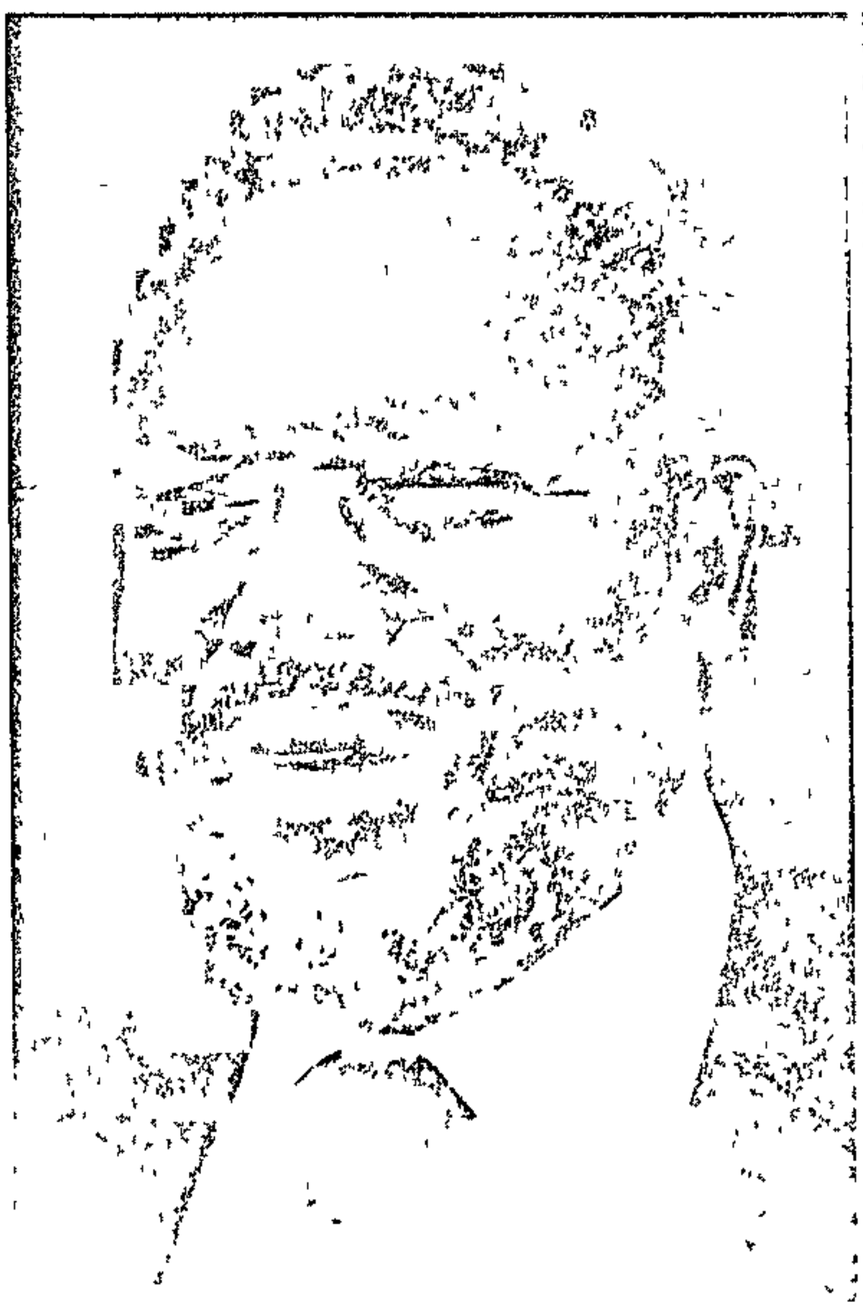
Choices

Nkadimeng says this decision had already been taken by the time a delegation from Cosatu met with Sactu representatives in Kafue, Zambia in March this year

"As Sactu, we discussed on our own the choices facing us in the light of the developments in South Africa

We felt that with the new situation it was important for us to come back home and work together with everyone in building the progressive trade union movement

"Cosatu is a giant body which plays a vital role alongside the liberation movement We could not see ourselves coming in any way other than strengthening and swelling the ranks of Cosatu," Nkadimeng says



JOHN NKADIMENG wants to help build Cosatu

Just as we used to influence other unions to go into Cosatu so we will assist in building Cosatu

Following the Kafue meeting, a facilitating committee was formed with five members each from Sactu and Cosatu to work on the phasing out of Sactu The committee is looking at issues such as infusing Sactu cadres into the ranks of Cosatu

Nkadimeng says the committee's work is 'going well

' Unions such as the Food and Allied Workers' Union (Fawu) have requested we send some of our cadres to them We would also look at sending people to strengthen the weaker unions

"Other cadres have been sent for specialised training to prepare them for the work they will need to do at home

Nkadimeng feels South Africa's trade union movement is a tribute to Sactu's achievements and that Sactu has played a vanguard role since its formation

Sactu's achievement could be seen in the unions who had been influenced by it

In spite of repression and restrictions designed to destroy Sactu we survived Going underground in the 1960s was a correct decision

Over the years we dealt with the forces inside and outside South Africa and gained international respect for leading South African workers in the correct way by taking a political stand alongside the liberation forces,' says Nkadimeng

"This means we were a real revolutionary trade union organisation We did not just use muscle and time for the building of pure trade unionism by concentrating on bread and butter issues, but were involved in the whole liberation effort

' We want to take this tradition into Cosatu and fight to make sure that trade unions will not be left behind in the changes in South Africa

Gift

Shortly after arriving in South Africa last week, Nkadimeng addressed the Johannesburg shop stewards local committee, an experience which he said was the best gift Cosatu could have given him

He said it was clear that workers understand the importance of unions fighting on both the political front and the shopfloor

'How can we kill a child that is our own?'

'After discussing the workers' charter, the workers begin to talk about how they could build the ANC in the areas where they live This is what we mean by a dynamic alliance with the ANC and the SACP

I called on the workers to go to grass roots level to build the ANC in new conditions This includes visiting each house — including the homes of those who do not support the ANC

'We must build unity tell people why they do not support us and end the infighting among the oppressed Ultimately the so called black on black violence comes down to a lack of political clarity — for how can we kill a child that is our own?

Nkadimeng feels unity must also be built within the working class, both black and white

White workers

It is not just other black workers at whom we must look but also the white working class," he says

Nkadimeng cites the mine and postal strikes as instances where white workers were forced to recognise their commonties with their black counterparts

He refers to the Boilermakers' Union as an example of a dynamic white union, saying its general secretary is a close personal friend of his

'The constituency must be part of the broad democratic movement — even if they never join the ANC'

In line with building maximum unity, Nkadimeng feels it is important that the UDF and the MDM are retained to include those who are not members of the ANC

He also speaks of the importance of the churches

When I was chairperson of the Senior Organisation within the revolutionary council in Lesotho and Mozambique the Zionist Church celebrated its 70th anniversary Piet Koornhof (a former South African cabinet minister) addressed a gathering of more than two million church members

We have never had that many people at our rallies

We need to ensure that the constituency out there is part of the broad democratic movement — even if they never join the ANC ' Nkadimeng says

ON THE MARCH: unemployed people have 'immense revolutionary potential'

ture ROBERT BOTHA

priority attention as the pressures for nationalisation and distribution

squatting

"Squatting is now a solution to housing backlogs," he said

sector could do at school level, especially to increase the number of matriculants with subjects such as maths and science

Implementing the right policies could bring real growth back

B/Day 8/6/90

132

DANIEL FELDMAN

THE collapse of apartheid policies and their replacement by policies more appropriate to a developing society could make it possible for real economic growth to return to SA, Urban Foundation CEO Sam van Coller said yesterday

Van Coller, formerly executive director of the Steel and Engineering Industries Federation of SA (Seifsa), spoke on changing industrial relationships at the Natal Chamber of Industries Conference in Durban yesterday

He said "The dynamic of increased growth generated by rapidly expanding urban areas and a move towards normal market forces could create opportunities for a more constructive relationship between employers and trade unions"

Collective bargaining and industrial relations as a whole in SA had come to the end of one phase, and a new phase in which "workers would not only have basic worker rights but would also have democratic rights as full citizens in a non-racial society was in sight".

Regarding the future of collective bargaining, he said "It is to be hoped that in the volatile years that lie ahead, a reasonable power balance can be maintained in the collective bargaining arena

"The process of negotiation between equally powerful parties offers what is probably the most stabilising element in our country"

Withdrawal

He identified five themes which he foresaw would be present in that arena the tensions between power balances and control, surplus generation and surplus distribution, market and intervention forces, the roles of the private and public sectors, and between life at work and life at home

The withdrawal of key companies in the metal industry from their membership of the employer body could signal a growing view among employers that the power balance as manifested in centralised bargaining could be shifting in favour of the trade unions, thereby justifing efforts to fragment trade union bargaining strength

He commended recent remarks by trade union leaders which demonstrated that "the worker leadership is strategising in terms of how to achieve growth, which presents an opportunity for employers to engage trade unions in the how of inceasing income, and thereby increasing the chances of generating surpluses"

Housing and health care were two largely unaddressed issues which employers might feel increasing pressure to focus on if the state proved unable to provide them, he said

While advocating collective bargaining as a way to identify priorities for the future, Van Coller said "There is a real possibility that circumstances will enable both labour and management to engage in more constructive responses than has been possible in a society with divisions as deep as SA's have been"

A few useful tips on Marxism ... from a Cape Town call box

W/Mail 8/6 - 14/6/90

132

There are signs that far-left groups are riding the current wave of worker militancy in South Africa Their intervention has not always been welcomed by the labour movement, reports **DREW FORREST**

SMALL in number but strong in purpose, disciples of Marxist prophet Leon Trotsky are becoming increasingly active in the labour field, say political observers

They say that with rising worker and youth militancy in the wake of the unbanning of organisations and the release of jailed political leaders, their revolutionary purism and non-collaborationist stance is likely to gain in appeal

"There are signs that people are questioning the African National Congress' commitment to negotiations," was one comment "Militancy is being diverted towards the Communist Party, which is seen as uncompromising But disillusionment may set in if it fails to deliver"

A straw in the wind was the recent intervention of the Trostkyist Marxist Workers Tendency of the African National Congress in the dispute at Putco's Wynberg and Springs depots

Following the closure of the depots, with the loss of several hundred jobs, the MWT issued a call for a national solidarity strike and is said to have directly approached other workers to strike — without working through the structures of Congress Of South African Trade Unions' (Cosatu) Transport and General Workers Union

It also implicitly criticised the union for using "the bosses' courts" to fight the retrenchments

The union hit back at the MWT, attacking it for sowing "confusion and division" and lacking a constituency At a recent meeting, the union says, the tendency agreed to work through its structures

Five MWT members were expelled from the ANC in 1985, but following an amnesty, the tendency now appears to enjoy official toleration

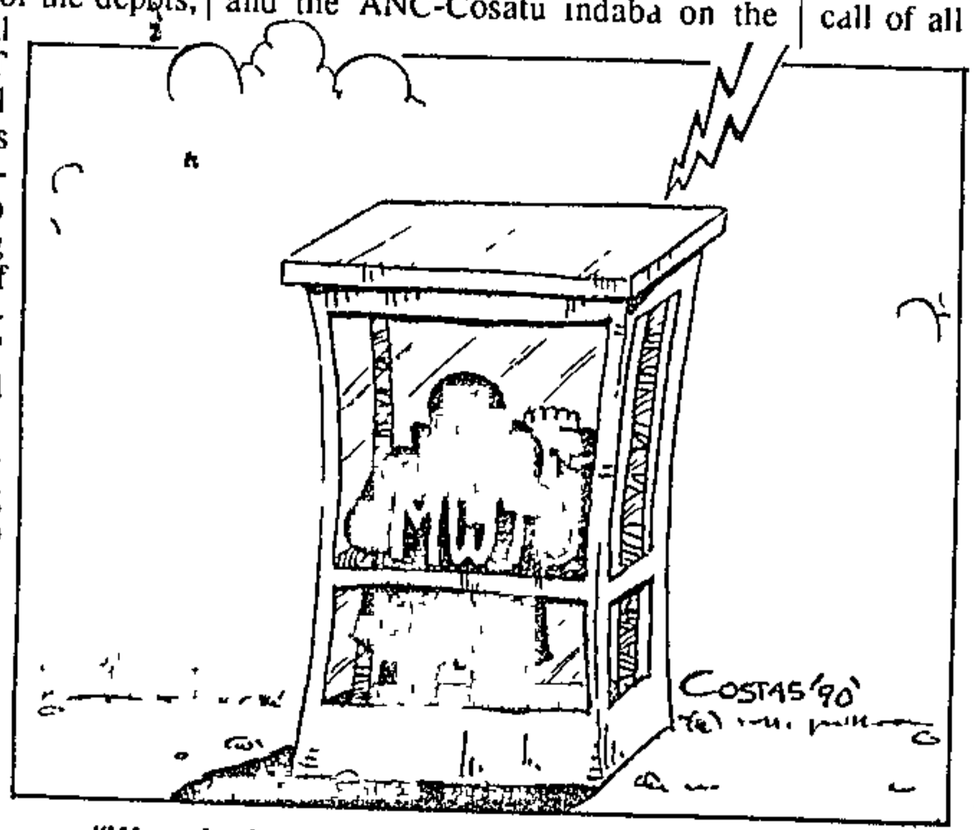
Like Militant in the UK, the MWT is "entryist" in approach In South Africa, this translates into working within the ANC, seen as the only authentic mass organisation, to transform it into a workers' movement

Secrecy surrounds the MWT's composition, but sympathisers are also said to hold strategic positions in some unions

In the same area of the political spectrum, but apparently without links, is the newly founded Workers' Organisation for Socialist Action (Wosa), an amalgam of the Cape Action League and three other far-left splinter groups

Although there are various tendencies in Wosa, which is to be formally launched early next year, it lays heavy stress on the current need for an independent socialist movement

This extends to the trade union movement, whose continued independence Wosa strongly urged in a May Day pamphlet The merger of Cosatu and the ANC's labour wing, the South African Congress of Trade Unions, contact between unions and the government over labour law, the intervention of the Mass Democratic Movement in recent strikes and the ANC-Cosatu indaba on the economy in Harare are all seen as dangerous portents



"Wosa is doomed", said the supporter of the Marxist Worker's Tendency — phoning from a call-box.

In the eyes of an MWT supporter who spoke anonymously to the *Weekly Mail* from a Cape Town phone box, Wosa is a sectarian movement doomed to perpetual powerlessness A Wosa member, who also asked not to be named, disagreed

"The trouble with entryism is that if you stick your head out, it's likely to get chopped off — and if you don't, you can't get anything done"

Partly because of its roots in the Cape Action League, a National Forum affiliate, Wosa appears to be closer to the Pan Africanist Congress General secretary Jean Peace described the links as "cordial", although she stressed that this was consistent with Wosa's "united front" policy

The MWT, by contrast, is hostile to Africanism

"Both Wosa and the PAC are dismissive in their attitude to white workers, while we want to win them over," said the nameless Cape activist He also attacked the PAC for "being wedded to a programme of class collaboration"

What the two Trotskyist movements share is a common insurrectionist approach to the winning of socialism, a vision of a future economy marked by worker control and self-management and a suspicion of the South African Communist Party, seen as tainted by its Stalinist history The MWT takes particularly strong exception to the SACP's "two-stage theory", arguing that democratic rule and socialism are inseparable

Its ideal, said the MWT source, is pre-Stalinist revolutionary Russia, and four Leninist principles an armed people with no standing army, the right of recall of all officials, no one to be paid more than a skilled worker and the exercise of power through peoples' soviets

'We believe the SACP is behind the policy of negotiations, which will compromise working class interests," said the MWT activist "We also believe they are behind moves within Cosatu and the ANC to ditch nationalisation completely"

From the "incorrect" SACP programme, other errors flowed, he said While the MWT had consistently urged armed self-defence as a counter to Inkatha in Natal, the SACP had pressed for negotiations

On the face of it, Wosa appears more flexible — Peace argues that the time is not ripe for negotiations, and another insider commented that "democratic demands can be achieved before socialism"

But the bedrock belief that socialism cannot be achieved by peaceful means, and that socialism is a condition for a fully democratic order, remains

The MWT source complained that Trotskyists have been the victims of recurrent witch-hunts but they are undoubtedly benefiting from the new-found climate of glasnost on the left

"Everyone has the right to air their views and take part in the debate about socialist options in South Africa," commented one ideological opponent But the "conspiratorial" style of activists in the Putco dispute was "not constructive", he added

Safeguarding workers' rights

South 14/6 - 20/6/90

(132)

WHAT rights do workers want in a post-apartheid South Africa and how will they ensure these rights are safeguarded?

These are key questions in the current debate on a workers' charter.

The national congress of the Congress of South African Trade Unions (Cosatu) last year resolved to begin a process of drawing up a charter which would express the basic rights and aspirations of all workers and enshrine these in law

Discussion about the charter has extended beyond minimum rights

Unionists want the charter to encapsulate the rights of workers and provide the foundation for strengthening the relative balance of the working class and its most organised component, the trade union movement, in a post-apartheid state.

Socialist

Consequently, many of the proposals which have been put forward for inclusion in the charter look towards creating the economic and social conditions which would be the basis for a steady advance towards a democratic socialist society

The Cosatu resolution marked the end of a period in which many people regarded support for a workers' charter as an attack on the Freedom Charter

Following the Cosatu congress, both the South African Congress of Trade Unions and the South African Communist Party (SACP) published draft workers' charters which are presently being circulated among Cosatu affiliates

The Cosatu congress resolved that a workers' charter should be an "instrument of struggle against oppression and exploitation" and should serve to "articulate the basic rights of workers and all toiling masses"

Priority

Unionists have said workers must fight to gain these rights now and the charter should serve as a mobilising tool

With some observers believing that the government will opt for a constituent assembly sooner rather than later, the charter has become a priority

Cosatu's central executive committee (CEC) decided earlier this year to launch a Workers' Charter Campaign, defining four broad aims

- to develop a charter of demands that will become a fighting document for workers,
- to strengthen the unity of the working class by uniting workers from different federations, rural and urban areas and across the colour divide,
- to organise the unorganised; and
- to raise the political consciousness of workers and encourage political discussion at all levels of Cosatu

The process, which is being coordinated by Cosatu's campaigns conference, is to culminate in a congress in October this year at which the final form of the charter will be hammered out

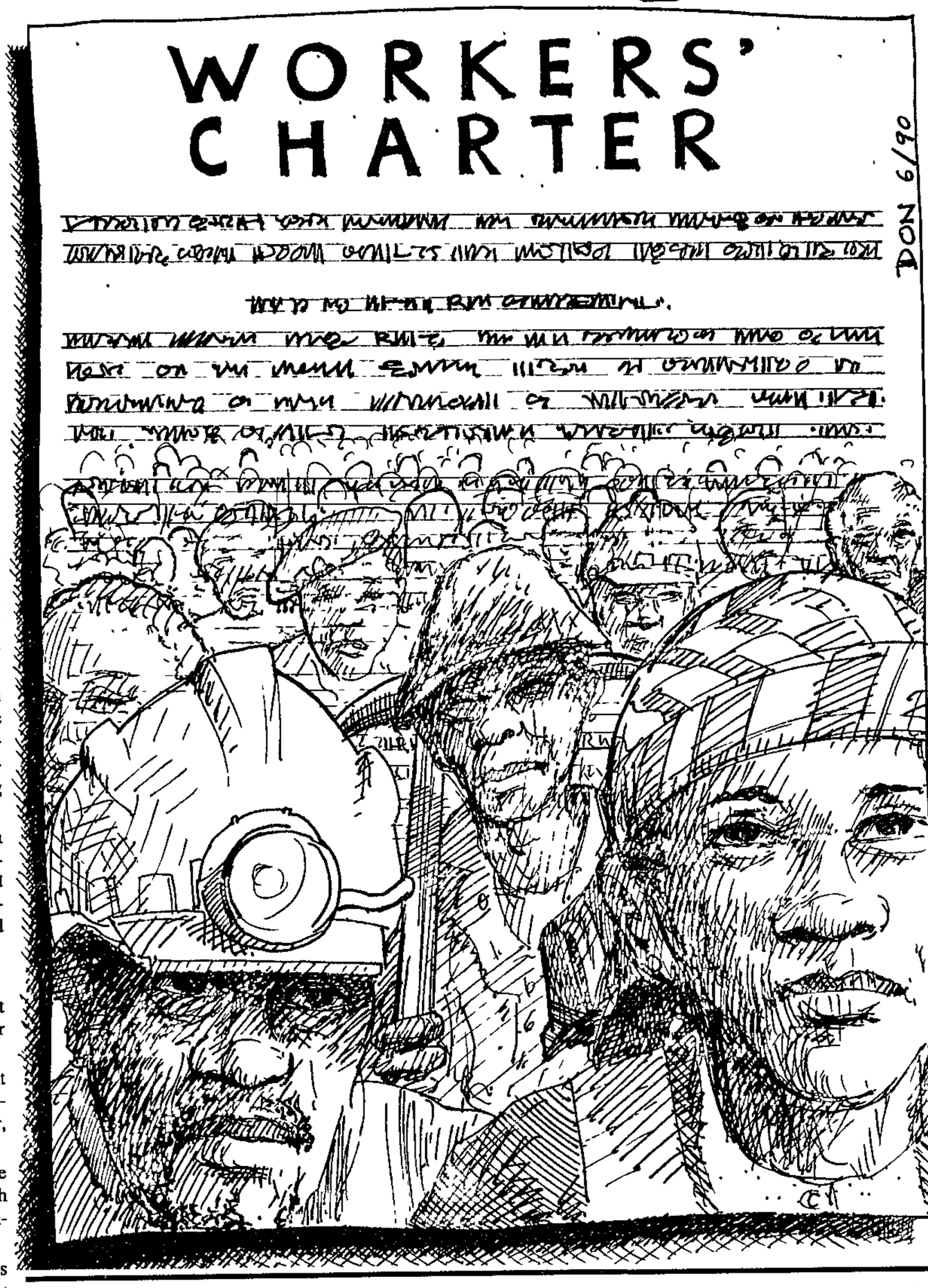
The status of such a charter is being debated within the labour movement

If the charter is written into the constitution, it would carry more weight than if it is appended

If it assumes the form of a law, successive governments will be able to tamper with the charter If it remains a declaration of intent, it will have no binding power upon the government or employers

A charter would almost definitely assert the political independence of the trade unions — a position accepted by the major trade union federations, the ANC and the SACP

How this will be translated into practice depends on the unions themselves



The current debate on a Workers' Charter for a new South Africa is of major significance as unions try to define their role and standing under a future people's government. CHIARA CARTER examines some of the issues:

The charter will include basic rights such as the right of all workers to join a trade union of their choice and the right to organise in trade unions on an industrial basis

Entrench

It will entrench the right to collective bargaining and strike action

Whether workers have an absolute right to strike is one issue that is presently being debated

Certain groups say that a post-apartheid South Africa cannot afford to be crippled by strikes and that any people's government will ultimately be acting in the interests of the masses

Their protagonists argue that a democratic government must convince workers of the need for a certain economic policy and not impose such a policy

Another point being debated is whether workers in essential services should have the right to take industrial action

The draft charters presently being circulated address issues relating to the most exploited sectors of workers

They include measures aimed at ending child labour, semi-forced labour and migrant labour

They also bring farm workers, domestic workers and workers in the homelands in from the cold, extending labour protection to them

Unemployment

The draft charters call for a minimum national wage as the first step towards a living wage

This ties in with Cosatu's recently revitalised Living Wage Campaign

What will need to be carefully balanced is how much can be demanded from employers without lowering the wages of higher earners and creating greater unemployment

The charter will almost definitely include the demand for jobs for all and measures aimed at job creation — such as cutting overtime, reducing working hours and training workers

Faced with the reality of a growing army of unemployed, the charter is also likely to contain a demand for a living unemployment benefit

In line with the move by most major unions to negotiate social security issues and social responsibility programmes, the charter will cover issues such as the provision of education, housing, childcare and primary health facilities by enterprises and the state

It will establish parental rights, the right to health and safety and the right to security in old age and provide for the rehabilitation of the disabled — including the provision of alternative employment

Sexism

The recent emphasis on addressing sexism can be seen in proposals that not only should the charter contain measures to prevent discrimination against women workers, but it should provide for positive discrimination in the workplace and in organisations

From this perspective it is the duty of the state, employers, unions, workers and political parties and other organisations to ensure women's participation at all levels and to campaign against male chauvinism at home and outside

Certain draft proposals have far-reaching implications

Media

A proposal that the labour movement must give assent to any labour legislation is a check on future attempts to draft laws which curb the movement, while a move to ensure the right to independent funding is an attempt to ensure the independence of labour

The right to media access first asserted in the draft workers' charter drawn up by the Amalgamated Clothing and Textile Workers' Union of South Africa (Actwusa) early last year is part of a broader attempt to ensure that workers and the working class have the basis to build greater power

Access to mass communication is essential to gain support and assert a working class perspective

It would mean the state would either have to nationalise the media presently dominated by big capital or ensure through funding that other groups have media access

The need for economic restructuring forms part of the debate around the charter which is likely to contain measures ensuring the participation of the labour movement in economic planning and the implementation of economic policy

Monopolies

There is broad acceptance that the economy of a post-apartheid South Africa will be mixed

At the same time, the present situation where the economy is dominated by a handful of monopolies cannot continue.

A process of redistribution of wealth has to occur if the lives of the majority of South Africans are to be improved and to end the present system under which a white minority is privileged at the expense of the majority

Inevitably, this process will involve a certain degree of central control of the economy

What this will entail and what is meant by nationalisation of the "commanding heights of the economy" need to be defined

With the lessons of other socialist countries in mind, the unions and other organisations are examining how to avoid an over-centralised and commandist economy and instead build active participation by workers at the point of production and through their trade unions

Imbalances

It will also be necessary to ensure that those who are not employed also have a say in and benefit from economic changes

A key issue is how to generate the resources needed to correct economic imbalances Much of the debate around redistribution presently focuses on redistributing the means of production

The workers' charter — as it is presently being envisaged — has far-reaching implications

But it would be a mistake to assume that it is a sufficient foundation for a socialist transformation

Even the extent to which a social democratic system can be built will depend on how the economy is restructured and revitalised

No document, however enshrined, can in itself guarantee change

For a socialist transformation, it will be necessary to ensure that unions maintain their independence while working in alliance with progressive forces

Chamber vows to attack mine racism

(132) Star 20/6/90

The mining industry has a key role to play in progress through the development of a common recognition of the dignity and worth of every person. MICHAEL CHESTER reports

Kennedy Maxwell . . . "prosperity must depend on human rather than mineral resources".

The Chamber of Mines yesterday pledged to press ahead with attacks on racial discrimination on all fronts

Chamber president Kennedy Maxwell told the annual meeting in Johannesburg that the mining industry had a key role to play in the fight to remove all vestiges of job reservation and remnants of old colour bars

He said sound progress was being made at all levels More than 6 000 mine jobs that had in the past been the domain of whites only had now been filled by black, coloured and Asian employees

Since the removal of Government restrictions in July 1988, some 580 workers of colour had obtained blasting certificates — once exclusively reserved for whites — and about 400 employees had moved into jobs at artisan levels that used to be inside a strict colour line

"The demographics of South Africa mean we will simply have to find and develop considerably more management talent from all sectors of the population," Mr Maxwell said

"As we increase productivity throughout the economy, so we will increase the wealth generated And it is from this source that the distribution of wealth will be broadened"

Mr Maxwell said Verwoerdian educational policies had left a legacy of illiteracy for half the population while half the pupil population was not at school

He stressed the need for vocational orientation in studies to provide the technically trained manpower needed for the future

"Ultimately," he said, "prosperity must depend on human rather than on mineral resources I think it is no exaggeration to say that our future constitutes a race between education and disaster

"Private enterprise has to be involved in that race, which calls for the development of a relevant and legitimate education system for South Africa

"To that end the Chamber of Mines has upgraded its education advisory committee and a concerted effort is being made to focus the industry's assistance in the field of education and training so as to match its future requirements

"It is worth noting that the mining industry spends upwards of R300 million annually on training — and millions more on subsidising external education programmes and institutions"

Non-racial

Progress had also been made on other fronts, such as in negotiations with the Council of Mining Unions and on the admission of skilled people of all races to the Mines Benefit Society

The society's executive committee had now tackled the job of drafting an entirely new non-racial constitution

The battle still meets with opposition, however.

Mr Maxwell said there was still a dispute over the refusal of the CMU to accept workers of all races in the Mine Employees Pension Fund

The chamber had won an Industrial Court ruling that obstacles must be removed But the CMU had appealed — and the outcome was still awaited

The Industrial Court had also ruled in favour of the chamber over the refusal of the Mineworkers' Union to allow members to assist in the training of coloured winding engine drivers An appeal had been lodged by the MWU and again a final ruling was still awaited

"If we can facilitate the process of change in this industry," said Mr Maxwell, "and if we can effectively manage the natural conflict of fears and expectations, we will make a vital contribution to the task of building the new South Africa

"The key to progress lies in developing a common recognition of the dignity and worth of every individual in the workforce"

NON-FICTION

(132) W/Mail Suppl 22/6-28/6/90

A dialogue with historical experience of struggle

YOURS FOR THE UNION Class and Community Struggles in South Africa
by Baruch Hirson
(Wits University Press R49 95)

PARTICIPANTS in movements and events have frequently offered historical accounts of them which include the writers' lived experiences The classic in this genre is, of course, Trotsky's *History of the Russian Revolution* which, in the midst of his momentous conflict with Stalin, offered a causal account of the fate of the Bolshevik revolution

South African historiography has no such masterpiece, but the country's communist tradition has produced two notable works of this kind Eddie Roux's *Time Longer than Rope* and HJ and R Simons's *Class and Colour in South Africa* These books, which remain among the most widely-read and consulted of all South African historical works, deal (at least in part) with events of which their authors had first-hand experience The continued readership they command, decades after their initial publication, testifies to the valuable work which activists can accomplish as historians

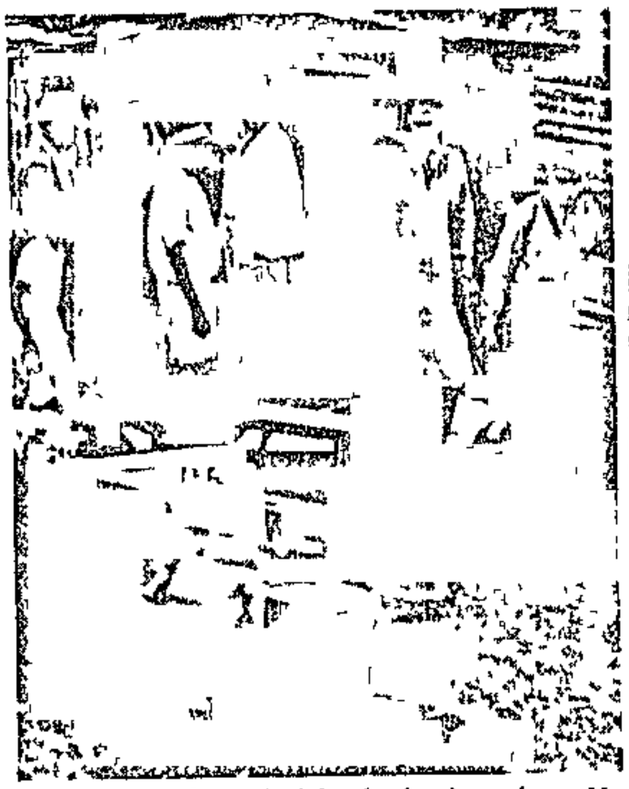
Now a new work of this kind has appeared For Baruch Hirson's *Yours for the Union* a study of class and community struggles on the Witwatersrand from the Great Depression to the aftermath of World War II, is not merely a history It is also an historical document Hirson was involved in some of the events he chronicles and, as his foreword makes evident, his book is something of a dialogue with, a commentary upon, that experience

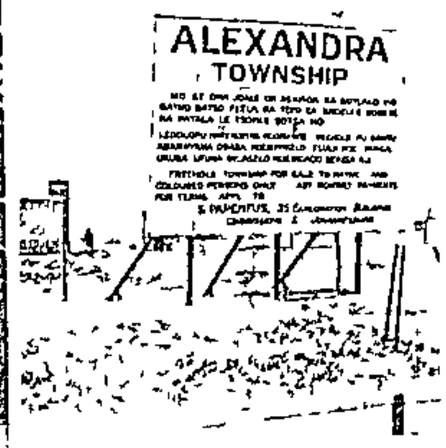
Yours for the Union helps to remind us that between the tumults of the 1920s and the defiance of the 1950s, the decades of the 1930s and the 1940s have a place in the epic of resistance, repression and hope which is South Africa's 20th-century history For Hirson not only provides analyses of the more well-known events of the time — the mass actions in Vereeniging in 1939 with their mortal casualties (amongst the police), the massacre of workers at Marabastad in 1942, the Alexandra bus boycott, the Rand shanty-town movements, the famous miners' strike of 1946 — he also provides some of the inside story of attempts to organise workers and details divisions within the labour movement The book is also, usefully, sprinkled with statistics concerning numbers of workers, union members, wage-rates and hours of work

The red thread which runs through the volume consists of two inter-connected strands a recovery of the history of the Rand's small non-communist (partly Trotskyist) left and a critique of the policy of the Communist Party of South Africa As such the book contains analytical angles not found in *Class and Colour* or *Time Longer than Rope*, although its focus is more limited than those volumes' and does not contain their narrative sweep or fluency

Hirson's reconstruction of the work of the non-communist socialists during the decade ending in 1946 helps give certain figures of the day their historical due Individuals such as Max Gordon and Dan Koza certainly come alive in his book and emerge as formidable activists and allies of the working class

The youthful Gordon, having cut his teeth politically in the (Trotskyist) Workers Party in Cape Town, arrived in Johannesburg in 1935 and was soon leading the Laundry Workers Union The difficulty of leading successful strikes in the 1930s — a spontaneous stoppage in December 1936 almost led to the destruction of the union — propelled Gordon to transform his union's offices into a meeting place for the unemployed, a place from which legal aid and social welfare functions could be performed and one in which literacy and other skills could be imparted





Forty years of life in Alexandra .. The 1912 proclamation of a freehold township (above), pass raids on residents (left) and (above) finding alternative ways to get to work during the bus boycotts of the 1940s

Photographs from Yours for the Union

Hirson's sketch of Gordon's political career is interesting not only for the biography it provides, but for the material it unearths on the trade union work of the Institute of Race Relations in the 1930s For it was the institute under Lynn Saffery which employed Gordon as a full-time union organiser, which provided personnel to attend wage boards across the country and which, as Hirson writes, "made itself indispensible" by providing money, legal aid and other assistance to the unions

Koza, born to a poor Northern Transvaal family in 1912, was as crucial as Gordon in the organising of new unions in the late-1930s He assumed leadership of the African Commercial and Distributive Workers Union in 1940 at the time of Gordon's internment and remained at its head for the next eight years, a time during which a number of successful strikes were undertaken by coal hauliers and supermarket workers organised by the union.

Koza, moreover, was clearly involved in far more than just his union's struggles At the conference which launched the African Mine Workers Union in 1941, he was nominated to a committee responsible for raising funds for the fledgling union Active in the Alexandra bus boycott and a founder member of the African Democratic Party, he was also a dynamic contributor to strategic thought within the labour movement

Although he never joined a Trotskyist grouping — a point not made sufficiently clear in Hirson's book — his impact upon the Rand's Trotskyists was significant Hirson was, in fact, one of the latter in the 1940s and he (somewhat anonymously) traces the work in which he and his comrades were engaged in their Workers' International League, an organisation of which he was the secretary

Even on an account as sympathetic as Hirson's, the International League cannot be said to have been a significant organisation or one which made a lasting impact on the labour movement of the Witwatersrand The Trotskyists never achieved the kind of implantation in the workers' and national liberation movements attained by those Hirson is at pains to criticise in his book the communists

Hirson pursues the communists implacably through his book, showing them no quarter Some of the points he makes are telling For example, he emphasises the wartime quandary in which the communists found themselves through their subordination to Moscow After the Nazi invasion of the USSR in 1941 the Soviet instruction to communists in Allied countries was to avoid strikes and rally all to the war effort This argues Hirson, prevented the Communist Party from making an adequate response to a "strike wave" during the war years That there was a rapid upturn in the industrial militancy of black workers during the war is convincingly demonstrated in 1945, the number of days lost through strike action was more than a dozen times their number in 1940 And evidence is provided of the party formally arguing against strike action after June 22 1941

However, evidence scattered throughout Hirson's book suggests that the story is much more complex than he implies

When every criticism has been made of Communist Party members — and Hirson's chronicling of their war-time inconsistencies and zigzags is a contribution to our understanding of the negative effects of Comintern meddling — it is, nevertheless, the achievements of their party which impress *Yours for the Union*'s reconstruction of the Rand struggles of the 1940s is, in fact, heavily dependent upon communist publications This is not surprising since the party monitored, recorded and participated in most of the key struggles of these years — an impressive record, given that its national membership in 1940, before its war-time expansion to well over a thousand, was only a few hundred

Readers of Hirson's book will be struck by the fact that even while he criticises the communists — sometimes with rancour — they emerge (despite the drift of the analysis) as an energetic, manifestly brave and effective political grouping

Other organisations — including Hirson's Workers' International League — fared far worse than the communists Even Koza's union, the Commercial and Distributive Workers Union, was decimated during this time, in 1947, its membership was barely 20% of what it was in 1943 As Hirson's book demonstrates, organising workers under a regime hostile to the unionisation of black people was no mean achievement And the communists appear to have done better than most in this

Hirson undoubtedly makes a contribution to our knowledge of the politics of the left in South Africa at this time but his book makes clear how necessary a rigorous and balanced assessment of the Communist Party is *Yours for the Union* is not that assessment It possesses too much of the hostility and rancour of an activist from an opposing tendency

A more finely-balanced socialist analysis of South African communism would produce not merely criticisms of the party members of the 1930s and 1940s It would also salute and honour them for reasons which Hirson — himself once a South African political prisoner — knows better than most The communist men and women of whom Hirson writes were in subsequent decades to be driven underground, into prison and exile, there to be stalked by assassins Whatever their involvement in expulsions of party members and despite their subservience to the Moscow line, what they strove and bravely fought for threatened a racist and authoritarian state And, in the last analysis, this — not the shoddy, Moscow-induced politics in which they sometimes engaged — is their legacy

Jeremy Krikler

©Jeremy Krikler teaches history at the University of Essex. This review was extracted from an article in the Southern African Review of Books, distributed by Ravan Press

Township life major cause of stress

22/6-28/6/90 W/E Mail

Poor living conditions, education crisis and unrest are the major causes of low worker productivity and ineffectiveness, reports MZIMKULU MALUNGA

STRESS caused by unfavourable township living conditions is one of major factors leading to lack of effectiveness and low worker productivity, according to University of the Witwatersrand industrial psychologist Jackie Duke.

She says factors such as unrest, poor living conditions, the education crisis and high unemployment are the main culprits

Consultant group Mandate will hold a two-day seminar on August 20 and 21 at the Sandton Sun hotel to address this issue. Speakers will include experts in the fields of industrial psychology, management and the labour movements.

Duke said about 76% of township residents experienced disturbance of sleep due to unrest in residential areas. Other factors leading to lack of sleep were noise plus fear of theft and eviction.

In a survey conducted recently, Duke stated: "The biggest stressor in the entire survey was finding somewhere to live." She said about 20% of the black work force lived in shacks In Soweto alone, there were about 43 000 people living in shacks, which housed an average of five people

Sixty percent said a member of the family was unemployed.

She found that township stress tended to worsen disputes between labour and management and that it intensified conflict between groups on the shop floor.

The fact that most township residents lived far from their working areas was a major stress factor About 80% of black workers spent an average of two-and-a-half hours daily travelling to and from work

Duke suggested solutions to the problem — companies needed to:

- Expand existing policies to incorporate guidelines regarding community issues such as pay during stayaways and detentions.

132

- Promote a realistic and pragmatic attitude among managers. "Confrontational managerial styles, whereby management identifies 'instigators' or intimidators and involves security police in labour matters, only serve to escalate the already high levels of labour/management conflict."

- Respond to personal needs and aspirations of their black employees.

Duke said organisations needed to be sensitive to the stress black managers experienced — while they were often regarded as "sellouts" by workers, black managers were also unable to win the trust of white colleagues, who frequently questioned their allegiences

Quick LRA transition to law 'still possible'

B/Day 22/6/90

132

The SA Employers' Consultative Committee on Labour Affairs (Saccola) yesterday published this account of events leading up to the present crisis over changes to the Labour Relations Act.

IN 1987 and 1988 Cosatu and Nactu, the two largest trade union federations, began waging national and international campaigns against the then draft Labour Relations Amendment (LRA) Bill

Saccola vigorously opposed these campaigns, and instead challenged the union federations to enter discussions with it about the Bill

These discussions began in March 1988 By August the three organisations had identified six problematic clauses in the draft Bill, and signed a joint letter to the Director-General of Manpower asking for a delay in the promulgation of these clauses, to enable employers and union federations to define solutions

The Bill was nevertheless enacted in September 1988

Timetable

Talks between the employers and union federations continued until May 7 1990, when the three bodies signed an agreement setting out detailed interim changes to the Labour Relations Act, dealing mainly with the clauses identified in 1988

This agreement was intensively debated within the ranks of Saccola's 10 member organisations and unanimously endorsed

At subsequent meetings in May between the parties to the agreement and the Director-General and Minister of Manpower, a timetable was agreed on in terms of which

☐ The agreement was published in a special Government Gazette in draft Bill form, and parties were invited to comment within a period of 14 days,

☐ The National Manpower Commission (NMC), the government's standing advisory body on labour affairs, was asked to urgently examine the agreement and, in the light of the comments received, recommend further action,

☐ The NMC did this, and although this report has not been made public, the Minister has informed the parties that the NMC — after considering the comments of interested parties — has recommended that one clause be omitted, one rewritten, two held over for further consideration, and that the balance of the agreement be translated into legislation,

☐ At a meeting with the Minister on June 12 — almost two weeks before Parliament was due to recess — Saccola, Cosatu and Nactu urged the Minister to proceed with at least those parts of the agreement that had been endorsed by the NMC

This view has been confirmed both privately and publicly on a number of subsequent occasions

Against this background, Saccola is frustrated that it has not been possible to at least begin the process of converting the NMC-endorsed proposals into law

Labour law sets out the rules by which the parties to an industrial society should deal with each other Those elements of the Saccola/Cosatu/Nactu accord which have been endorsed by the NMC now have the broadest possible employer and union support

The legislation of these proposals will serve the interests of industrial peace, and thereby the national interest

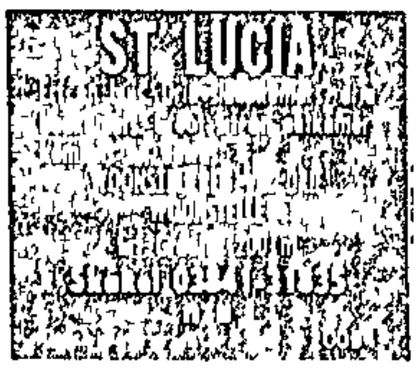
Against this background, Saccola welcomes the proposed meeting between Cosatu, Nactu, itself and the President.

It hopes this meeting will lead to a programme of action which will enable the Manpower and Education Joint Committee of Parliament to agree on a Bill by no later than September this year

This is a time for all parties to act in a way that will promote industrial peace

It is still possible to convert the proposed changes to the Labour Relations Act into law expeditiously

All parties should carefully consider whether their words and their actions positively contribute to this end



Labour movement to be examined in project

(132)

Sowetan 25/6/90

THE Council for Black Education and Research at Funda Centre in Soweto is to offer the third series of lecturers in its 1990 programme of non-formal education.

A spokesman said these lecturers are being offered jointly with the former Urban Training Project co-ordinator, Mr J L Noe.

They will be held at the centre in Zone 6 Diepkloof (opposite Lesedi Clinic) every Saturday from June 30 to August 11 They start at 10am and finish at 12,30pm.

Role

The theme of the lecturers is "Labour Movement". They will examine the past, present and future of South African labour movement and its role in the changing socio-political and economic scenario.

The programme is as follows: June 30 (The History of the Labour Movement); July 7 (Organising Workers); July 14 (Industrial Strikes), July 21 (Relation between Political and Industrial Strikes); July 28 (South African Labour Laws); August 4 (Trade Union Federations) and August 11 (Labour Movement and Political Struggle).

The presenters will include: Mr Thami Mcerwa, the Legal and Education Co-ordinator at Food and Beverage Workers Union, Mr J L Noe, MA in Industrial Relations (United Kingdom), Mr A Majola, labour researcher at Wits Graduate School,of Business Administration and Mr L C Mavuso, trainer/consultant at the SPA Management Consultants.

Labour, Saccola to meet De Klerk

Sowetan 26/6/90

132

THE National Council of Trade Unions will be part of the joint labour and employers' delegation which meets State President Mr F W de Klerk in Pretoria today to discuss the enactment of a new labour law.

The federation's assistant general secretary, Mr Cunningham Ngcukana, said yesterday Nactu would be represented by six senior officials.

The meeting takes place at the Union Buildings in Pretoria It follows threats of widespread labour unrest by the Congress of South African Trade Unions after the Government postponed enacting the draft labour law during the 1990 Parliamentary session.

Nactu, together with Cosatu and the South African Consultative Committee on Labour Affairs employers' body, are due to meet Mr de Klerk and Manpower Minister Eli Louw at 10am today, spokesman for the State President's office, Caspar Venter, confirmed.

The three parties responsible for the alternative Labour Relations Act accord planned to meet in Johannesburg late yesterday, Mr Ngcukana added.

Comment

Commenting on the meeting with Mr de Klerk, a Saccola spokesman said the State President was "not the type of man who would arrange such a meeting for nothing".

A Cosatu spokesman was not immediately available for comment.

A delegation of ultra-rightists will be meeting State President F W de Klerk in Pretoria today to raise "rightwing and white" views of the "new South Africa".

Announcing this yesterday, Herstigte Nasional Party chief secretary Mr L J van der Schyff said the HNP, Afrikaner Weerstandsbeweging, Magsaksie Afrikaner Nasionalisme and Genootskap van Regte Afrikaners would be represented at the 2pm meeting with Mr de Klerk in the Union Buildings - Sapa.

LRA protests put on hold

FW meets unions

FW DE KLERK

132

Sowetan 27/6/90

Cosatu officials arriving at the Union Buildings in Pretoria yesterday to meet State President FW de Klerk. They are Mr Cyril Ramaphosa (foreground), Mr Vusi Khumalo, Mr Marcel Golding and Mr Jay Naidoo (background).

By MONK NKOMO and SAPA

SEETHING labour discontent over delays in enacting a landmark industrial relations agreement between the country's major employer grouping and black trade union federations was temporarily eased yesterday.

This followed a four-hour meeting in Pretoria between State President FW de Klerk and the labour representatives.

The meeting ended with an interim arrangement aimed at resolving the continuing crisis over the Labour Relations Amendment Act.

A tri-partite working party will be formed within 14 days to examine ways of resolving the impasse over the law

P.T.O.

SOWETAN BUSINESS
Building the Nation

Protection for the worker comes first

(132)

Sowetan 28/6/90

WHY is deregulation seen as the answer to all problems? Should small businesses not be responsible to those who work for them? Will the removal of minimum working conditions create more jobs? This article raises the issues around the questions.

APARTHEID required regulations and licence control. To enforce separation of the race groups and suppress the black people, laws and rules were necessary.

Initially these racially discriminatory rules assisted business The market for goods produced was adequate and the White people could supply the skills needed for the economy. But from late 1960's economic growth also became constrained by apartheid rules.

Furthermore the 1973 Natal demonstration strikes and 1976 Soweto uprising worried business because they strengthened the international campaign against South Africa

Business formed pressure groups to lobby Government to change to what it saw was needed, eg. Urban Foundation and Free Market Foundation (FMF)

FMF argued that regulations should go and state enterprises be privatised This argument was accepted in the wider society because in the examples to explain those principles, the racial constraints on the Black people were quoted

Hence initially the ideology of free markets and individualism was not challenged But as a new South Africa starts to emerge with no racial constraints the impact of that ideology as solutions for the country's problems has to be questioned.

Federations

The union federations have warned against privatisation and deregulation The assumption that no rules are necessary and collective needs of people are not the State's responsibility has to be challenged.

Other pressure groups such as Job Creation and the Sunnyside Group want no restrictions to be placed on the small businessman in his employment practices Whose interests are they protecting?

Industrial relations

Unions fight for and have achieved throughout the world protection of their members against exploitation and industrial injustices. Black unions fought for recognition in the last two decades

Industrial relations principles of due process and fairness, which procedures of the recognition agreement requirements are now supported by the Courts

The minimum wages and working conditions in agreements negotiated by unions and employers' associations for an economic sector improve the quality of life of most workers covered by the LR Act

Civilised societies develop institutions such as the Industrial Courts, industry training boards and collective bargaining forums (industrial councils) because it is recognised the individual worker is powerless He has to beg for work and cannot protect himself

Contract

The employment contract between the individual worker and the employer cannot be equal unless

* there are minimum job protection requirements,
* there is enforcement to ensure that employer adheres to these minimum requirements

What are they?

Who does the checking?

The conditions of work and quality of life which have to be protected include

* hours of work, control over amount of overtime, payment for overtime, paid holidays, mutual funds to pay for doctors and medicine and other medical costs, some protection when injured on duty, safety in the workplace, risks against dangerous substances which damage health,
* social security schemes to give sick leave when off work because of illness, when old age forces retirement, when unemployed, when there is retrenchment, when the factory is on slack, ie shortage of work because of unforeseen circumstances,
* a training levy to set up training institutions to help people learn a wide range of skills

This is why over the decades labour laws have been developed such as Basic Conditions of Employment Act, Guidance and Placement Act, Wage Act, Workmen's Compensation Act, Machinery and Occupational Safety Act, Unemployment Insurance Act, Manpower Training Act, Labour Relations Act

Apartheid

The removal of apartheid laws must not be used to quietly retrench social citizenship protection and rights of the above laws

Business pressure groups must not remove protection in the name of profit as the only goal to guide society

Are those business people prepared to say the following are not entitled to protection

The injured worker; the worker with a lung disease or cancer from chemical substances, the worker who is not paid on time, the worker who is paid for an unskilled work but does a responsible job, the widow whose husband was killed because of employer negligence, the worker retrenched after 10 years service, the worker who is sick, etc

Regulations require enforcement to ensure adherence In the field of industrial relations this is best done through shop stewards, agents of industrial councils, inspectors of the Department of Manpower

Since the 1980s the department's statutory institutions are emphasising ideas such as self-regulation by the parties in occupational health, devolution in the establishment of industry training boards

Industrial relations is concerned with social rights and procedural and regulatory requirements which cannot be compared with licensing controls

Pressure

The pressure from the current Government through the Department of Manpower to force industrial councils to give permanent exemptions for small business defeats the principles of labour policy of the Government

The present principles are tripartism, freedom of association, maximum measure of self-government, minimum measure of state intervention, etc

The present Government cannot claim to protect public interest in the deregulation and privatisation policies as they were set by a white Government in response to interest of business pressure groups

Should the Department of Manpower not stop all privatisation and deregulation plans?

The exemption process and renewal

The business lobbyist for free enterprise, deregulation and privatisation can no longer hide behind apartheid restrictions and inappropriate licences requirement to promote their ideology

The social context for the situation has to be acknowledged The FMF attempts to deregulate everything in the Cisker ignored the social context

The above concerns do not mean certain situations do not require special consideration and exemption from regulations A number of industrial council agreements might require renewal

Process

Now that black unions are party to industrial councils this renewal process can be started

But those situations and the disputes caused by them can be processed Industrial councils do grant exemptions to small business or companies making specialised products

In the 1960's industrial councils did exempt certain employers in consultation with the workers, from certain clause of wage agreements - but for a specified period

If these exemption processes are not working or cumbersome, then they should be and can be simplified There might be a need for an independent objective arbitration procedures for temporary exemption from certain rules established in the name of protecting of social rights, if industrial councils are believed to be unfair

The idea of a body like a small claims court but, then for the employment relationship, could be considered

The experience of a decade of industrial relations can be brought together by federations such as Saccola, Nactu and Cosatu to negotiate a code of conduct to help small business

Such a code could ensure specific agreement clauses of certain industrial councils are not restrictive for a small business in the first year of its operation

Business

Small business faces financial costs to ensure the social rights of the ordinary worker are protected But they are not exorbitant and do not prevent their operation

At the same time they are for the common good And the new South Africa is a South Africa where privilege cannot be maintained for a select few

'High levels of intimidation'

Strike action trebles lost production

B/Day 2/7/90

132

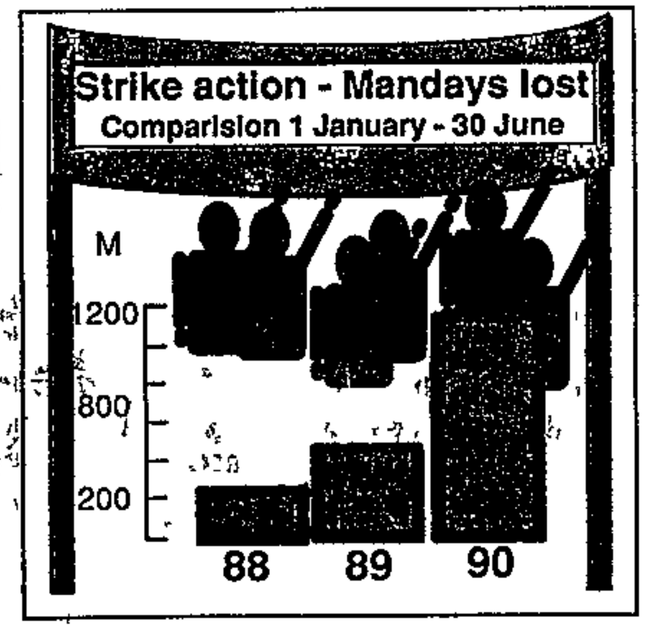
DANIEL FELDMAN

NEARLY 1,2-million man-days were lost because of industrial action in the first half of 1990 — almost treble the number for the same period in 1989 (463 864), a recently released labour report said

Much of the activity was accompanied by unusually high levels of intimidation and violence, said consultants of Levy, Piron and Associates, who compiled the statistics

They expect that "this large scale mobilisation will not abate in the months ahead, in light of the government's decision regarding amendments to the Labour Relations Act and the possible results of annual wage talks now in full swing".

The consultants warned that this could herald "an unprecedented wave of industrial action which employers would find difficult to counter"



Graphic LEE EMERTON Source LEVY, PERON & ASSOC

Employer, union and government spokesmen said the significant increase in strikes was due to a combination of heightened worker expectations resulting from recent political changes, and SA's economic problems

Anglo American chief communications officer James Duncan commented "Political changes since the beginning of the year, together with economic constraints, have almost certainly led to mixed feelings of expectancy, uncertainty and frustration in most sections of the population It is probably not wrong to assume that these have contributed to greater levels of industrial disturbances of various kinds"

The report said there had been a dramatic increase in the level of strike action in the public sector The figure jumped from only 0,4% of the total man-days lost during the first half of 1989 to 46,2% during the first half of 1990

"Much of the industrial action taking place in schools, hospitals and local municipalities has succeeded in bringing to the public's attention the plight of public sector workers — an area that has been largely overlooked by the union movement until now — as far as their wages and working conditions are concerned," said Levy Piron senior consultant Brian Allen.

☐ To Page 2

Strikes

B/Day 2/7/90 132

☐ From Page 1

Manpower Commission acting chairman Frans Barker said the increase in public-sector action justified the urgent attention labour was receiving from government

Although the actions could be tied to political developments, he noted there had been a "worldwide increase in the awareness of public sector workers' rights"

Wages as a trigger factor accounted for the largest percentage of strikes in terms of man-days lost (63,5%), followed by grievances and/or discipline (26%) and dismissals (1,7%)

The six most active unions with regard to the number of strikes were Numsa (19,1%), Chemical Workers' Industrial Union (CWIU) at 11,8%, NUM (11%), Printing, Paper, Wood and Allied Workers' Union (6,6%), SA Commercial Catering and Allied Workers' Union (6,6%), and Food and Allied Workers' Union (4,4%)

Numsa national organiser Bobby Marie said "We don't necessarily want to go out and start strikes, but they are indicative of our members' frustrations with current wage offers and other issues"

He said the many wild-cat strikes the metal industry had experienced this year reflected the "growing militant attitude of the workers"

Seifsa executive director Brian Angus said while it was understandable that raised expectations from political developments were spilling over into industrial relations, it was worrying that so much wild-cat action had taken place

"It indicates the unions don't have total control over their members," he said

A mining industry spokesman said many of the sporadic work stoppages and sit-in protests at mines this year had been caused by "tensions between black and white workers over black workers' perceptions of racial discrimination"

NUM spokesman Jerry Majatladi confirmed this view, adding that miners were increasingly frustrated by economic factors they had no control over which were given as reasons for "poor wage offers and working conditions"

Saccawu led the field in terms of man-days lost (12,3%), largely due to the prolonged OK Bazaars strike, followed by Ppwawu (10,6%), Numsa (9,1%), SA Chemical Workers' Union (5,6%), CWIU (4,7%) and Transport and General Workers Union (4,1%)

The report noted that a feature of the strikes at OK stores and the Cape Town municipality was the large-scale demonstrations by workers at the various head offices in an attempt to gain public sympathy and support

It also said sit-ins were emerging as a feature of industrial action, often forcing employers to evict workers from their premises

● See Page 3

Labour movement reconsiders closed shop

ALAN FINE

SA's LABOUR movement is fast changing its collective mind on the desirability of the closed shop B Day 21/7/90

Seen by black unions for many years as a white union ploy to entrench job reservation, the closed shop is now finding favour, according to an article in the latest edition of the SA Labour Bulletin

Co-authored by Chemical Workers' Industrial Union general secretary Rod Crompton and labour lawyer Chris Albertyn, the article expresses misgivings about "free riders". (132)

The main concern hinges on how a union deals with those who refuse to belong to the union or participate in disputes but nevertheless take advantage of benefits won by the union.

They also say free riders, by scabbing during strikes, make it easier for employers to dismiss striking union members

Various suggestions, designed to counter negative viewpoints, are put forward including one that a majority in a bargaining unit should be required to ballot in favour of introducing a closed shop and that there should be a regular review.

A mechanism should also be present which would enable a significant minority (30% to 40%) to petition for a re-ballot during a two-year period

● See Page 12

of government o . c.a.s, work-

I thought you'd like to know.

Closing shop on free riders

B Day 2/7/90 (132)

ALAN FINE

THE present generation of black trade unions has, until now, been almost unanimous that the closed shop — the scheme whereby all workers in a particular bargaining unit are compelled to belong to the recognised union — is undesirable

An article in the latest edition of the SA Labour Bulletin written by Chemical Workers' Industrial Union general secretary Rod Crompton and labour lawyer Chris Albertyn suggests that this is changing fast

The closed shop earned a bad name among black unions because in SA it was, for a long time, used by right-wing white unions as a form of job reservation. Because blacks could not join those unions they could, by definition, not be employed in the skilled categories of work covered by the union/employer closed shop agreement.

A second union argument against closed shops (one which would now be shared by many employers, although those employers did grant to conservative unions the right over the last few decades) was that they contravened the principle of freedom of association.

Thirdly, drawing on foreign experience, the black unions also saw the closed shop system as causing unions to become lazy and bureaucratic — as opposed to sharp and militant — because officials did not face the task of selling membership to potential recruits (and retaining them) through good service.

The issue arose in earnest during a Cosatu seminar in May, and Crompton and Albertyn have produced a detailed set of arguments in favour of unions reassessing their traditional opposition to the closed shop.

Their main concern, and the concern of all union proponents of the closed shop, is How do we deal with the free riders — those who refuse to belong to the union or participate in work place struggles but nevertheless take advantage of benefits won by the union?

Worse, the authors say, is that free riders, by scabbing during strikes, make it easier for employers to dismiss striking union members.

They make various suggestions designed to counter previous negative tendencies of the closed shop (Although it is not clear, they do not seem to be arguing for the the most restrictive system — the pre-entry closed shop where a potential job applicant must be a union member before he or she can be employed)

To avoid negative effects, the authors propose that a significant majority of workers in a bargaining unit should be required to ballot in favour of introducing a closed shop and that there should a regular review — every two years, for example.

Further, they say, a significant minority (30% to 40%) should be able to petition for a re-ballot during the two-year period, a union's constitution should make it possible to admit all employees regardless of race, gender or creed, workers should be entitled to belong to a second union, and, the union should not affiliate to a political party.

Crompton and Albertyn then turn their attention to the principle of freedom of association, probably the most contentious aspect of a future debate

The common view that freedom of association merely means the freedom to disassociate, they say, is wrong It is "also the right of workers to associate with whom they want to, even if they want to associate with (others) who do not want to associate with them"

The point, they argue, is to weigh up whose rights should carry more weight — those of the group (union members) or those of the individual free rider.

The authors, naturally, argue for the rights of the former to be predominant — citing civic issues like the obligation of all citizens to pay tax or undergo compulsory military service when a state representative of the majority decides so.

"Is it not an abuse of freedom of association if only the free rider is protected?" they ask.

BOOKS

Militant unions could leave SA's embattled economy in tatters

S/Times 8/7/90

By MARION DUNCAN

SOUTH AFRICA's strife-torn economy is being swamped by a rising wave of worker militancy that is unprecedented in its history.

Already this year, 1,2-million man-days have been lost to strikes and stayaways — almost three times the number for the same period last year (463 864) and five times the figure for the second half of 1988 (229 614).

The cost in hard cash is impossible to estimate, but stoppages and reductions in production and loss of sales alone are accounting for tens of millions of rands a day

And industrial relations experts are not optimistic.

A snap survey by the Sunday Times of a dozen in-house industrial relations (IR) managers and outside consultants produced unanimity on the prospect of things getting worse before they get better.

All were also concerned about the increasing violence connected with industrial action, which several experts described as "very, very ugly"

Said Jackie Kelly of Andrew Levy, Piron & Associates: "Now that the latest round of wage talks is in full swing, the next three months will probaby see increased militancy and pressure in the form of strike action and unrest.

"Combined with the tensions arising from the Government's decision not to pass legislation during this current session of Parliament on proposed changes to the Labour Relations Act, this could herald an unprecedented wave of industrial action."

Johan van den Berg, managing director of The Industrial Relations Consultancy, agreed. "IR consultants are supposed to act as hope merchants, concentrating on preventive measures. But right now we're not preventing anything We're working full time putting out fires."

A major concern of everyone involved in IR at the moment is that the unions appear to have lost control of their members

Said Mr Van den Berg: "Increasingly, members are pressing unions to start now with the redistribution of wealth that they expect as a result of the reform process.

"Since the release of Nelson Mandela, those expectations have been running high — and they are looking at the private sector to fulfil them.

"In the past, union executives have been prepared to negotiate unrealistic demands down to realistic levels. But not any more.

"Now they are sticking with wage demands of 50 to 60 percent, which are quite impossible to meet

"And the politicisation of the movement is now tremendously hard to deal with. This festering civil war in Natal is actually affecting shop floor relations around the country.

"We have clients in Pietersburg, where there isn't a single Zulu, who are having labour problems because of Natal."

IR experts further agreed that union executives were becoming more difficult to approach: they are not talking to the Press or to private companies without permission from their general secretariats; they are not prepared to have informal discussions on even the most innocuous topics; and they will not even agree to address IR symposiums or conferences

Employers are responding with a harder line resorting to interdicts and lockouts. They are also reluctant to talk openly about either their problems or their opinions, fearing retaliation from the publicity.

132

And now there are fears that companies will either put the brakes on proposed expansion plans, or turn increasingly to mechanisation — which will aggravate already severe unemployment.

There are strikes, stayaways, sit-ins or work stoppages in the Checkers and OK Bazaars chains, Southern Sun and Holiday-Inn hotels, city hospitals in the Eastern Cape and Natal, the Port Elizabeth and Cape Town municipalities, at Delta Motor Corporation, the Stellenbosch Farmers' Winery, and in schools and manufacturing plants around the country.

There are consumer boycotts in Welkom, Louis Trichardt, Klerksdorp, Groblersdal, East London and throughout Natal.

The most dramatic increase in strike action this year has been in the public sector, where it has risen from 0,4 percent (of all strikes) in the first half of 1989 to 46,2 percent from January to June this year.

Man-days lost to the economy highlight the scale of the unrest. in the retail sector 12,3 percent; in printing 10,6 percent; in the mines 9,1 percent; in the chemical industry 9,8 percent; and in transport 4,1 percent.

Trigger factors include wage demands (63,5 percent), grievances and general disciplinary problems (26 percent) and dismissals (1,7 percent).

As Miss Kelly put it: "This is large-scale mobilisation which will not abate in the months ahead."

PAY RISES OUTRUN INFLATION

By ADRIAN HERSCH

IN spite of a harsh economic climate, trade unions are gaining wage increases well ahead of the rate of inflation

A wage survey conducted by Levy Piron & Associates (LPA) covering February to June this year shows an average pay settlement of 17,7% above the previous scales The consumer price index was 13,9% in May

LPA senior consultant Pat Stone says "Pressure on employers has increased since last year Almost three times as many mandays were lost through strikes in the first half of the year as in the same time in 1989"

Mr Stone says that as a result of the living wage campaign, there is great pressure for large increases at the lower levels Employers have increasingly had to prepare for negotiations by analysing living-level surveys, such as those conducted by the University of Port Elizabeth and the University of South Africa

In the period under review, the Chemical Workers Industrial Union secured the highest minimum and average rate — R5,32 and R6,28 an hour respectively, followed by the SA Commercial Catering and Allied Workers Union (SACCAWU) (R4,69 and R5,41), the Paper, Printing and Allied Workers Union (PPAWU) (R4,47 and R4,94), and the Food and Allied Workers Union (FAWU) (R4,22 and R4,63)

Noting that SACCAWU and PPWAWU gained rates above those for FAWU, the report says "Perhaps it is significant that these two unions headed the list responsible for the most mandays lost during the January-June 1990 period."

A feature of negotiations this year is the diversity of demands made by the unions

Demands, including six months' paid maternity leave and job guarantees, are being made in sectors where they have traditionally not been sought

They have been a high priority for some years in sectors employing large numbers of females — for example, the retail and textile sectors

Disputes

Demands for skills training, study leave, educational assistance and bursaries for dependants are being tabled regularly.

"In many cases concessions are being made as a better educated workforce is of benefit to all," says the report

Disputes were declared in 47% of the negotiations Of them, 31% were referred to conciliation boards or industrial councils, 22% to mediation and the rest resolved by the parties concerned

Industrial action was reported in 24% of the cases Most action was in the form of strikes (47%) followed by overtime bans (43%) and go-slows (8%)

On average, 76 days passed between the initial union demand and the agreement being concluded This compares with 89 days in 1989 and 87 in 1988

Activist Hepple gives keynote talk

By CARMEL RICKARD Durban (132)

AFTER 27 years of silence imposed by South African government restrictions, anti-apartheid activist Bob Hepple last night gave his first public speech in South Africa.

Hepple, who is now dean of the faculty of law at University College, London, gave the keynote address on "the role of trade unions in a democratic society" at the Labour Law Conference in Durban

He left South Africa at the time of the Rivonia Trial, when he was restricted under the Suppression of Communism Act W/Mail 13/7 – 16/7/90

Hepple was introduced by Mr Justice Didcott, who said his return was long overdue.

Hepple said for there to be true democracy in any country, it was necessary that there should be a strong, independent and democratic trade union system

"Trade unions need democracy and democracy needs trade unions," he said

Trade union lectures continue tomorrow

By Montshiwa Moroke

Seven weeks of thought-provoking and informative series of lectures on trade unionism which began at the Funda Centre in Diepkloof, Soweto, last Saturday, will continue tomorrow.

The non-formal education programme is being held jointly by the Council for Black Education and Research and the Urban Training Project, every Saturday until August 11

The theme of the series is "Labour Movement: Examining the past, present and future of South African labour movement and its role in the changing socio-political and economic scenario".

The programme is as follows July 7 (Organising workers); July 14 (Industrial strikes), July 21 (Relation with political and industrial strikes), July 28 South African labour laws), August 4 (Trade union federations) and August 11 (Labour movement and political struggle).

The presenters will include: Mr Leonard Charles Mavuso, trainer/consultant at the SPA Management Consultants; Mr Mnwabisi Vika, national organiser at Black Allied, Mining and Construction Workers Union (Bancwu), Mr Abel Majola, labour researcher at the Wits Graduate School of Business Administration; Mr Thami Mcerwa, legal and education co-ordinator at the Urban Training Project and Mr Jacob Lehoko Noe, MA in industrial relations (UK)

The lectures last until 12,30 pm and registration is R3 for adults and R2 for students, for the duration of the lectures. Mrs Matshidiso Napo, co-ordinator of the programme can be contacted at 938-1485/1770-2, for further information.

Looking at SA's cultural war

At the Grahamstown National Arts Festival the ANC's culture chief, Barbara Masekela, fired a salvo in the cultural war now being waged between People's Culture and the Eurocentric Establishment **DARRYL ACCONE** reports.

132

Culture in South Africa has never been merely culture, and in the new South Africa its political role will be heightened.

Already, many have quibbled over the ANC's stated intention to use culture as a political weapon, conveniently forgetting the legacy of cultural domination imposed by colonialism and apartheid

In this century, Afrikaner nationalism was suppressed by the English, and along with it the Afrikaans language and culture

The roles were reversed after 1948, and Christian National Education was made a mighty arm of Government, bolstering the political, social and economic status quo under the insidious imprimatur of religious doctrine

At the same time, European notions of art and culture were fostered and the linguistic duopoly of Afrikaans and English flourished

For all this time, the social and religious rites, languages and cultural practices of most of the country were ignored South African culture, if it existed in any coherent form at all, was a melange of exclusive English and Afrikaans elements.

Why then the sudden disquiet about the ANC's cultural policies following ANC culture chief Barbara Masekela's landmark address at the Grahamstown Festival?

For one, the ANC is following a well established tradition, for another, it seems genuinely to be striving for the creation of a truly representative indigenous culture that will not discriminate against nor necessarily exclude its Afrikaans and English-based forerunners.

But there are caveats There are many who will see "accountability" as a restraint on artistic freedom

According to Masekela, "accountability is not censorship" The thesis runs that the Freedom Charter and the ANC's constitutional guidelines guarantee artists freedom of expression, provided they do not claim their work has "a representativeness it does not have"

Well and good, except there follows the conditional clause "Those who wish to speak on behalf of the South African people must be part of structures which can join with them in shaping and giving mandate to their message, so that when it reaches the ears of the world, it truly represents us as a nation"

This seems nothing less than a thinly disguised statement of intent to pursue some form of selective boycott against artists who in the future do not ally themselves to progressive cultural bodies

It would appear that such non-aligned, independent work is by definition unrepresentative of the nation, that the only cultural products that will be deemed truly South African are those which will be created by committee

The cultural boycott has been extraordinarily successful in propagating alternative, progressive and people's culture while halting the dissemination of apartheid culture. When it has fully served its purpose, when apartheid goes, so will the boycott, says Masekela.

But it would be inexcusable equivocation if a modified form of the boycott were to remain in place in a post-apartheid society

Would that not be a betrayal of the ANC's constitutional guidelines and the Freedom Charter? Surely the ANC would wish to avoid following in the unsavoury footsteps of its censoring and proscriptive predecessors?

Efforts to hasten the demise of the boycott from within the country (by independent artists and even the arts councils) account for theatre, dance and music inching away from purely European models towards more indigenous exemplars

But, according to Masekela, the move has not been sufficient to redress the historical imbalance that has seen "South Africa's cultural worth in terms of its ability to produce a 'Fledermaus' which can rival the Vienna State Opera, a post-structuralist novel which will rival Paris or acid-house music just like London's"

Protagonists

It is over this issue that the cultural war in the new South Africa will be fought The protagonists will be the Eurocentric Establishment on the one hand, the people and People's Culture on the other

However, it will not be an all-or-nothing affair

While laying into Eurocentrism as "increasingly irrelevant even to the soul of a white community which has in some cases lived in Africa for two centuries", Masekela has also acknowledged, on TV1's arts programme "Collage", that she fears her children will be relatively deprived of European culture with which they have grown up in exile

The major purveyors of "ersatz European high culture" have been the State-subsidised provincial arts councils and the annual Grahamstown National Arts Festival

The ANC is, however, unequivocal the councils, in their present form, must go, the Grahamstown Festival must change radically, moving away from its "colonial connotations" to reflect accurately the voice of the majority

In their defence, the arts councils have in recent years increasingly shifted focus from the foreign to the local, but it appears the process has been deemed too little, too late

It should also be noted that years before this belated enlightenment, independent, progressive artists were calling for the exposure and vigorous promotion of indigenous cultural forms

In the new cultural climate, these committed creators and performers have been joined by opportunists, of whom both sides in the struggle will have to be wary

But if it is a barometer of the cultural future that we seek, it is to the Grahamstown Festival we should look

The first thing to note is that the festival was launched as a celebration of English culture in South Africa The 1820 Foundation Monument is not an accident in nomenclature

Despite its genesis, the festival has made progress in presenting a broader range of culture

Again, this has not been sufficient to convince progressive groupings such as the local Grahamstown Cultural Congress (GCC)

A GCC member told me that the Monument is perceived as being "monstrously representative of the elitism of the festival" while another said "the Foundation is only now experiencing the early stages of liberalism — and it is hurting"

There is more than a measure of truth in both charges, as well as the kernel of a solution

Already, festival committee chairman Professor Alan Crump has announced that a committee has been constituted to investigate changing the name of the Foundation

Only one thing is certain about Grahamstown and a true national culture the hegemony of the old must not be replaced by a hegemony of the new That would betray all the people of South Africa

Mandela to address rally

MAPUTO — ANC deputy president Nelson Mandela, who arrived in Maputo on Saturday, was to have talks with Mozambican leaders yesterday

Today he is to address a rally in Maputo's Independence Square

Mandela, on the last stop of a triumphant tour of Europe, North America and Africa, was met by President Joaquim Chissano at Maputo airport, where he received a hero's welcome from tens of thousands of Mozambicans

Asked at a Nairobi news conference before his departure for Maputo about prospects of an ANC link-up with the PAC, he said "There are certain organisations which have no significance whatsoever to our struggle" — Sapa-Reuter

Jo'burg council to spend R300 000 fighting AIDS

B/Day 16/7/90

TANIA LEVY

THE Johannesburg City Council has earmarked R300 000 for AIDS education this year

By the end of 1991 an estimated 40 000 people in greater Johannesburg will test positive for HIV

According to the council's acting Medical Officer of Health, Nicky Padayachee, about 6 000 people in the area tested HIV positive by the end of last year This figure is doubling every eight and a half months

Of the 463 cases of full-blown AIDS reported in SA by 21 June, 178 are in the greater Johannesburg area

Padayachee says the area probably accounts for between 50% and 60% of the country's total number of people with AIDS

Health and housing committee chairman Marietta Marx says R300 000 has been allocated separately from the health budget and will be controlled by the management committee

Padayachee says most of the money will be spent at the council's AIDS centre in Hillbrow — training volunteers from existing non-governmental organisations These people have the credibility and skills to reach communities but need material and training assistance from City Health

He says some of the money will go towards existing AIDS awareness programmes such as bus advertisements and the health department's AIDS play which has already been performed for more than 15 000 unskilled workers

Schools are a crucial site for AIDS education, particularly in SA where more than half the population are of school-going age Young people are the most sexually active and therefore most at risk of becoming infected with the virus

While black and coloured schools have welcomed the council's AIDS programmes, the Transvaal Education Department refuses to allow this sort of education at white government schools, Padayachee says Parents have to pressurise government to allow AIDS education in schools

One of the greatest tragedies of AIDS is that people will not take the disease seriously until they start seeing many cases — and by that time it will be too late to contain the epidemic, he says

Stresses of township life heighten labour conflict, says study

132

DANIEL FELDMAN

TOWNSHIP life, characterised by high levels of social and political unrest, was found to heighten labour-management conflict and increase worker militancy, a recent study said

Wits industrial psychology lecturer Jacqueline Duke, who conducted the survey, said. "The turmoil evident in the wider SA society has exerted a direct, negative effect on black community life." This affected labour relations

Duke found 76% of the sample of township residents experienced disturbed sleep because of township unrest; 75% reported that life was dangerous in the townships, 67% experienced an atmosphere of tension, 58% reported a general breakdown of law and order in the townships, and 52% experienced violence on public transport. B/Day 16/7/90

The unemployment crisis was also highlighted — 60% of respondents said a family member was unemployed or had lost his job during the past year Other stresses were accomodation and rent problems, education and the effect of the legal system on black community life

Duke said township stress led to intensified conflicts between different factions in the workplace, decreased job satisfaction, and negative attitudes toward the company, including perceptions of company policy, supervision and the handling of grievances

It was essential that organisations ascertained what stressed employees and what their community-based needs were before embarking on social responsibility programmes

"Managers need to communicate across different cultural and ethnic groups in organisations Through an understanding and awareness of different cultural groups, managers can develop creative strategies that will satisfy the divergent needs, motivations and aspirations of all employees in the organisation"

Industrial relations consultant Stuart Pennington and SA Clothing and Textile Workers' Union assistant general secretary John Copelyn will speak on these issues at a seminar next month

Workers need real freedom

MARCEL GOLDING

VIOLENCE in the workplace must surely rank as one of the most pressing matters preventing the development of a democratic culture in the workplace and in the rest of the society. But solving this problem is no simple matter.

In his speech at the May 23 Consultative Business Movement conference with the ANC, Gavin Relly said "Collective bargaining is a widely practised redistributive mechanism" But I would question whether the trade unions actually have sufficient substantive bargaining rights to ensure effective bargaining

Conflict is the product of unequal and divided societies and is essentially a struggle by social forces to effect equilibrium or a change in social arrangements.

In the political arena it is about forms of political representation, in the industrial arena it is about bargaining and organisational rights for workers and trade unions, and on the economic terrain it is about how wealth is to be created and distributed

Put simply, conflict is a necessary component of our society and will remain so even after a non-racial, democratic SA has been established. What is important is whether conflict can be managed in ways that ensure proper regulation through institutions enjoying consent and legitimacy.

While the Labour Relations Act promotes collective bargaining as the primary method of resolving industrial disputes and provides for the extension of formal rights or freedoms such as the right to participate in trade union activity, in many areas these rights are at best formal and have no real substantive content

The ancillaries to the free organisation of workers, such as the rights to assembly, free speech and movement are limited and, where they are granted, they are severely curtailed and regulated by the employer.

A classic example of management intervention and control over trade union activity is contained in an agreement which one mine in the Anglo American group (the very group of which Relly was chairman) insisted our union sign before they granted permission for union meetings.

We had to agree that only bona fide union-related matters may be discussed, that any management representatives, including security staff, may be present, that no political issues be discussed or political slogans used, that no singing and/or dancing take place and only such business as stated on the agenda may be discussed. No speaker, other than those whose names appear on the letter of application, may address the meeting.

Without basic liberties and trade union rights — including the right to strike without fear of dismissal — we cannot talk of the real freedom to pursue democratic trade union activity

Conflict resolution cannot have the remotest possibility of regulation if there is no relative equality in the relationship between the trade unions and the employers, and where the institutions and legislation do not enjoy the support and legitimacy of the parties involved

Collective bargaining as the primary method of conflict resolution is futile if substantive rights do not exist for workers and their unions Without those rights there will be no accountability, no institutional relationships, no regulation, and no incentive to abide by these rules.

Any serious unionist knows that violence is not beneficial for organisations. And union leadership does not accept violence as a method of achieving objectives. We have to use patient and persuasive work among workers to achieve consent.

But it would be naive to discount the real presence of what is perceived as violent and intimidatory behaviour (although employers often exaggerate its extent, and misinterpret arguments between strikers and non-strikers, or singing, as intimidation).

The questions are how can it be eliminated or is it containable?

Take the mining industry as an example The range of authority structures, the unnatural environment of housing thousands of people in hostels, the limited avenues to pursue recreation and the highly restricted environment, with an over-zealous security force, all contribute to a climate of heightened conflict and even violence.

When industrial action occurs, because picketing is restricted workers have little means to bring legitimate social pressure to bear on scab workers.

These restrictions do not eliminate picketing. Instead, it is driven to areas where it is less manageable and where over-zealous strikers are left unregulated. Instead of having it managed openly at the workplace, it is driven to the townships, buses and trains where unions have little prospect of monitoring conduct.

The absence of facilities and substantive rights is a recipe for greater conflict and violence

I believe that if democratic and organisational rights are extended to workers, and unions have access to counsel workers, greater prospects exist of dealing with violence at the workplace

☐ **Golding is assistant general secretary of the National Union of Mineworkers. These are excerpts from a speech at a recent Unisa seminar.**

F/M 20/7/90

SHOP STEWARDS (132)

Men in the middle

Most shop stewards seem to prefer negotiation to strikes as a method of solving disputes Strikes are seen as a last resort, says Human Sciences Research Council senior researcher Ros Hirschowitz, project leader of a study into industrial relations and the role of the shop steward

The study probed the views of 123 shop stewards on their role and status in the work force and examined skills required and training received It also records the views of trade union officials and industrial relations managers

"The shop steward plays a key role in industrial relations," says Hirschowitz. "He is the elected representative of the workers at a factory or other place of work"

But differences in perceptions between managers, trade unionists and shop stewards regarding the role of shop stewards sometimes lead to misunderstandings and tension.

Unionists are more likely than managers to understand the complexity of the shop steward's role in industrial relations, the study finds. However, workers often have unrealistic expectations of what the shop steward can achieve.

"The most common problem identified by all the groups related to communication between shop stewards and lower- to middle-managers and supervisors," says Hirschowitz.

Shop stewards saw as their most important function the fostering of good relations between workers, managers and union officials

Specific duties include keeping the records of incidents in the workplace and all documents that can affect labour relations, recruitment of union members, dealing with workers' grievances, and representing fellow workers at disciplinary procedures

The report recommends that as many shop stewards as possible receive training

This should include methods of recruitment of union members, understanding grievance procedures, negotiating skills, communication and interpersonal skills, and understanding cultural differences that can influence labour relations

While unions should be responsible for training courses, says the report, companies should assume responsibility for industrial relations training at all levels of management It's also recommended time be set aside for management-worker contact and that regular shop steward-manager and shop steward-worker meetings be permitted ■

Survey shows black optimism

(132) Star 20/7/90

Black people are more optimistic about the future of South Africa than whites following recent changes made by President F W de Klerk, including the release of African National Congress leader Nelson Mandela, a recent study says

A poll conducted in May by Markinor research group also indicates that more blacks than whites believe the relationship between the two race groups is improving

Pollsters interviewed 1 500 black men and women in metropolitan areas and 800 white women in urban and rural areas

"The optimistic attitude among blacks can be attributed to the confidence they have in President de Klerk and his recent political changes," commented a Markinor director.

White pessimism was most prevalent in the platteland, Orange Free State and the Pretoria, Witwatersrand and Vaal area.

The study found that 43 percent of blacks believed Mr de Klerk was leading the country well, as opposed to 27 percent of whites.

Only four percent of blacks polled voted no confidence in Mr de Klerk This view was shared by 14 percent of whites.

More than 50 percent of black people as compared to 31 percent of whites see the relationship between black and whites improving

Markinor said the survey had a high degree of accuracy. — Sapa.

Township stresses weigh heavily on the workplace

Sarah Sussens

The single most stressful factor for the average township resident is not being able to find a home

It is rated as more traumatic than a host of other stresses, including witnessing a necklacing and the inability to provide regular meals for the family, according to research done by a psychologist at the University of the Witwatersrand

Jacqueline Odesnik-Duke, a lecturer in industrial psychology at Wits, spent 2½ years researching township stresses and the impact they have on the workplace.

The research is to be used by a human resources company, Mandate, in an attempt to find ways of addressing community and family problems impacting on workers' jobs

Mrs Duke said her research was a breakthrough as it was the first time it had been proved there was a link between township stress and performance in the workplace

"We found that unfavourable conditions such as poverty, poor education and housing problems created a negative attitude on the part of workers, many of whom felt their own employers were perpetuating the system of apartheid."

Necklace

She said the inability to find a home was the most traumatic factor as it had a disruptive effect on township residents' health, family, home life and quality of life in general.

The witnessing of a necklace was often seen as the meting out of a well-deserved punishment.

"We hypothesised that this was less stressful, as those who were necklaced were often seen as perpetrators of apartheid Necklacing is seen as a justifiable form of punishment for such a crime

"Also, people are motivated by their most basic needs If they don't have shelter they will get extremely stressed. This explains why it is a number one stress factor"

Violence in township life was, however, rated as one of the stresses that township residents endured.

Mrs Duke said that prolonged exposure to violence which is beyond the control of the individual can cause long-term psycopathology and an increased risk of physical illness and early death

Among the research findings

- 75 percent reported that life was dangerous in the township
- 76 percent of the sample experienced disturbances of sleep because of township unrest.
- 51 percent were unable to obtain housing
- 53 percent experienced violence on public transport
- 60 percent had unemployed family members who had lost their jobs in the last year
- 65 percent had transport problems resulting in late arrivals at work
- 58 percent lacked finance to provide food for their family on a regular basis

Mrs Duke said that although many of the sources of stress require a fundamental change in the structure of society, this did not exclude fundamental change in the workplace.

According to Mandate's director Heather Price. "Companies can't afford to say the township situation is not their problem any more. And those who do acknowledge the problems are often misinformed and spend their money badly"

Mrs Price said her company was offering a two-day workshop in August for South African businesses who are keen to address the needs of their workforce

Looking at workers' problems at home ... Jacqueline Odesnik-Duke (right) and Heather Price of Mandate.

Sowetan 24/7/90

Behind the scenes in OK strike

By RAPHAEL BANDA

"I am only surviving the strike because I am Christian. I am always praying God is understanding I pray and people help me"

These are the words of "Johanna" (38) a single parent and a mother of two schoolchildren She lives in Orlando East in Soweto

Johanna (not her real name), is a cashier at OK Bazaars Union members and the supermarket chain on Friday agreed on a wage and working conditions package, ending a seven-week labour dispute

"I don't think we were wrong to go on strike," she said in an interview "It was the only language the company could understand."

Money

Another OK worker Mrs Nora Tseko (34) concurred "We have not got increases at our company without fighting for it"

During the strike, Johanna said she had already borrowed money from people and between R600 and R1 000 was outstanding in unpaid accounts at stores

Her landlord had granted her a temporary reprieve from eviction, she said

Showdown

"There are people who won't lend you money Others are not throwing me out because I am on strike," she said

Johanna is one of the thousands of workers who had walked off their jobs in recent weeks in a showdown with supermarket chains OK Bazaars and Checkers, hotel giant Southern Sun, the Frame Group and six liquor companies, to mention some

Thousands - more in other industries are also threatening to down tools

The strikers are demanding increased wages and have accused some of the strike-hit companies of racism what they and their comrades call the baasskap attitude

Most of the strikers women and men are blacks historically the most disadvantaged racial group in South Africa

They have joined trade unions in droves, looking

JEREMY DAPHNE

to realise their hopes for better wages

Since black trade unions were legalised in 1979, on the recommendations of the Wiehahn Commission there has been an explosion in membership according to industrial relations consultant Pat Stone

In a bid to avert hardship during strikes strikers set up support committees assigned to obtain financial aid from the community

Mr Raymond Stungu an employee at OK Bazaars and a member of a support committee in Johannesburg said no money had come in from the community

He said organisers of the strike were now considering setting up a nationally co ordinated support committee to take over the task

In contrast to trade unions in Europe most unions in South Africa do not have funds to cushion strikers during stoppages

The monthly R5 membership fees paid to the SA Commercial Catering and Allied Workers Union were mostly "swallowed by legal actions during the stoppage said negotiator Mr Jeremy Daphne

Industrial relations consultant Stuart Pennington said workers here could not afford to run a strike fund as contributions would have to be higher

"To talk about a strike fund in South Africa is not an easy situation he said

Stone said the flood of strikes experienced in the first six months of this year had increased three fold the number of man days lost within the same period in 1989

The two labour analysts saw a direct link between the reforms introduced by President FW de Klerk and the increase in strikes

The political change brought about as a result of De Klerk's move to unban political parties permit free political activity and free jailed black leaders had been translated into short term direct economic expectations Pennington said

Reforms

"Unionists are saying that with the Government trying to push the pace of political reform the time to strike on economic issues has never been better

The Government will be reluctant to use the old style force to suppress industrial action

But he said "the economic situation is one which is not being taken account of by the labour movement

We have really a combination of heightened positive political activity and negative economic activity

Approach

He added sectors currently hit by strike action had been historically intransigent in their dealings with workers

They are "historically sectors which have adopted an adversarial approach to industrial relations

"In this new political climate they are feeling the brunt of that Strikes in these sectors have become almost an annual event

Conflict

"It was inevitable there would be high level of conflict (in labour) this year" Stone added

Union strength has come under threat since the passage of the controversial Labour Relations Amendment Act of 1988

It led to a three day nationwide stayaway protest action

The amendments clearly were in item by the Government to constrain some of the powers of the labour movement" Stone said

Workers mounted an offensive until the trade union federations Cosatu and Nactu drew up an accord with the employer body Saccola on the removal of clauses which drastically curtailed worker power

Threats

However the passage of that agreement into law has been delayed provoking threats of labour unrest

De Klerk stepped in to defuse the "time bomb" although relations between workers and employers remain uneasy

Evaluating the current strikes Pennington said It's not victory or defeat (that matters) In a strike everybody loses - *Sapa*

Looking at SA's cultural war

At the Grahamstown National Arts Festival the ANC's culture chief, Barbara Masekela, fired a salvo in the cultural war now being waged between People's Culture and the Eurocentric Establishment **DARRYL ACCONE** reports.

132

Culture in South Africa has never been merely culture, and in the new South Africa its political role will be heightened.

Already, many have quibbled over the ANC's stated intention to use culture as a political weapon, conveniently forgetting the legacy of cultural domination imposed by colonialism and apartheid

In this century, Afrikaner nationalism was suppressed by the English, and along with it the Afrikaans language and culture.

The roles were reversed after 1948, and Christian National Education was made a mighty arm of Government, bolstering the political, social and economic status quo under the insidious imprimatur of religious doctrine

At the same time, European notions of art and culture were fostered and the linguistic duopoly of Afrikaans and English flourished.

For all this time, the social and religious rites, languages and cultural practices of most of the country were ignored. South African culture, if it existed in any coherent form at all, was a melange of exclusive English and Afrikaans elements.

Why then the sudden disquiet about the ANC's cultural policies following ANC culture chief Barbara Masekela's landmark address at the Grahamstown Festival?

For one, the ANC is following a well established tradition; for another, it seems genuinely to be striving for the creation of a truly representative indigenous culture that will not discriminate against nor necessarily exclude its Afrikaans and English-based forerunners.

But there are caveats There are many who will see "accountability" as a restraint on artistic freedom

According to Masekela, "accountability is not censorship" The thesis runs that the Freedom Charter and the ANC's constitutional guidelines guarantee artists freedom of expression, provided they do not claim their work has "a representativeness it does not have"

Well and good, except there follows the conditional clause "Those who wish to speak on behalf of the South African people must be part of structures which can join with them in shaping and giving mandate to their message, so that when it reaches the ears of the world, it truly represents us as a nation"

This seems nothing less than a thinly disguised statement of intent to pursue some form of selective boycott against artists who in the future do not ally themselves to progressive cultural bodies.

It would appear that such non-aligned, independent work is by definition unrepresentative of the nation, that the only cultural products that will be deemed truly South African are those which will be created by committee

The cultural boycott has been extraordinarily successful in propagating alternative, progressive and people's culture while halting the dissemination of apartheid culture When it has fully served its purpose, when apartheid goes, so will the boycott, says Masekela.

But it would be inexcusable equivocation if a modified form of the boycott were to remain in place in a post-apartheid society

Would that not be a betrayal of the ANC's constitutional guidelines and the Freedom Charter? Surely the ANC would wish to avoid following in the unsavoury footsteps of its censoring and proscriptive predecessors?

Efforts to hasten the demise of the boycott from within the country (by independent artists and even the arts councils) account for theatre, dance and music inching away from purely European models towards more indigenous exemplars

But, according to Masekela, the move has not been sufficient to redress the historical imbalance that has seen "South Africa's cultural worth in terms of its ability to produce a 'Fledermaus' which can rival the Vienna State Opera, a post-structuralist novel which will rival Paris or acid-house music just like London's"

Protagonists

It is over this issue that the cultural war in the new South Africa will be fought The protagonists will be the Eurocentric Establishment on the one hand, the people and People's Culture on the other

However, it will not be an all-or-nothing affair

While laying into Eurocentrism as "increasingly irrelevant even to the soul of a white community which has in some cases lived in Africa for two centuries", Masekela has also acknowledged, on TV1's arts programme "Collage", that she fears her children will be relatively deprived of European culture with which they have grown up in exile

The major purveyors of "ersatz European high culture" have been the State-subsidised provincial arts councils and the annual Grahamstown National Arts Festival.

The ANC is, however, unequivocal· the councils, in their present form, nust go, the Grahamstown Festival must change radically, moving away from its "colonial connotations" to reflect accurately the voice of the majority.

In their defence, the arts councils have in recent years increasingly shifted focus from the foreign to the local, but it appears the process has been deemed too little, too late

It should also be noted that years before this belated enlightenment, independent, progressive artists were calling for the exposure and vigorous promotion of indigenous cultural forms

In the new cultural climate, these committed creators and performers have been joined by opportunists, of whom both sides in the struggle will have to be wary

But if it is a barometer of the cultural future that we seek, it is to the Grahamstown Festival we should look

The first thing to note is that the festival was launched as a celebration of English culture in South Africa The 1820 Foundation Monument is not an accident in nomenclature

Despite its genesis, the festival has made progress in presenting a broader range of culture

Again, this has not been sufficient to convince progressive groupings such as the local Grahamstown Cultural Congress (GCC)

A GCC member told me that the Monument is perceived as being "monstrously representative of the elitism of the festival" while another said "the Foundation is only now experiencing the early stages of liberalism — and it is hurting".

There is more than a measure of truth in both charges, as well as the kernel of a solution.

Already, festival committee chairman Professor Alan Crump has announced that a committee has been constituted to investigate changing the name of the Foundation

Only one thing is certain about Grahamstown and a true national culture the hegemony of the old must not be replaced by a hegemony of the new. That would betray all the people of South Africa

Financial Mail

INVESTMENT AND THE UNIONS FM 27/7/90

Measuring reality (132)

The trades union movement here, partly as a result of the rapid process of political reform, has had its brush-up and is riding a wave of euphoria. It is becoming increasingly braggart in its claims and irrational in what it believes its future role should be in a more egalitarian society.

The danger for it is that it might not appear to have noticed the pit into which it could quite easily stumble. The acid test in the years immediately ahead is not going to be whether it has achieved high percentage wage increases but whether most of the members it has now will still be in jobs and on its books.

From the way the movement is going, it may well find that the surge in membership of recent years is soon quite abruptly reversed. That certainly was the case in Britain during the Eighties when, after 30 years of trade union hegemony, public opinion rounded upon it. As the British economy first contracted and then — when wages and prices were stabilised — began to grow and restructure with a strong bias towards high technology and the provision of services, the unions lost more than 10m members.

What trades unions tend to forget — when they are demanding higher wages that are not economically justifiable — is that they are not enriching the people at large at the expense of the capitalists.

They are enriching themselves at the expense of the people.

Higher wages without productivity gains inevitably lead to fewer jobs. As lay-offs increase union membership decreases of its own volition. For trades unions traditionally have no interest in the unemployed — nor in the general state of economic wellbeing And the more successful they are at achieving high wage settlements, the more they themselves represent a diminishing sectional interest.

Indeed, as one of this country's few internationally acclaimed economists, the late Prof Bill Hutt, used to teach at UCT, the more unions use the intimidation of collective bargaining to raise wages, the more they inhibit economic growth or the size of the cake available for distribution. The result, as market forces adjust over a period, is that their wage gains were illusory. So it can be argued that the more successful the unions are in the short run, the greater the seeds of their enfeeblement later on.

Over more than 10 years there has been a significant shift in real earnings here from whites to blacks. White real wage increases over that period have been below inflation whereas black wages have maintained their value. The consequences are already beginning to bite.

Last week the *FM* reported some employment trends on coal mines that should send a cold chill down the spine of every union member. From 1984 to 1989 the skilled annual wage increases per man rose by 96,6% while those of unskilled men (mainly blacks) rose by 128%. But the number of unskilled miners dropped by 21,2% while skilled employment rose 4,5% and coal production rose 9,2%

In terms of tons produced, unskilled productivity rose 38,2% while skilled productivity rose only 4,2%. The reason was that as wage costs climbed, collieries increasingly mechanised to contain costs.

This trend is prevalent throughout the manufacturing industry. Each week more companies report that profit growth is down as a result of disruptive labour action — that is strikes. See the report elsewhere on AECI

What trade unionists will be very quick to point out is that, though corporate profits are down, they are still showing increases substantially above the rate of inflation That is true but what they don't evidently understand, or want to, is that those profits do not accrue entirely to the benefit of shareholders.

Of course, dividends are paid from those profits. But they are generally not excessive and are determined by competitive forces A company that pays dividends that are too high for too long will not be reinvesting in its own future One that pays dividends that are too low simply will not get the capital it requires to grow.

In any event, workers through their pension funds (heavily subsidised by employers) benefit indirectly from those dividends as, in fact, they do from profits retained by enterprises to invest in the technologies, research and innovations they require to stay in business.

As leftwing-inclined economists like Joseph Schumpeter have pointed out, the amount of profits reinvested in a company is of increasing importance, if not critical, if the enterprise is to survive and grow in a world where technological advance has become terrifyingly rapid. Simply put, without that reinvestment, competitors who have invested in the future will swamp the laggards. Jobs will be lost without new jobs being created in the enterprise in question.

There are times when wages should fall so that companies, particularly in the older industries and some of our gold mines, are able to contain costs and attempt a return to profitability The alternative is eventual closure, perhaps staved off for a time by ill-advised State subsidies, and unemployment.

Others will claim that wages should not be allowed to fall below what is claimed to be the minimum level needed to support a family of four in a black township What they don't say is that this level is determined usually by academic sociologists according to their own criteria Reality is more often than not remote As any accountant will explain, the determination of costs is the principal area of creative endeavour in his profession.

As unions increasingly face the reality of their own self-interest, they will hopefully come to realise that it is far better in the long run for them to foster enlightened employment practices in a competitive economy than attempt to use their collective strength to thwart economic reality. ■

W/Mail 20/7-22/7/90

132

Strikers have a right to picket. But is it legal?

Strike pickets have emerged as a major flashpoint on the labour front. It's a key right — according to experts — but of uncertain legality in South Africa. **DREW FORREST** *reports*

A VENERABLE institution elsewhere but legally precarious in South Africa, the strike picket has been thrown into eye-catching relief by the current labour turmoil in the retail and hotel sectors

National strikes at city centre stores and hotels has given rise to the most systematic and publicly visible use of the picket in our labour history

The practice has become a major flashpoint Hundreds of picketers have been arrested, in the OK Bazaars dispute alone, 188 face charges

In response, the South African Commercial, Catering and Allied Workers Union (Saccawu), a Congress of South African Trade Unions affiliate, has written letters of protest to the commissioner of police and Law and Order Minister Adriaan Vlok, coupled with threats of supreme court action It also plans a one-hour nationwide work stoppage in all Saccawu-organised plants to highlight the issue.

"Essentially a moral appeal to fellow-workers not to undermine strike action — either by "scabbing" or using the services of dispute-hit firms — pickets mounted outside or on the premises of strike-hit firms also serve to spotlight demands and pressurise employers.

The Labour Relations Act (LRA) is silent on the practice but picketers in South Africa are hemmed in by a web of other laws In terms of the blanket ban on outdoor gatherings under the Internal Security Act, the phalanx of picketers so familiar in Britain and the United States is not possible here

Picketers also have to watch what they say to strike-breakers and customers of strike-hit firms The Intimidation Act outlaws threats of damage or assault, and in terms of the LRA, an explicit boycott call is an unfair labour practice

Saccawu argues there is nothing unlawful in the peaceful display of placards by small groups of suitably spaced strikers, and insists that the denial of the right "heightens emotions and exacerbates frustrations" Police evidently do not agree

In an apparently co-ordinated crackdown, picketers have been arrested across the country under obscure municipal bylaws outlawing advertising without local council permission Saccawu holds the laws are being misapplied

A Transvaal Provincial Administrator's notice of 1973 aimed at unauthorised advertising has also been invoked, as have laws banning demonstrations in the vicinity of parliament and the courts

Legal sources believe that police are under instructions not to use tougher methods But lawyers detect intense frustration within the force over the velvet-glove approach and nostalgia for lost Emergency powers

Specialists argue that picketing is an essential feature of South Africa's "adversarial" or "laissez faire" labour relations system, modelled on that of Anglo-Saxon countries

"It's the obverse of the employer's right to hire scabs," comments Wits University law professor Martin Brassey "Where strikes are institutionalised and strike-hit employers tend to shut up shop, as on the Continent, scabs and pickets are less of a feature."

Adriaan Vlok . . Using the velvet glove tactic regarding picketers

Labour lawyer John Brand remarks that the picket is a logical extension of the free-market ethic the state claims to espouse. "There are two options either you empower workers to fight for themselves, or the state has to step in "

Other commentators believe picketing provides a vital safety-valve for the violence inherent in strikes Professor Eddie Webster, the head of the Wits sociology department, points out that between 1884, when the British authorities started to concede the right, and 1984 not a single "scab" was killed in the United Kingdom

"If you stop picketing and deny access to the workplace, you weaken the union's power to discipline its members A culture of covert coercion emerges, where strikers discipline their fellows away from the workplace and collective control "

The absence of a clear legal framework has prompted a growing move in South Africa towards self-regulation. Often, unions issue their own strike rules During the 1988 national metal industry strike, for example, the National Union of Metalworkers circulated a code urging picketing strikers not to drink liquor, damage property or resort to violence or intimidation

In the wake of Numsa's groundbreaking agreements with West German companies, employer-union deals enshrining the right to controlled picketing are also on the increase, says labour consultant Brian Allen "Managements are saying: 'Let's permit it and regulate it' They're pragmatic — they see the practice can't be stopped "

Typically agreements specify the location, spacing and numbers of pickets, and bind picketers not to display defamatory placards or interfere with customers, suppliers and non-strikers.

The signs are that the state is also preparing to recognise, but circumscribe, the practice of picketing

In its latest annual report, the National Manpower Commission announced that it had drawn up a picketing code for submission to Manpower Minister Eli Louw this year And the NMC's recent "working document" on the consolidation of the LRA proposes that some forms of picketing should be an unfair labour practice

An alternative view in the working document is that all picketing should be banned — but this apparently reflects the minority view of white unionists, who fear their members, habitual strike-breakers, may be harmed or intimidated

Acting NMC chairman Dr Frans Barker said the picketing code would not be given the force of statute, as this was too inflexible

In line with the British model, the intention was to have a set of guidelines which could be used as evidence in the industrial court, he said.

Premier closing the gap on Tiger

Star 31/7/90

Diagonal Street

ANN CROTTY

Premier is rapidly losing its status as poor cousin to Tiger. After years of suffering a rating far below Tiger, Premier is now trading comfortably close to its arch rival.

Much of this is due to the sharp rerating of the Premier share following management's decision to hive off the SAB interests into a separate Bevcon listing — there's also been a slight slide in Tiger's rating.

Frankel Kruger analyst, Teigue Payne points out that in May '89, shortly after the financial '89 figures were released Premier (which then included the SAB stake) was trading at R36 Today Premier is trading at R22 and Bevcon is at R51 for a combined R73 representing a 103 percent surge in the market's valuation of the old Premier share.

Other factors have helped to enhance the Premier rating — the market's perception of an improved food portfolio; good results for financial 1990 and; a reasonably strong outlook for the current financial year. In addition Premier is currently seen to be enjoying a relatively smooth ride with the trade unions.

Last year's controversial decision to treat the group's 50 percent stake in Bonny Bird Farms as an investment and not as an associate did help to improve the income statement and the bal ance sheet. The changed treatment will also help the current year's figures.

The group's favourable industrial relations record is regarded by some as a legacy of the days when Mr Tony Bloom was at the helm. But given the very volatile nature of SA's industrial relations, Mr Bloom's legacy could only be of benefit if the current management team maintained it.

Chief executive Peter Wrighton says that they are continuing to work very hard on the indus trial relations front.

On the food front the group announced this morning the acquisition of Atlantic Fishing Enterprises, which is involved in the rock lobster market. No details of size were provided but as the company has around 650 employees and its acquisition is expected to improve Premier's earnings marginally in the current financial year, it must be of some reasonable size.

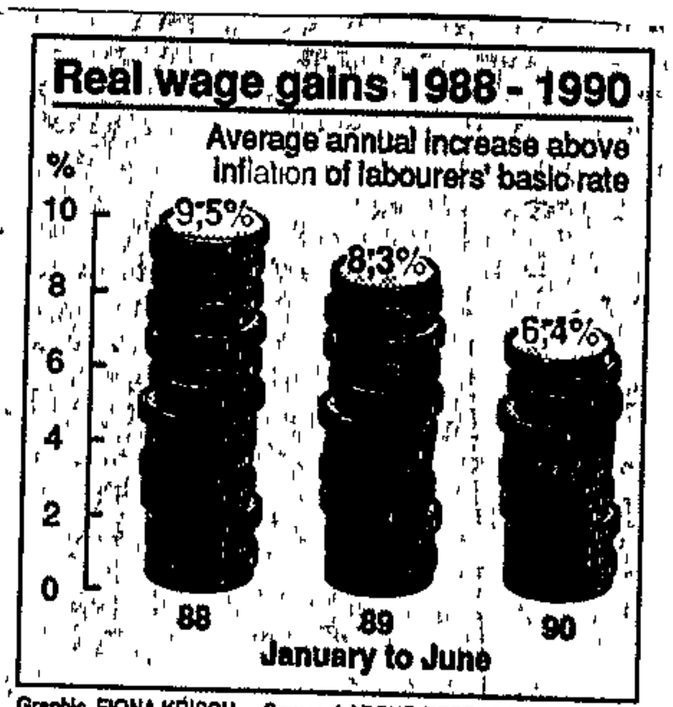
The vendor was paid in Premier shares, some of which made their way into the market last Friday when R5,8 million of shares were traded.

The acquisition of this high margin activity will lift the group's relatively low exposure to the fishing industry.

Premier's state of the art milling and baking facilities will be of benefit in a deregulated environment as it means Premier will be well placed to fight for market share on price considerations. Mr Wrigton expresses concern on this front noting that some measures will have to be taken to protect the underprivileged from the double whammy of the removal of the bread subsidy and the introduction of VAT on bread.

Edible oils remains the problem area.

Mr Wrighton is targeting real earnings growth for financial '91. He points out that they are on target for the first quarter which was a tough one with a weak economy dogged by strikes, stay aways and, political upheavals.



Graphic FIONA KRISCH Source LABOUR RESEARCH SERVICE

B/Day 2/8/90

Unions won average of 21% for labourers

(132) MATTHEW CURTIN

TRADE unions achieved a 20,9% average annual increase for labourers in the first half of 1990, a real increase of 6,4%, the Labour Research Service's (LRS) latest wage settlement review has reported.

The LRS report detected a declining trend in wage settlements since a 1988 high of 22,9%, but research co-ordinator Richard Good said yesterday "it was astonishing unions were able to achieve such high wage increases despite the growing economic recession"

Labourers now earned R174 a week (R754 a month) on average in unionised workplaces

LRS researchers said the average had grown steadily in real terms since 1987, exceeding increases in price levels "by a good margin"

Only 10% of wage agreements, from the

☐ To Page 2

Unions

B/Day 2/8/90

(132)

☐ From Page 1

sample of 198 agreements on the LRS's actual wages rates database, settled below the annualised inflation of 14,5% for January to June this year.

Researchers cited the weaker economy and a hardening bargaining climate for the gradual decline in the rate of increase.

They said the growing number of wage disputes and longer and more frequent incidents of strike action since January were a product of union members' expectation of a "post apartheid dividend" in the aftermath of political changes.

The public sector gained the most handsome wage increases, 30,8% on average, but the sector's average wage was still below the national average

Top paying industries were the metal and motor sectors. Their average labourer's wages stood at more than R200 a week. At the bottom was the liquor and catering sector paying an average of R123 a week.

The public sector, with an average R152 a week, ranked only ninth out of 12 in a table of average wages.

LRS researchers said wages tended to lag behind other economic indicators As the recession tightened unions would experience lower average increases in the second half of 1990.

This would run parallel with the trend for lower second six month increases seen in 1988 and 1989 Then, average increases for labourers for July to December fell to 8,2% and 4,8% from first half averages of 9,5% and 8,3% respectively.

A new bargaining chip: Public sector unions

W/Mail 3/8-5/8/90

By DREW FORREST

THE Congress of SA Trade Unions has demanded the immediate recognition of representative public sector unions as a condition for reviewing threatened mass action over the Labour Relations Act.

The demand that the state recognises unions and give them organising rights was among those tabled at the second "joint working party" meeting on the LRA involving unions, employers and the Manpower Department last week.

These talks are seen as an important barometer for measuring prospects of sucess in broader political negotiations. Significantly, the burning issue of state sector union rights was reportedly on the agenda of two Cabinet strategy meetings held at a secret venue near Pretoria this week.

At the LRA meeting, attended for the first time by the National Council of Trade Unions (Nactu), Cosatu fleshed out demands for the state and employers to give practical effect to the "Saccola accord" in advance of legislation

The federation wants two LRA Bills tabled early in the next parliamentary session — proposed amendments blocked by the Cabinet in June and a separate Bill extending the LRA to all workers and revamping the Labour Appeal Court.

Cosatu's Marcel Golding said other Cosatu demands last week were that the state appoint a Commission for Administration official to handle complaints about union recognition in the public sector and publicly acknowledge that all workers should have basic labour rights

It also proposed a "complaints board" to hear complaints about breaches of the Saccola accord by Saccola member employers Manned by a senior legal representative, this would be empowered only to make recommendations

Cosatu also wants Saccola to "prevail" on errant members to comply with the accord, and for those who refuse to be publicly named

Golding said that if the state and employers met the demands in advance of legislation, Cosatu would review its programme of mass action

He also took issue with a letter from the Department of Manpower proposing talks on "intimidation and coercion" on the shopfloor ways of reducing labour unrest and the role of the LRA in cutting inflation, saying these were not relevant to the task of the working party

Department comment could not be obtained.

THE WORKERS WHO GOT THE HIGHEST PAY RISES IN 1990

By DREW FORREST

PUBLIC sector pay rises are running way ahead of those in other sectors this year, reflecting the massive groundswell among lowly-paid state and semi-state employees.

The latest wage report of the Cape Town-based Labour Research Service (LRS) shows an average annual increase for labourers in the sector between January and June this year of 30,8 percent, compared to an overall industry average of 20,9 percent. Next in the log was the tyre and rubber industry, where increases averaged 25 percent.

Consultants Levy Piron and Associates recently estimated that the state sector accounted for almost half the man-days lost through strikes this year.

The LRS stresses, however, that public sector rises are from a very low base. The average weekly wage in the sector is R152 — ninth on the wage table, and outstripping only transport, textile and catering. The overall industry average is R174 and the average in the top-paying metal industries is R213

W/Mail 3/8-5/8/90

Basing its findings on 198 agreements, the LRS sees a declining trend in average settlement levels, which it traces to the weakening of the economy and a tougher bargaining climate.

The average 20,9 percent increase for labourers was two percent less than in 1988. Adjusted for inflation, it, amounts to 6,4 percent, as compared with 9,5 percent in the first half of 1988.

The LRS says political changes may lead to longer disputes and strikes.

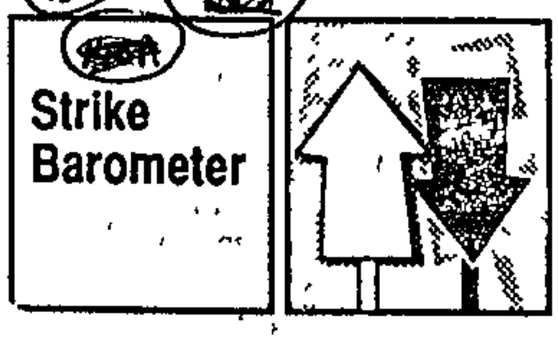
Number of strikers drops by 9 000

By Brendan Templeton Star 6/8/90

Over 19 900 workers were on strike last week — almost 9 000 down on the previous week. About 115 000 metalworkers are participating in a strike ballot, and 23 200 ended their strikes over the past seven days.

Companies with workers on strike included:

- Southern Sun/Holiday Inns and 6 000 South African Commercial Catering and Allied Workers Union members at 41 hotels Strike 34 days old. Union demanding R160 increase, reinstatement of 105 workers and right of part-time workers to join union. Hotels offering R100 or 15 percent increase.
- Liquor producers and the National Union of Wine, Spirits and Allied Workers Union. 3 800 on nationwide strike over demand for R40-a-week increase. Employers offering R33. About 70 workers arrested during the 35-day strike.
- Modderfontein Gold Mine, Brakpan, and 1 500 National Union of Mineworkers over NUM recognition, wages, 30 dismissed workers, and working conditions.
- Ciba-Geigy and 172 Chemical Workers Industrial Union (CWIU) members in 92-day strike over company's non-participation in union's provident fund. Mediation on Friday.
- Reckitt-Colman and 400 dismissed CWIU members over company's non-participation in provident fund.
- Labethica, Bethlehem, and 160 SA Chemical Workers Union (Sacwu) members Total of 104 people arrested during eight-week wage strike.
- AECI, Modderfontein, and 80 Sacwu workers Drivers demanding equal job grading between races.
- African Catylists, Sasolburg, and 30 Sacwu members. Demanding wage increase be backdated to April 1.
- Steeledale FBE, Epping, and 120 Numsa members over 28 retrenchments. Strike in its third week.
- Parow municipality and 500 SA Municipal Workers Union members over wages and union recognition. Negotiations in progress.
- Meyerton municipality and 250 Municipal, State, Farm and Allied Workers Union (MSFWAU) members over wages. Workers want R800 minimum wage. All strikers dismissed
- Randburg municipality and 900 National Union of Public Service Workers over their demand for a R650 minimum wage Council offering R525
- Harmony gold mine, Welkom, and 6 000 miners over continued detention of 11 colleagues and implementation of wage agreement.



Strike settlements included

- Frame Group and 11 000 SA Clothing and Textile Workers Union members over wage demand for R35 increase a week from July and R35 from next January Final agreement not yet published
- Metro Cash 'n Carry and over 5 000 Sacawu workers at more than 150 stores. Workers given R140 across-the-board monthly increase. Initially demanded R150 and management offered R135
- Harmony gold mine and 6 000 NUM members who returned to work after negotiations with the union
- Vereeniging council and 1 200 MSFAWU workers Strikers returned to work pending negotiations with council on August 8

Strike ballots pending

- Numsa with 115 000 workers employed by Steel Engineering Industry Federation of SA — from July 30 to August 10
- NUM held a successful strike ballot on coal mines last week

Issues

- Boycott by 18 000 NUM members at JCI platinium mines of concession stores, liquor outlets and kitchens Workers' demands include a living wage, dismantling of mine security, an end to dismissals, free political expression, an end to the transfer of NUM members to the rival Federated Mining Union (FMU), and the reincorporation of Bophuthatswana into South Africa

Productivity is key to prosperity — Barend

Star 9/8/90 (132)

By Roy Cokayne

There is a good chance of pushing inflation below double figures in the not too distant future on condition current anti-inflationary policies remain in place, says Finance Minister Barend du Plessis.

He warned, however, at the opening of the Pretoria offices of stockbrokers Frankel, Kruger Vinderine yesterday that South Africa was vulnerable because of the economic situation that had arisen after being cut off from international financial resources.

He said there was only one universal economic principle and that was that a society could consume only as much as it produced.

The fundamental message was that you did not achieve equality in the standard and quality of living by cavorting in the streets, by striking and through stayaways.

Maximum price

There was a maximum price at which a country could continue exporting, but wage and salary demands were now being negotiated on the basis of political power and pressure, and not on productivity

Workers needed to understand that if the export price was given and there was a need for an increase in wages, the only variable that could make the equation balance was a concomitant increase in productivity

Present trends disclosed some disturbing issues in that wages and salaries had exponentially outstripped productivity.

"Both employers and employees must understand there is ultimately no other solution than higher productivity or an arresting of these wage demands for continued growth in South Africa — unless one resorts to continued depreciation of your currency, which immediately in our case translates into an inflation injection

"That is something that we need like a hole in the head right now."

South Africa's economic preservation did not lie in lifting trade sanctions and a return to international capital markets, but in developing an awareness of the fundamental truths of the economy

He urged employers and others in positions of authority to explain the fundamental truths such as the link between productivity and remuneration to their workers.

They should be explained because there were millions of people in South Africa who had not yet properly experienced the benefits of free enterprise and private property ownership, he said.

Uncertainty clogs business sentiment

Star 9/8/90 (132)

By Michael Chester

The SA Chamber of Business yesterday blamed the risk of nationalisation for much of the growing cloud hanging over the longer term economic outlook

Director general Raymond Parsons said uncertainty over the future shape of the economic system — the role of nationalisation in particular — was making a "serious and corrosive" impact on business confidence.

Its latest Business Confidence Index, released yesterday, puts the level at 92 compared with 91,8 in June

He told a news conference in Johannesburg that the overall business mood had already been forced into pessimism by signals that the recession was deepening, with little chance of a turnabout until towards the middle of next year

Sacob feared that the economic growth rate for 1990 as a whole would register zero on the final count.

The level of business confidence was now totally vulnerable to the ebb and flow of political developments — and widespread uncertainties about what kind of economic policies were the possible outcome

"We seem to be making progress towards a reduction of violence in South Africa, which can only be a positive factor on levels of confidence," he said "And there is more encouragement from the removal of obstacles to more negotiations on political accord

"But the real crunch comes with what economic options are pursued and whether there may be the threat of nationalisation — or even worse

"Until the air is cleared," he said, "we must expect foreign investors and local businessmen to adopt a wait-and-see attitude. There will be little chance of new investment until nationalisation is wiped off the agenda.

"There are signs of more flexibility in current discussions about the future. But at the end of the day the politicians will be answerable to their constituents — not seminars.

"The vital next moves must be towards a new constitution — as long as too much haste does not run the risk of making mistakes on the way"

On the immediate economic outlook, Mr Parsons said Sacob agreed with the SA Reserve Bank that it could be premature at the moment to consider lowering the pattern of interest rates as a fillip to business activity

However, Sacob hoped that rates would start a steady and gradual decline from current peaks with a cut in Bank Rate before the end of the year

SACOB's monthly survey of manufacturing confidence is pessimistic in its outlook. The survey shows that the level of confidence fell from 92 in June to 84 last month.

Industry expected the volume of orders last month be down on the June figure. Overall, the industrial sector expected the volume of orders in the coming 12 months to be at much the same level as in the previous 12 months.

The Transvaal and Western Cape expect a decline in production volumes next year as does Pietermaritzburg However Durban, Port Elizabeth and East London regions are more optimistic and expect an increase in the volume of manufacturing production.

The survey states: "These developments could be related to the fact the manufacturing sector expects the upswing to begin in the first half of 1991".

equivalents will find those fares far higher than in their own country

However, as the bulk of those who use SAA's domestic services are South Africans, airfare comparisons should be relative to what local commuters in other countries are paying. To make

question still remains why is SAA unable to show a profit? The only answer possible is that the airline is being run unproductively and inefficiently

Privatisation

Another factor necessitating an in-

Judas Priest testified this week that he once recorded a phrase backwards on an album, but he denied planting hidden messages in his music to promote suicide

Singer Ron Halford testified in a civil trial on allegations that subliminal messages hidden in the band's 1978 album "Stained Class" promoted

SANDRA CHEREB

"When you're composing songs, you're always looking for new ideas, new sounds just as an artist would add another piece of paint to a canvas," the singer replied.

He said it was the only time he could recall

bies "That's the way I've always sang," Halford said. "That is my style"

Attorneys representing the families of Raymond Belknap and James Vance claim those lines on the band's "Stained Class" album contain the subliminal message 'do it" that prompted the youths to shoot themselves in a deserted church playground on December 23 1985

Industrial conflict marked by worker militancy

SHAREEN SINGH

SOUTH Africa is once again experiencing a surge in worker militancy since the 1987 strike wave with a conservative estimate of more than 1 200 000 mandays lost in the first half of this year

Labour experts and unions say the current upswing in industrial conflict must be seen in a context of the changing political climate and a stagnant economy

Industrial action

Massive industrial action this year followed the February unbanning of the ANC, SACP and the PAC and appeared as a consequence of the reform initiatives. Mass marches on labour demands linked with community issues were seen in every province.

Government recognition of political organisations after decades of incarceration brought with it a strong sense of hope, freedom and confidence among workers to assert demands more forcefully

Increased worker expectations coupled with higher levels of political mobilisation unleashed a militancy in all spheres and, on the workfront, this manifested in large-scale industrial action.

The commercial and catering sectors have in recent weeks stood out as the most affected by such action.

OK Bazaars workers accepted an improved wage offer after seven weeks of striking National strikes followed at Metro Cash and Carry, Trador and Checkers, and the Southern Suns strike is still in full swing after four weeks.

In a surprise move the conservative Nactu union, National Union of Wine, Spirits and Allied Workers Union also pulled off a major national strike involving more than 5 000 workers The strike is in its fourth week.

Shopfloor structures in the Commercial Catering sector, historically a militant one organised under the SA Commercial Catering and Allied Workers Union (Saccawu), experienced a setback last year due to a political split in the union.

Saccawu has since re-united and a union official said its membership and structures have consolidated and regained confidence. He said the spate of strikes by the union was part of Cosatu's living wage campaign which has taken root this year since the unbanning of political organisations

The active participation by unions in the living wage campaign, he believes, is a result of Cosatu's move away from the centre stage of politics, which gives it the space to concentrate fully on trade union issues.

Wider demands

The federation has shifted from its role as the major political player — a role it was forced to assume after the banning of the UDF, Azapo and other organisations in 1988

Labour experts have noted the increase in union demands to cover a wider range of issues, for example provident funds, literacy, job training, job security, privatisation, bargaining forums and a demand for more say in how companies are run.

Mike Beaumont of industrial relations firm FSA Contact says the desire to mix these issues with wage demands is driven by the changing political climate and higher worker expectations.

The Chemical Workers Industrial Union is currently engaged in two lengthy strikes over their demand for companies to take part in the union-initiated national industry provident fund.

Several spontaneous strikes over non-wage issues like privatisation, job security, racism, dismissals etc indicated the readiness of workers to down tools at the drop of a hat.

A report from Labour Research Services says the average 14,5 percent inflation rate and a weakening economy has resulted in a hardened bargaining climate Political changes may have raised expectations of a "post apartheid dividend" among union members, the report said.

This year has also seen a marked increase in strike action in the public sector and parastatals — hospitals, post offices, municipalities, railways and schools.

IR Consultants Levy, Piron and Associates estimated a staggering 42,2 percent of strikes in the first half of this year involved State employees.

A report issued by the company says the increase in activity can be attributed to massive pay increases for police, prisons and the defence force which set an unrealistic level of expectations in the sector

Recent moves by unions to include public sector employees in the Labour Relations Act has also focused attention on the sector and workers have become more confident in fighting for the same working conditions as their counterparts in the industrial sectors.

Prolonged action in the education sector pushed the Government for the first time into giving teachers' organisations some recognition and opening negotiations on such matters as salary scales job security

Mr Beaumont said this has set a precedent for unions in the public sector and parastatals.

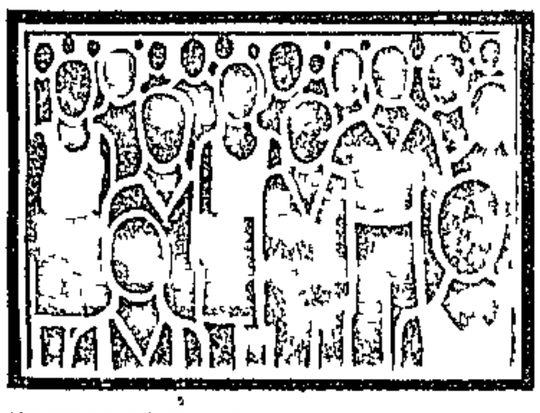
The strike wave is unlikely to abate in the next half of this year, labour experts say

Continuing mass mobilisation and community involvement in industrial action as in the OK strike, Cape Town Municipality Southern Suns and PE Municipality among others, has created a volatile industrial relations climate.

Volatile climate

Railway workers are already flexing their muscles for action — an indication was the march by about 10 000 workers to Transnet offices over wage demands

Metalworkers are conducting a strike ballot and workers on coal mines have balloted in favour of a strike which is expected to start any day now



MATRIC HISTORY

South African working class organisation and the downfall of the Smuts government

(132)

New Nation / Learning Nation 10/8/–16/8/90

The period 1920 - 1924 in South African history highlights the growth of the working class movement within the country However, the working class had been divided by colonialism. Classified white workers fought to maintain racial superiority in the work-place and positions of privilege White workers were allocated "skilled" work and higher wages within the mining industry in comparison to the wages offered to black workers, who had been recruited to perform "unskilled" work.

The Industrial and Commercial Workers' Union (ICU)

In 1919 the first trade union organising the black working class was formed in Cape Town Clements Kadalie, together with Cape Town dock workers, recognised the needs of the working class Low wages and rising prices contributed to the economic hardships of the people The dock workers went on strike to demand higher wages The army was called in to force the strikers back to work and "scab" labour was used throughout the strike period However, the dock workers had united and organised to improve their conditions of work.

The ICU hoped to achieve a minimum wage of R10 a month, a 5 day working week and half a day on Saturday and the maximum of 8 hours per day work It organised workers in both rural and urban areas

The ICU was know countrywide and although many strikes were not successful, Black workers realised the need to unite and fight the racist laws, for example, the pass laws, together

In 1920 the dock workers strike in Port Elizabeth united hundreds of workers and in the end workers received increased wages In 1920, 70 000 black mine workers went on strike in the Witwatersrand The police were summoned and the strike was violently stopped but it indicated that black workers were organising to redress grievances

Bulhoek 1921

In May 1921 the Bulhoek Massacre took place which clearly illustrated the attitude of the ruling-class government towards the oppressed people. The South African Party had passed the **Squatter and Land Acts** whereby whites and blacks were allocated land upon which to live In terms of the 1913 Land Act, 87% of the land had been allocated to 5% of the population classified white, whereas 13% of the land had been allocated to 95% of the population classified black In 1921, a religious sect leader, Enoch Magijima, moved with his followers, the Israelites, to a farm, Bulhoek, near Queenstown The authorities tried to move them but the Israelites refused on the grounds that they had gathered at Ntabelange (Bulhoek) on the orders of Jehovah to await the end of the world The Smuts' government ordered the police and army into the area and to forcibly remove the religious sect In reply, the Israelites stated, "Jehovah tells us that we are not to allow you to burn our huts, or drive away our people from Ntabelanga, or allow you to arrest the men you wish to arrest".

800 armed police and soldiers opposed 500 Israelites armed with only home-made weapons In the battle which followed, 163 Israelites were killed and 129 wounded Those not arrested were brought to trial Mgijima was sentenced to 6 years' imprisonment The Smuts' government was severely criticized for this incident Do you remember from last week's article that Smuts used the same tactics against the Bondelswart Khoikhoi in 1922?

The 1922 Strike

In 1921 the gold price fell and this had a ripple effect on the South African goldmines Gold is the major export commodity and enables South Africa to pay for many of its essential imports The Chamber of Mines decided to save money by reducing wages The Mines had always employed white workers in jobs categorized as "skilled" and paid higher wages to those workers in comparison to wages paid to black miners, employed in the "semi-skilled" or "unskilled" job categories The Chamber of Mines decided to employ more black and less white workers as this would be a considerable saving on their labour costs The white miners were unionised and took action

On 31 December 1921 the capitalist owners of the coal-mines announced a reduction in wages and on 1 January, 1922 white coal miners went out on strike On 9 January 1922, 22 000 miners joined the strike Within weeks a general strike of all white mine workers had been called and the Union demanded the return to the **Status Quo Job Colour Bar Agreement**, in terms of which the jobs of white workers had been protected The Chamber of Mines refused The workers on strike physically attacked the "scabs" who were going to work on the mines

On the government level, the ruling South African Party came out in support of the mine owners, whereas the Nationalist and Labour Parties supported the strikers White workers encouraged all white workers in other industries to support them Slogans, such as "Workers of the world unite and fight for a white South Africa" were paraded

General Smuts as Prime Minister declared martial law This was on 10 March 1922 and has become known as "Black Friday" The striking workers attacked police stations, railways and many "scabs" were severely beaten In retaliation, the air-force dropped bombs on the towns of Benoni and Germiston and for four days there was continuous fighting Resistance continues and 153 people were killed and 500 wounded during the strike

The strike came to an end on 17 March 1922 but the division between employers and employees had led to increased bitterness An immediate inquiry into the actions of the police and defence force was called Over 4 750 people were arrested and brought to trial 18 received the death sentence and four men were hanged

The South African Party under General Smuts had lost the support of the white working class

The defeat of the Smuts' Government at the polls

The South African Party had lost the support of many Afrikaans speaking white South Africans because of their participation in the First World War (1914 - 18) on the side of Britain and the subsequent Rebellion The South African Party (SAP) never recovered fully from that action In the 1920 election, the SAP only remained in power because it appealed to the Unionist Party for support In 1921 the Unionist Party actually dissolved and joined the SAP This was called the "**Political Blood Transfusion**"

Before the 1924 election, JBM Hertzog, leader of the National Party, entered into an election pact with Cresswell, leader of the Labour Party This "pact" was a mere co operation agreement between the two parties with the aim of defeating the SAP Hertzog also promised Labour that the secession move (i e the breakaway from the British Empire) would not occur

In 1924 the "Pact" Government won the whites-only election with a majority of 28 seats JBM Hertzog became the new Prime Minister and Smuts remained in Parliament as leader of the Opposition

The period 1920 24 was characterised by the use of force and military action against the South African working class

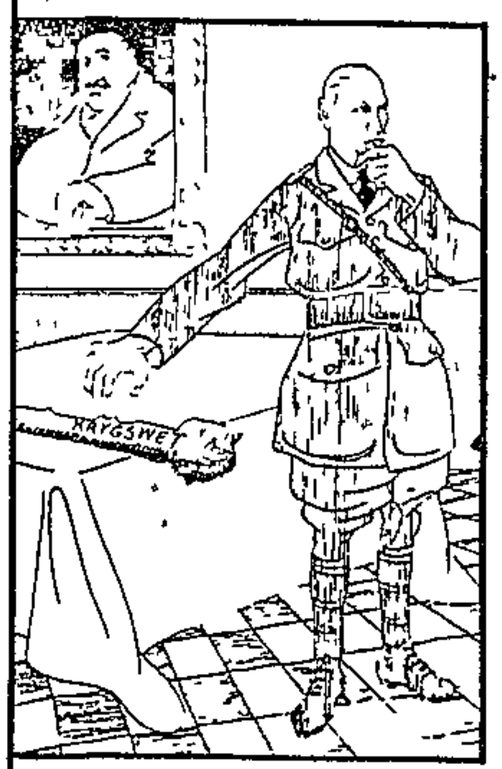
Next week we shall examine the issues facing the "Pact" Government and the attempts of the National Party to secede from the British Empire and declare a white-minority ruled republic

Group activity

Exercise 1

Try to get together with a group of fellow students or comrades and explain the following terms You can then go on to discuss the questions about the cartoon

a) a trade union
b) The ICU
c) capitalism
d) the "political blood transfusion"
e) Pact



Cartoon

Exercise 2

Refer to the cartoon and answer the questions which follow

1 Identify the military man
2 Why is he dressed in uniform?
3 Identify the person in the portrait.
4 Whom does he represent?
5 What is the relationship between the two men?
6 Which feature in the cartoon indicates the response of the Smuts' government to strike action?
7 To which year is this cartoon related? Explain
8 What was the result?

Explanations

Exercise 1

When workers in a particular trade or industry unite to organise workers and negotiate on their behalf with their employers
2 The Industrial and Commercial Workers' Union
3 The private (individual) ownership of the means of production i e land, mines or factories
4 The support given by the Unionist Party to the South African Party
5 The agreement between the National and Labour Parties

Exercise 2

1 Smuts
2 He used the defence force to solve civilian problems
3 Hoggenheimer
4 The capitalist employer
5 Smuts as Prime Minister and leader of the SAP supported the capitalist employers during the 1922 strike
6 The baton, military action
7 1922 - the strike by white workers
8 A 3-month armed struggle between workers and the government, 153 died and many were arrested and tried, white workers gained nothing wages were in fact lowered SAP lost the support of the ruling-class Afrikaner

Don't try to lock unions out of the negotiating process

B/Day 16/8/90.

132

ALAN FINE

WHILE government and the ANC have moved decisively to downgrade levels of physical and rhetorical conflict, relationships between government and the ANC's trade union ally Cosatu are as tense and mistrustful as they have ever been.

The new political mood created by the signing of the Pretoria Minute has already filtered through to lower levels of both government and the mass democratic movement.

Consumer boycotts in several southern and eastern Transvaal towns were resolved through negotiation within days of the August 6 agreement. There is even optimism that the five-year-old Soweto rent boycott could end soon

The horrific violence of the past 10 days at Kagiso, Sebokeng, Tokoza, Katlehong, Vosloorus and Port Elizabeth makes it obvious the new mood has not permeated through the country But, at least, the solution was and is seen in terms of negotiation between the parties involved.

This is not so in the economic and financial sphere — a position highlighted last week by Finance Minister Barend du Plessis In a speech in the President's Council, Du Plessis attacked "unreasonable" union demands which, by making labour less productive, were undermining confidence in the economy.

Rhetorical warfare, the Ministry of Finance seems to believe, is the best way of countering labour upheavals. This is doubly ironic because, not so long ago, it had become almost a cliché to hold up the labour relations arena as an example of all that was desirable about negotiation.

Du Plessis's speech was just the tip of the iceberg While government is ready and willing to negotiate away a great deal of its power through a new constitution, there is a marked hesitancy about changing labour law through a similar process.

It is understood President F W de Klerk recently told a group of businessmen he believed they were conceding too much to organised labour in the Cosatu/Nactu/Saccola accord — a perception which would help explain delays in translating the accord into law.

Now the Manpower Department has begun drafting a new Bill to replace that proposed a few months ago by the National Manpower Commission based on the accord.

Manpower director-general Joel Fourie says the new Bill will be designed to attain the greatest possible consensus. However, unions and employers, — and some NMC members — having been disappointed too often in their dealings with the department, are awaiting the new Bill with a great deal of trepidation.

Some members of the business community believe De Klerk is supported in (or influenced towards) his view by Cabinet members like Du Plessis, Administration and Economic Co-ordination Minister Wim de Villiers, and, to a lesser extent, Manpower Minister Eli Louw.

De Villiers has a reputation among some of the negotiating parties for having a hostile attitude towards organised labour, apparently influenced by a difficult meeting with Cosatu a few months ago on the privatisation question. He is believed to be particularly hostile towards centralised bargaining

None of this is to suggest that the hostility (also shared by business leaders weary of strikes and confrontations) is either irrational or unexpected. This year has been a difficult one in terms of tough wage disputes and levels of strike action.

(It is, however, worth putting it in perspective. Now that the main mining industry negotiations have been successfully completed, final strike figures for 1990 are likely to be way below those for 1987 even if a full-scale engineering sector strike occurs By the end of July this year, 1,9-million man-days had been lost to strikes The total for 1987 was 9-million)

The drain on business confidence caused by strikes has been exacerbated by the general state of instability around the country attributed to the opening up of the political process since February 2.

Overall, the picture is one of anarchy and chaos — not a good recipe for confidence.

But political change is probably only a small part of the explanation for the high levels of unrest. JCI economist Ronnie Bethlehem uses a simple, graphical display to show the major part of the explanation is simply the recession In the mid-'70s, the late '70s/early '80s, and the mid-'80s, social unrest and increased union militancy was an invariable byproduct of recession

Today most economists accept that tight monetary policies, and induced recession, are a necessary part of the cure for our economic ills. But everyone needs to expect and accept that this medicine has drastic side effects.

There is no denying that union attitudes and policies are a hindrance to the twin government policies of financial conservatism to fight inflation and economic liberalisation (including privatisation and deregulation) as the other main ingredient of a growth strategy.

The emerging danger is that a section of the Cabinet appears to believe this problem can be fought by taking on the unions in an adversarial contest. Perhaps they should be reminded that it was a similar view on how to deal with aggressive unions in 1987 that spawned the 1988 Labour Relations Amendment Act.

That strategy not only failed miserably, its consequences are still being felt, not least through the threatened work stayaway planned by Cosatu for October 8 to 10

If government's adversarial strategy failed during an era of political repression, how much more certain is failure in a period of political liberalisation? The whole point of the De Klerk era is recognition that conflict is best dealt with through negotiation.

As Bobby Godsell of Anglo American and employer federation Saccola puts it. "If you want the unions to moderate their wage demands now to protect the value of workers' wages in the future, you need to do it jointly Government should be involving Cosatu and Nactu in the formulation of national economic policy"

An arrangement along the lines suggested by Godsell would facilitate the economic debate between organised business, labour and government. All interest groups have now developed positions on the key questions. It is now time to begin testing these against argument from the other side.

Let Cosatu explain the relationship between high wages, new technology and employment — whether it sees a period of a high rate of mechanisation and low employment growth as a necessary part of the growth path. Let government explain how privatisation and some forms of deregulation will be in the interests of all, rather than of certain interest groups. Let business and government explain why it complains to workers about low productivity while everyone knows productivity is almost entirely a function of the state of the economy, of management and of production systems — a management responsibility.

It need not end there. The Pretoria Minute provides for the establishment of "mechanisms of communication" between government and the ANC to allow public grievances "to be addressed peacefully and in good time, avoiding conflict". The parties say the issues to be addressed in these forums are largely socio-economic ones

It happens that through their day-to-day work the unions have developed far more expertise than the ANC on matters like housing, health care and retirement and other benefits Yet, unless they are invited in by the ANC (a development which would militate against the development of an independent union movement) the unions will not be involved

If there is going to be any hope of setting national economic objectives and developing growth strategies supported by all economic players who otherwise have the ability to thwart them, these need to be determined jointly.

CP pledges to ban unions

(Lot 17) (182)

B/Day 16/8/90

Political Correspondent

BLOEMFONTEIN — Black trade unions and illegal strikes were becoming a "monster" costing SA millions in lost productivity, the CP complained yesterday.

Delegates at the party's Free State provincial congress called on government to maintain law and order in the market place and applauded when CP Manpower spokesman Frank le Roux said the party would close down black unions when it came to power. (132)

He said 700 000-man hours had been lost through strikes in July.

Illegal strikes had increased 204% last year.

The post office strikes had led to 27 deaths and damages totalling about R40m. About 1,2-million man hours and R42,5m in wages had been lost.

The harsh facts that labour in SA needs to be told

B/Day 17/8/90 132

TONY MANNING

JOE SLOVO, general secretary of the SA Communist Party, recently posed the question. "How is wealth to be more fairly distributed without ignoring the problem of how it is to be created?" Like so many other voices from the left, however, he is more concerned with redistribution than with creation.

Even as the reform process gains speed, the SA economy is being damaged beyond repair. We simply cannot afford a lengthy debate about how to slice up the cake It's hardly grown for 10 years, it might grow by 0,25-0,5% this year — and even the most optimistic economist is pressed to explain how it will suddenly get bigger next year or the year after.

One thing we must not expect is that the world will bail us out of this financial mess. Foreign money just will not pour in when this country is a "democracy" Capital flight won't easily be stopped Calls for continued sanctions are not clever

Nobody should be fooled by the fact that Americans clamoured to attend $1 000-a-plate dinners for Nelson Mandela When it comes to business decisions they're as risk-averse as Britons or West Germans, Japanese or Swedes

Investors everywhere see SA as high-risk territory African countries have a dismal economic history, and a local black government will have a lot of proving to do.

Unfortunately, however, left-wing leaders show little sign that they understand what's needed to make this country a regional powerhouse, let alone a world player

Competition is heating up at a blistering pace in virtually every market. At the same time, growth rates are slowing and commodity prices have been falling for a decade.

Paranoid Nationalists used SA's rich deposits of minerals as a reason for the "total onslaught" against us. But who wants to steal them now, with De Beers bailing out the Soviets?

Raw materials were yesterday's competitive weapon. Today, knowledge creates wealth More and more of the cost of virtually any product comes from human imagination, less and less from sweat — and hardly any from the earth

For the past century, SA has relied on raw material exports for foreign exchange Now, everyone agrees, we must learn to sell manufactured goods

But what real hope have we in this area? Can we compete in high-tech or low-tech — or are we condemned to a "no-tech" future?

The answers are clear. As things are now, this country has very little chance in most high-tech fields We're up against tough opposition in low-tech. Like it or not, much of our population is condemned to a no-tech, subsistence future.

For the game has changed, and we're still trying to play by yesterday's rules

Most world class manufacturers have cut labour costs to below 15% of their total costs The best are down to 7%-8%, and doing better every day

What's more, the new concept of "body shopping" makes wages a variable cost. Global competitors buy labour wherever in the world it's cheapest.

Firms in London fax their clerical work to Taiwan for processing. A New York insurance company flies its claims to clerks in Ireland, and the finished work is sent back by satellite American computer companies use software writers in Delhi because they're much cheaper and, by one estimate, 150% more productive

The world is now a single market for everything, including labour. Workers here should know that they no longer compete with their immediate neighbours, there are 5-billion people after the same slice of pie.

The union's objectives of job creation and higher wages and better benefits are mutually exclusive. We can't have both productivity and public holidays.

Yet still, most wage negotiations in SA are based on the so-called "living wage".

Until a year or so ago, the magical amount was about R800 a month. Now some unions are talking about R1 500 for openers Many Numsa members earn a minimum of R6,40 an hour, with more rises expected soon Food and Allied Workers' Union members have seen their earnings in one firm doubled from the 1988 level of R3,50 an hour to R7.

Taiwanese manufacturing workers earn around $600 a month, but work far longer hours than their SA counterparts. However, if Taiwan was a competitor of ours in the past, it won't be in the future, compared to many others, it's now a "high-wage" country.

Our competition is likely to come from places like Jakarta, where manufacturing workers earn around $56 a month Or from Shanghai, where $1 a day is an excellent wage — and only the top 10% of the work force make that much

Just as Japan coped with rising wages by exporting capital and pushing manufacturing operations offshore to cheaper locations, Taiwan is now setting up shop in countries where labour costs are competitive.

In recent years Taiwan has been the biggest investor in the Philippines and the second biggest investor in Thailand, Malaysia, and mainland China.

These are the realities that political leaders, union leaders, and workers must face up to

They must understand that focusing their attention even more intently on "the struggle" will, at best, offer dubious short-term benefits

Meanwhile, they're putting inordinate pressure on the white managers whose skills and talent they cannot do without. (And scaring the hell out of them, thus fuelling the brain drain) They're creating expectations among their own people that they won't be able to meet. They're spreading disinformation which will haunt them in the future

In short, they're doing a great deal to ensure many years of post-apartheid poverty, instability, internecine strife, and insurrection.

Chris Dlamini, first vice-president of Cosatu and a key figure in the SACP, was recently quoted as saying, "We have not been able to politicise our members, the workers, sufficiently This is a priority for us and the whole MDM"

If that is his priority, his followers should ask "What next?" And they should demand answers to that question now, from all of their leaders.

☐ **Manning is a Johannesburg management consultant.**

Business draws up strategies to counter consumer boycotts

The SA Chamber of Business (Sacob) has sent out a special 10-point guideline to alert businessmen on the vital role they can play in trying to tackle the wave of consumer boycotts and in defusing potential flashpoints.

The plan has been prepared amid growing alarm at the toll of economic damage caused to black communities as well as business operations when boycotts drag on and sometimes flare into violence and looting

One radical approach suggested by Sacob is that the authorities should sometimes consider releasing an influential black leader held in detention to act as peacemaker in boycotts jammed in serious deadlock

Sacob legal manager Ken Warren takes the attitude that drastic problems demand drastic solutions.

"If there is a chap with lots of influence locked up in detention, able and willing to lend a hand in finding a settlement, he should be allowed out temporarily to help break any deadlock," he says.

"It sounds unorthodox, but we need to mobilise the most effective ways possible to meet the boycott problem."

Mr Warren has called on a network of well over 100 chambers of commerce and industry to urge their 35 000 member companies to swing into action on the first rumours of boycott trouble.

The first aim will be to identify the grievances at the root of any new boycott threats and then speedily seek discussions with boycott leaders and perhaps third parties on possible settlements

Mr Warren has emphasised to chamber executives that there are no instant solutions or quick fixes as far as boycotts are concerned

However, chambers in all areas should focus on ways to prevent boycotts through active participation in social upliftment programmes, and by keeping open channels of communication with black communities.

Amid growing alarm at the economic damage caused by consumer boycotts, the SA Chamber of Business has drawn up a set of guidelines outlining the role businessmen can play in tackling and defusing such actions **MICHAEL CHESTER** spoke to the chamber's legal manager, Ken Warren (above)

Mr Warren has listed a number of flashpoints where organised business scored successes by intervening to help resolve grievances — including Boksburg, Carletonville, Port Alfred and the Eastern Transvaal.

"The underlying causes were varied, from confrontations over apartheid segregation to poor water supplies," he points out

"But it was often proved that business had a key role to play as mediator when it was shown that chambers of commerce were firmly apolitical

"Our new set of guidelines are based on a distillation of our actual experience, and should make a valuable contribution to peaceful settlements

"The last thing we want is antagonistic counter-boycott action, such as threats to retaliate by shutting off consumer supplies to black townships, or similar action that could only make matters worse"

The main points in the guidelines are

- Whenever a boycott is threatened, early action should be taken to make contact with the boycott leaders
- Chambers should seek discussions with the leaders and with boycott opponents But clear distinctions should be made between grievances on purely political issues over which they had no powers of negotiation — and social and economic grievances where business could make a contribution
- Concerted action should be planned with the assistance of the authorities to prevent intimidation and to protect shoppers
- All member companies should be encouraged to hold discussions with their black employees to explain what makes business tick and the dependence of jobs and working conditions on profitability — discussions likely to cause a more balanced attitude towards boycotts
- Negotiations should take place directly with black leaders — rather than negotiation through the press, radio or TV which runs the risk of raising false expectations that could easily prove counter-productive.
- Chambers should make use of the services of professionals skilled in the art of negotiation, such as experienced industrial relations officers
- Chambers should not overlook the possibility of a commercial answer to a specific boycott threat, perhaps underlining the sacrifices faced by shoppers
- Communications with the authorities should be discreet to avoid any suspicions of collusion ("Where the authorities can assist by releasing an influential black leader who is in detention, for example, then clearly this is a useful exercise for a chamber to undertake")
- Chambers should avoid trying to use counter-boycott measures as a weapon — "if we believe in the free enterprise system"
- Use every opportunity to emphasise and publicise business initiatives concerning economic, political and social reform

SKILLS POLARITY CREATES A NEW CLASS STRUGGLE

W/E Mail 17/8 - 23/8/90 (132)

By DREW FORREST

THE workless and desperate shanty-dweller — and the relatively comfortable bank clerk, sales rep or skilled factory operative they represent two magnetic poles, dragging the black labour movement in opposite directions

Seismic changes in the nature of the black work force in the last two decades have been thrown into stark relief by new research New and deepening divisions are seen as "the major problem facing the democratic union movement and a future government in South Africa"

The old race/class gulf of the 1960s — between unskilled and semi-skilled blacks, and skilled and white-collar whites — has been eroded by economic crisis and the rise of the black

fo PAGE 3

Skills polarity creates new class struggle

W/E Mail 17/8- 23/8/90 (132)

●From PAGE 1

trade unions Measuring the degree of erosion are University of Durban-Westville academic Doug Hindson and Owen Crankshaw, a researcher for the Human Sciences Research Council.

On the one hand, they point to an absolute fall in unskilled jobs, with a corresponding rise in jobless blacks unlikely ever to find work.

On the other, there is a rapid expansion of the black middle classes and the semi-skilled work force

Hindson and Crankshaw take as a "minimum figure" manpower department estimates that there were close to 600 000 middle-class blacks in 1987 — a threefold increase since the mid-Sixties.

Although only 19 percent of all black wage-earners, blacks made up 28 percent of the total middle class If people classified coloured and Indian are defined as "black", the figure rises to a startling 43 percent.

Almost half of all middle-class Africans fall into the "routine white-collar" category — non-manual, non-super-visory work associated with matric qualifications. At one end of the spectrum are clerks and salesmen — who make up half the group — and at the other, employees such as office machine operators, messengers, ushers and nursing assistants.

Other middle-class groups are in junior jobs in the police, Defence Force and security firms (20 percent) or are teachers (19 percent), nurses (four percent) and supervisors (five percent).

Also emerging from the analysis is a remarkably strong showing of African women in some middle-class occupations They make up no less than a third of all female semi-professionals and technicians.

In fact African, coloured and Indian women make up 48 percent of all female employment in the semi-professional group and 42 percent of female routine white-collar workers.

The researchers throw a harsh light, however, on the continuing white stranglehold on managerial and professional posts. Of 220 000 managers in 1987, 92 percent were white and 2,3 percent African

Among South Africa's 90 000 professionals, the breakdown was similar. 91 percent white and 3,8 percent African.

Changes in the structure of the black working classes have been no less dramatic, Hindson and Crankshaw demonstrate.

Over the past two decades, the unskilled proportion of the black work force has fallen from 48 percent to 40 percent, with the result that white, coloured and Indian workers have increased their share in the job market.

Half a million jobs were shed in agriculture between 1960 and 1985, at a stage when total employment rose by two million. Another stronghold of the unskilled, mining, also showed a relative fall, from 12 percent to 10 percent of total employment.

In manufacturing, the changes have been nothing short of revolutionary.

A doubling of the work force to two-million strong, coupled with an explosion of semi-skilled jobs — machine operators and drivers — has eroded both skilled and unskilled categories

Over 20 years, the unskilled contingent dropped by a third to below 200 000, while the number of semi-skilled manufacturing workers doubled to 800 000. Of these, 73 percent are black, as against 40 percent in 1965.

"In 1965 most African workers were unskilled. In 1987 most — in the formal sectors — were semi-skilled," Hindson and Crankshaw write in a recent *SA Labour Bulletin*

An examination of the giant metal industries shows, however, that these massive shifts have not broken down, and may have hardened, the racial division of labour.

As blacks have flooded into semi-skilled jobs, white operatives have declined. At the same time, increasing numbers of whites have moved into middle management, professional, semi-professional and supervisory work.

Another trend highlighted by the researchers is an accelerating influx of women of all races into the economy. Their rate of growth over the past two decades has exceeded that of men, with the sharpest increase registered among African women.

The researchers stress that this was from a very low base. In 1985 about 60 000 African women worked in formal jobs outside agriculture

In the 1950s and 1960s, Hindson and Crankshaw say, black workers were largely divided on residential lines, between migrants and locals.

"This has been replaced with a stretching out and multiplying of the lines of differentiation, as African workers have been drawn into increasingly skilled work and given credit for it," they write.

What are the implications for black unions?

Rising skill levels have moved training further up the list of union priorities — significantly, Cosatu's giant metal union tabled extensive training demands in industry-wide wage talks.

In 1987, only 7,8 percent of black workers were artisans, and there remains enormous scope for black participation at this level.

And the influx of women, particularly into the commercial sector, has brought a growing union emphasis on maternity and child-care rights

But with opportunities come dangers. Against a backdrop of continuing economic crisis, employers have reacted to the growth of the black unions by retrenching, while upgrading and paying higher wages to a smaller but more skilled work force.

Unwittingly, the new unions have spurred restructuring and have deepened the rift between "relatively privileged employed workers and the impoverished unemployed".

A major challenge for the unions will be to defend and advance the gains of members, while promoting job opportunities for the workless.

Hindson and Crankshaw add: "The unions and their members are flanked by two great groups of the non-unionised the rising middle classes and the increasing unemployed and impoverished.

"Grave dangers lie ahead for the union movement, and indeed for all democratic forces in South Africa, if attention is focused on one of these large social strata at the expense of the other."

Majority of mineworkers in favour of strike action

Star 22/8/90 (132)

Staff Reporter

The National Union of Mineworkers is still balloting its members at De Beers mines this week, but results so far show a majority "yes" for strike action

NUM spokesman Sej Motau said incomplete ballot results indicated a 77,2 percent "yes". Premier Mine and De Beers' geology department were still balloting.

A strike would affect five De Beers mines and the geology department.

The union and De Beers deadlocked on wages two weeks ago and a strike ballot started last week.

Management offered a 16 percent increase at the bottom grades and 15 percent at the top, against the NUM's demand for a 22,5 percent increase on the minimum wage of R653.

Gang seize police car

DURBAN. — Four men armed with AK-47 rifles held-up two plainclothes policemen at Isipingo on Tuesday and forced them out of their car before driving off in it.

Star 23/8/90 (133)

Cosatu woos employers

COSATU has approached employer federation Saccola to take a public stand on township violence, to ask its members to help union efforts to defuse the violence and to become involved in eliminating causes of violence.

Longer strikes may cause more hardships - expert

Sowetan 23/8/90

132

By JOSHUA RABOROKO

CONCERN about the serious damage the wave of strikes, experienced mainly in the manufacturing and retail sectors, can have on the economy is expressed in Sanlam's latest *Economic Survey*

Sanlam's chief economist, Mr Johan Louw, says it is estimated that more than 1,2 million man-days were lost during the first half of this year - more than three times as many as in the corresponding period last year.

"Particularly worrying is the fact that there has been a sharp increase in the duration of the strikes and that they have been accompanied by a growing measure of violence and loss of life."

Louw says the effect of the strikes is being felt throughout the economy It can, for example, result in the current downturn in the economy being intensified

A further rise in unemployment, with an accompanying increase in unrest; attempts to reduce the inflation rate being seriously inhibited, and the external value of the rand being weakened again are some of the effects

"Wage demands which have no relation to production can also decrease our competitiveness on international markets and adversely affect the ability of the economy to provide jobs.

"Excessive wage demands by trade unions, which look after the interests of their members only, result in an increasing portion of the wage bill being diverted to members and actually hamper the creation of additional jobs

"They could even cause businesses to reduce their labour force and/or becoming more capital intensive"

He says one of the greatest challenges of the future is to increase the number of jobs significantly This is also a prerequisite for peace and order

"The trade unions therefore have a very great responsibility in ensuring that labour unrest is restricted to a minimum

Wages

"The annual wage negotiations are now in full swing and employers can expect a difficult time Indications are that wage demands - despite the strong levelling-off in general economic activity - are at a considerably higher level than the increases in the consumer price index"

Really GDP would show no growth this year

Any noteworthy improvement in the economy should not be expected before the second half in 1991

In the meantime, the favourable course taken by the inflation rate during the past 12 months continued into June (13,6 percent compared with 15,7 percent in June 1989) By the end of the year it could reach 12,5 percent

At this stage he considers that the average inflation rate for 1991 could well be at that level

He says this expectation could be disappointed if it were to become necessary to increase the petrol price sharply

Minister assures local industry of Govt protection

Star 24/8/90

(133)

By Peter Fabricius, Political Correspondent

The Government gave the assurance yesterday that any move away from the traditional policy of protecting local industry against imports would be phased in after consultation.

Minister of Trade, Industry and Tourism Kent Durr said this at the opening of Sasol's plypropylene factory in Secunda.

He said the Industrial Development Corporation's report on protecting policy was being considered by several Government departments because customs tariffs could not be isolated from other matters such as inflation, tax, surcharge, exchange and interest rates, and export incentives.

The Government was fully aware of the practical implications of any change in its traditional protection policy It was sensitive to the importance to the business community of reducing uncertainty to the minimum.

"We are not going to spring suprises upon unsuspecting industry," Mr Durr said.

He said the polypropylene factory would ensure a bright future for the plastic in the local chemical industry.

Mr Durr said polypropylene was a clean, non-toxic "environment friendly" plastic ideally suited for domestic and medical equipment.

It could be easily recycled and did not exude dangerous gases when burnt.

Number of strikers rises by 2 000

Star 27/8/90

132

By Brendan Templeton

More than 8 500 workers were on strike last week — about 2 000 more than the previous week.

About 435 returned to work and another 126 000 are involved in strike ballots.

Strikes included:

- Liquor producers and 3 200 National Union of Wine, Spirits and Allied Workers Union members. About 600 workers accepted a revised offer of increases ranging from R33 to R40, according to grade.
- ATC, Brits, and 600 National Union of Metalworkers members over the dismissal of three shop stewards.
- The KwaZulu Department of Education and Culture and about 4 000 teachers from 70 schools over conditions
- Zebediela citrus farm near Pietersburg and its workers over a R500 minimum monthly wage demand.
- Mercedes-Benz, East London. Between 200 and 500 workers are demanding that the company leave the National Union of Mineworkers of SA's National Bargaining Forum Production has been shut down for 10 days.

Strike Barometer

- Xactics rigid plastics, Cape Town, and 148 Chemical Workers Industrial Union members over their retrenchments Court case pending.
- Tembisa Hospital. An undisclosed number of white doctors, pharmacists and administrators are on strike over the eviction of a white matron by black workers. The Transvaal Provincial Administration denied there was a strike but admitted that top officials had met white workers to "improve staff relations".
- Reckitt-Colman, and 400 dismissed workers pressuring the company to take part in the union's provident fund.
- Labethica, Bethlehem, and 160 SA Chemical Workers Union (Sacwu) members
- African Catylists, Sasolburg, and 30 Sacwu members over backdating of wage increase
- SA Druggists and 30 Sacwu members demanding a R400 minimum monthly increase Management offering R180 to R240 Strikes ended.
- Southern African Black Taxi Association and 300 Transport and General Workers Union members Short-term demands accepted.
- Wella, Wynberg, and 35 Sacwu members who demanded a R200 increase on the current R1 005 minimum wage. Management offered a R140 increase
- Lovasz Chemical Corporation, Midrand, and 100 Sacwu members demanding a R180 a week increase Management offered R160.

IDC acquires stake in ERF

Star 28/8/90 (132)

The Industrial Development Corporation of South Africa (IDC) has acquired a 37,6 percent interest in ERF SA, previously wholly owned by ERF Holdings of the UK.

The Alrode-based ERF SA, whih is celebrating its 25th anniversary, is a supplier of quality trucks and buses.

Dai Davies, managing director of ERF SA, and a director of ERF Holdings, says the sale of equity to the IDC emphasises ERF SA's intention to be more closely identified with its origins.

The company's policy is one of controlled growth and increased South African content in its vehicles, he says. — Sapa

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Talk to unions, don't fight them — Godsell

By Shareen Singh

Star 29/8/90 (132)

Employers should stop raging at unions and rather engage them in discussion on issues where joint decisions could be made, Anglo American's industrial relations director Bobby Godsell said yesterday.

Speaking at a conference organised by the University of Cape Town Graduate School of Business, Mr Godsell said unions and employers needed to sit down together and work out joint solutions on issues such as housing, health care, education and training, and retirement funds.

A key component of industrial relations today was the strong interdependence between unions and employers, which could be used effectively.

Instead of waiting anxiously for unions to submit demands which were unrealistic, employers ought to approach unions first and explain the situation in the company, he said

Employers ought to discuss the economic situation with unions and ask them to make concessions which would render the company more effective and profitable, and in turn benefit workers.

Where Anglo has tried this, it has worked, Mr Godsell said In one case, workers had accepted an 8 percent reduction in pay to avoid full-scale retrenchments

Workers had become empowered since the 1970s, when they started becoming semi-skilled and urbanised. At the moment, power was being used dangerously. However, unions were realising the limits of this power and beginning to compromise in the interests of workers' jobs, Mr Godsell said

132

Mini-taxis: Sabta will use the CSIR findings

Staff Reporter

The South African Black Taxi Association (Sabta) has undertaken to improve the standard of the country's minibus taxi industry by embarking on a project that would make use of the findings of recent research conducted by the Council for Scientific and Industrial Research (CSIR)

Sabta's director of public affairs, Mike Ntlatleng, said on Monday that the outcome of the project had confirmed the organisation's way of thinking and had come at the most opportune time.

Sabta, the biggest black taxi association in the country, aims to merge membership of local taxi associations into one body and supports the formation of a taxi safety action group

According to the research conducted by the CSIR, the major causes of accidents were speed and overloading.

Other interesting findings were that

- Only two percent of minibus drivers wore spectacles compared to 18 percent of drivers countrywide
- Only two percent of taxi drivers had a blood alcohol level of 0 8 mg or higher while the national average for drivers of commercial vehicles is eight percent.
- Only three percent of accidents were the result of head-on collisions while sideswipes accounted for 22 percent and rear-end collisions accounted for 21 percent

According to the report, taxi drivers disregard red lights, travel at high speeds, weave through traffic and travel in convoy in urban areas

The report recommends stricter law enforcement with respect to speeding, overloading and the condition of tyres

Also recommended is a programme that would introduce control of new entrants through selection as the level of formal education of taxi drivers was relatively low.

Star 5/9/90 132

NEWS

Wage pleas 'not excessive'

By Brendan Templeton

Trade union wage demands were not excessive or undermining the economy — instead employers should see themselves as the cause of low productivity.

So said National Union of Metalworkers (Numsa) organiser Dr Bernie Fanaroff yesterday in response to Finance Minister Barend du Plessis's recent remarks that trade union wage demands were excessive and were crippling the economy

Rely

Employers had relied too much and too long on cheap labour as a source of profit and on tariffs protecting them from overseas competition instead of finding more innovative ways to increase productivity

Any increase in productivity in the manufacturing industry always took place at workers expense There had been a reduction of more than 100 000 jobs in the industry since 1982, he said

Wage demands by unions in the manufacturing industry were not excessive either. He pointed out Numsa's skilled members had experienced a drop in wages in real terms over the years.

At the same time, wages had increased only slightly for its lowest paid members who had not significantly closed the gap between themselves and skilled workers

It was "completely unreasonable" to look only at labour costs when employers did not make any significant attempts to find more innovative ways of increasing productivity, he added

Unionists' role in SACP

B/Day 7/9/90 (132)

DEVAN PILLAY

THE appointment of four of SA's most prominent trade union leaders as members of the SA Communist Party's internal leadership group has raised many important questions about the relationship between Cosatu, the SACP and the ANC.

It had become evident that Cosatu was replacing Sactu as a close ally of the party. But what surprised many was the emergence of such high-profile unionists as Cosatu vice-president Chris Dlamini, assistant general secretary Sydney Mafumadi, and Numsa's Moses Mayekiso and John Gomomo as SACP leaders.

Particularly surprising was the inclusion of the Numsa unionists, who had been labelled as "workerists" (and therefore hostile to the SACP).

The appointments also surprised those who believe that Cosatu leaders should not occupy leadership posts in political organisations, and that such structures should be separate and distinct.

In March the SACP and Cosatu restated the necessity of Cosatu remaining independent of political organisations "as a matter of principle and practice". These appointments raise questions about what exactly is meant by trade union independence.

Have these unionists been "co-opted" into a party that pays lip service to union independence and democracy? Or do these appointments instead reflect a growing influence of the unions on a party that has genuinely moved away from the "Stalinist" attitudes and practices of its past? Or should they simply be seen as a vote of confidence by the unionists in a party that has always led the struggle against capitalist exploitation?

Recent interviews with these unionists suggest they joined the party because they saw the need for a strong political organisation to facilitate the leading role of the working class in the struggle. They felt there was no other organisation capable of performing this task. Mayekiso has said he saw "little point in the left forming tiny splinter groups like in Britain".

Cosatu has begun to discuss the desirability of its top leadership occupying highly placed positions in political parties. There is a strong feeling that this should be avoided, as it could lead to a conflict of interest, and divert attention away from the particular needs of the unions.

The unionists, however, see no immediate problem in the top leadership of both bodies. They all emphasise they are elected office-bearers of the unions but not of the SACP where their positions are temporary until elections next July. They are thus trade unionists "first and foremost", and are bound by union "democracy and processes".

Mayekiso feels that if organised workers are to influence the party, they have to participate in the leadership. However, this does not mean the whole Cosatu leadership should be swallowed into the leadership of the party. There is a difference between occupying controlling positions (such as the general secretary's) of both, and merely being members of the executive.

The structures of the ANC, the party and the union must be kept separate, the unionists argue, so that one does not control the others.

Ideally, the alliance will take decisions by consensus, in the interests of all three formations. But that does not mean the party should suspend building its mass presence. The role of the party in this phase is to ensure a "socialist voice" in the alliance. The alliance, says Dlamini, "may not exist forever". An ANC government will have to accommodate a range of interests, including that of employers. The party, on the other hand, speaks purely for the working class.

At the first meeting of the party's internal leadership group in May, according to Gomomo, the unionists were asked to guide the party with ideas on how to establish itself as a democratic organisation with proper structures of accountability.

☐ MAYEKISO

The unions have played a vital role in moving the party away from the dogmatic and sectarian aspects of its past. And their influence will increase, feels Gomomo, because the thousands of new members will come primarily from the unions. Therefore any remaining traces of 'Stalinist' influence are likely to be swamped by the organised workers.

The ANC itself has moved very far along the road to being a movement sensitive to the needs of its predominantly working class constituency. It is very possible that the ANC and the SACP could merge into one movement. If this is to happen, the party has a vital role to play to ensure that the socialist voice is heard.

But it is also possible the party could face pressure from within to distance itself from the ANC, and become either a critical partner in a looser alliance, or, less likely, an opposition.

Whichever path the party eventually takes, it is likely that the trade unions will pay a crucial role in determining that direction.

☐ **This is an edited excerpt of an article in the latest edition of the SA Labour Bulletin, of which Pillay is a staff member.**

SA workers 'need to be taught basic economics'

B/Day 10/9/90 (132)

GERALD REILLY

PRETORIA — The biggest challenge facing managers in SA was educating workers on basic economics, former Minorco CE Sir Michael Edwardes told an Afrikaanse Sakekamer meeting in Pretoria at the weekend.

Edwardes, who is on the boards of several international companies, said SA companies were far ahead of their UK counterparts with regards to social responsibility programmes But they were far behind when it came to the economic education of their workforce.

He said workers should be taught that unless they were productive, there would be no jobs for them

Managers had to use every legitimate means to protect their businesses Moderate workers should be rewarded but the disruptive element should be punished

Sapa reports that Edwardes told the meeting it was an inescapable fact that attempts to halt the decline of British industry over the past 20 years had failed

While management in the US developed 15-million jobs between 1973 and 1983 and Japan developed 4-million, the EC lost 2-million jobs.

Something British industry was depressingly good at was compromise

The Japanese, Germans and Americans were more frank and did not accommodate failure or make a virtue of compromise and "as a result they take us to the cleaners at every point", he said.

"We have led the world in techniques and technologies in countless industries and products only to lose the initiative to others who are more determined, more direct and more courageous or bold."

Talent in Britain was probably only 40% utilised. There was a hypocritical attitude abroad in Britain which played down the importance of money as an incentive.

"By making a virtue of pretending to ignore money we have ended up as among the worst payers for performance in the Western world," he said

Motivation had much to do with demotivation. The quickest way to demotivate everyone from director to tea boy was to be petty.

Large head offices did not only cost money but tended to be hothouses of bureaucracy "and many an operating company has lost good men because of the second and third guessing by headquarter bureaucrats who have never run a business", he said

'No' to labour's turnabout on living wage

132

South 13/9 - 19/9/90

A campaign for a national minimum wage was one of the key issues discussed at Cosatu's campaigns conference last weekend.

In an earlier article, SOUTH labour reporter Chiara Carter looked at the arguments underlying the call for a national minimum wage.

Another view being debated in labour circles is that the proponents of a national minimum wage are working from an essentially reformist basis and that, instead, a revived living wage campaign is needed:

COSATU'S Living Wage committee has recommended a national minimum wage of R700 a month.

The committee stresses it is necessary to distinguish between the national minimum wage and the living wage.

The committee said· "The living wage has been estimated at between R1 140 and R1 500.

"This is our goal But for many workers, this goal is still very far away Their wages are too low to reach the living wage in one jump They need a stepping stone "

Since 1981, the democratic movement has generally accepted that fighting for a living wage is one of the most important struggles of the oppressed and exploited

Starvation

The struggle of the working class and its allies took a great step forward when Fosatu demanded that workers reject all attempts to make them accept starvation wages under the pretence of using so-called scientific surveys like the poverty datum line or the minimum living level

Not only were these surveys based on incorrect information, they were also decided without consulting workers

The labour movement recognised that workers had to have a say in formulating wage levels The level of wages was arrived at by the strength of workers and their organisations — not by scientific surveys

Fosatu said "A living wage is a combination of two factors — what workers decide they require to live and what workers are able to get from their managements at both national and plant-based negotiations, based on the company's ability to pay, its profits and the ability of the union to get higher wages in the company "

At its founding conference in 1985, Cosatu stated there should be a campaign for a national living wage

The federation's Living Wage Campaign (LWC) was launched in March 1987

Cosatu showed that the struggle was not a narrow union campaign but one which involved the whole class

Imagination

The demand for a living wage captured the imagination of the working class and its allies

Many militant battles were fought under the banner of the LWC, supprted by a range of groupings within the mass democratic movement.

Service organisations tied to the labour movement, such as the Labour Research Service (LRS) and the Community Research and Information Centre (Cric), set about working out an amount for a living wage

On the basis of these estimates, workers began to agitate for R1 500 a month

Since the beginning of this year, however, it has been argued that the demand for a living wage is not viable as a short-term demand

Instead, organised workers should fight for a national minimum wage — which is not the same as a living wage This national minimum wage should be made law

The call for a national minimum wage comes from organisations and institutions which are part of the democratic movement

More striking is the fact that the call is counterposed to the living wage The figure mentioned most often (R700 a month) is about the same as the poverty datum line

The LRS has spearheaded this argument by saying a national minimum wage demand would provide a realistic and popular target for all workers earning less than the national average of R667 a month.

It would unify union campaigns Unions could present a united front between high-wage and low-wage industries

It could also provide a basis for unity within decentralised companies like Barlow Rand

Union demands would be standardised within a minimum of R700 and a target wage of R1 140

Farm workers can easily demand this minimum

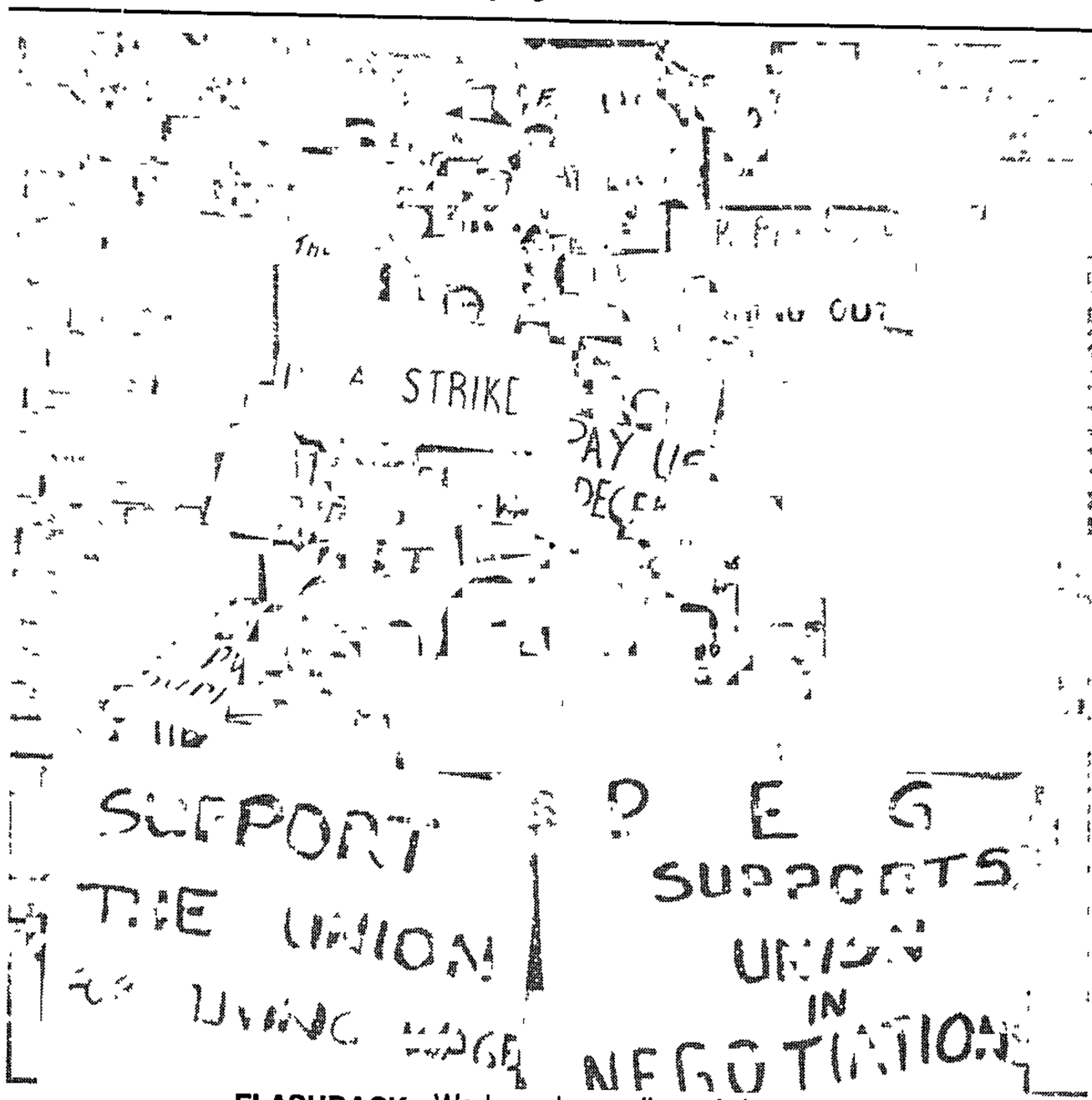
A similar argument was put forward by Rene Roux in the SA Labour Bulletin

This is a marked break with the previous positions of the labour movement

Why the turnabout?

The first reason put forward by the minimum wage proponents is the weakness of the LWC

The second is the "unrealistic nature of the demand of R1 500 per month"



FLASHBACK: Workers demanding a living wage PIC: RASHID LOMBARD

Both the LRS and Roux take as their premise the weaknesses of the LWC and conclude a national minimum wage campaign — without showing that the problems of the LWC are insurmountable

There have been serious weaknesses in the LWC, but the way to overcome these is to revive the campaign with the struggles in 1990 used as a preparatory phase for a unified LWC aimed at the state in 1991

Regarding the "realistic figure" of R700, who decides it is realistic?

It is argued that figures must be scientific — or they may be open to attack from the employers

Prejudice

There is an underlying reformist assumption to this approach

The debate about whether a figure is scientific does little to serve the interests of the working class It is merely an attempt to serve the prejudice of the ruling class under the guise of being scientific

The arbitary nature of these "scientific figures" is reflected in the absence of any agreement on what the exact figure is, even among progressive service organisations

Marx said the value of wages is formed by two elements — the one physical, the other historical and social

In South Africa, like in all capitalist countries, the social conditions of the different classes differ widely

How the wealth produced is shared is in turn a product of class struggle

The living wage cannot be separated from the minimum wage

The living wage cannot be empirically determined, it is determined in struggle

There are many theorists who maintain workers who get poverty wages are being cheated and it is necessary to convince the bosses to be fair

This is the approach that service organisations adopt Certain levels of wages are achieved only in the process of mobilisation, they cannot be predetermined scientifically

It is clear that a figure arrived at in this process will be a living wage as it reflects best the strength and confidence of the working class and its consciousness and aspirations at a given stage of class struggle

A figure arrived at in this way is the only conceivable minimum It shows the rest of the working class what can be achieved and therefore defines this new level of wages as the new terrain of struggle

The LRS acknowledges that a minimum wage campaign can only be successful if the high wage unions play a leading role

If both the minimum wage and the living wage are arrived at through the same process of struggle, then the minimum wage must be the living wage

The attempts by the LRS to separate the living wage from the minimum wage must be rejected as being the result of ruling class pressure on reformist elements in the mass movement

Although the LRS, Roux and the Living Wage Committee take as their starting point the plight of non-unionised workers who form 79 percent of South African workers, and workers outside capitalist relations, such as domestic workers and the unemployed, the method used to rescue them defeats the whole purpose

Missing

Both the LRS and Roux argue that workers earning above the proposed minimum should continue to struggle for a living wage, while those in the low income industries should struggle for the minimum

What is missing is any assessment of how the living wage campaign could avoid the present problems and how it would relate to the campaign for a national minimum wage

Despite lip service to the LWC, the effect of the LRS position is that at best the LWC is weakened, at worst dropped

Those earning above R700 will struggle for a LWC alone, the struggle for a living wage will no longer be a unified campaign

Even more criminal is that a Cosatu affiliate, the South African Domestic Workers' Union, is excluded

The Living Wage Committee has failed to link the national minimum wage campaign with the struggle for a living unemployment benefit

A major weakness of the LWC was that different unions fixed the living wage at different amounts

Fate

The absence of a specified figure and the failure to target the campaign at the state led to the LWC becoming little more than individual unions conducting normal union wage negotiations with bosses and calling these demands a living wage

The minimum wage campaign is in danger of a similar fate

The living wage committee sees the national minimum wage as a struggle directed at the bosses and not the state

For both the LRS and the living wage committee, the struggle will be directed against the bosses and the demand for a legislated minimum postponed until a post-apartheid government comes into power

This does not take into account the experience of the working class

The militancy of the working class forced the government to legislate trade unions for African workers in 1979 It was also the militancy of the working class that has made the government reconsider the Labour Relations Act

We need to reject the national minimum wage and instead fight for the revival of the Living Wage Campaign as one which stipulates a specified amount and is directed at the present state for legislating

Comment

Meaningless debate highlights Sacos' bankruptcy

THE self-styled arbiters of nonracialism are at it again.

Not unlike the cynical censor with his shredding shears, they have sharpened their debating skills, ready to pass judgment on the use of certain venues by us mere mortals And for good measure, to decide who are "principled nonracialists" as opposed to "multinational opportunists"

No, we ordinary beings are not capable of objectively deciding whether we should attend a gumba in the Muizenberg Civic Centre or whether our seven-year-olds can run on the tartan track at the South African Transport Services' (Sats) athletic track at Philippi

That right of informed decisionmaking has been arrogated to the Western Cape region of the South African Council on Sport (Sacos)

Lest we are prepared to fall foul of the dreaded double standards resolution (DSR)!

While major attempts are being pursued to bridge the sporting divide in the country, Sacos still view it as important to place the use of venues at the top of their agenda

The use of the Goodwood Showgrounds for a national tournament by the Amateur Volleyball Association of South Africa "is being investigated" while the Western Province Primary Schools' Sports Board have been requested to supply more information on the Sats stadium. At the same time they quibble about whether the Muizenberg Civic Centre is kosher or whether matriculants can attend the staging of Hamlet at the Joseph Stone Auditorium

This pre-occupation of Sacos with such meaningless debates highlights their bankruptcy of ideas in the promotion of nonracialism, of which they claim to be the guardians

How else can one describe their viewpoint that the DSR is fundamental to the propagation of the ideals of non-racial sport?

Let there be no doubt, the DSR was a necessary measure to counter the multinational sport policy introduced by one Piet Koornhof in 1977 It provided Sacos sportspersons (and others who voluntarily ascribed to it) with an unambiguous guide as to who collaborated with the system of apartheid Or for that matter, the DSR spelt out where blacks were treated as "honourary whites" in the application of the permit-system

I and millions of others had no fight with that.

But implying that organisations are racist on the basis of their rejection of the DSR or on their choice of venues is, to say the least, preposterous

How do I explain to my five-year-old son that he cannot watch stockcar racing at Goodwood or that he cannot play soccer under the South African Soccer Association (Sasa).

What makes the South African National Football Association (Sanfa) any different to Sasa Is it because they have chosen to align themselves to Sacos or are they more "nonracial" than Sasa?

Sacos will need to explain to thousands of schoolchildren why one of the best table tennis players within the ranks of the South African Senior Schools Sports Association had been summarily removed from the national schools' side without a single school, parent or student being consulted What has happened to their claim of accountability? Answers are also needed to the kid-glove treatment meted out to Simon Meyer after he was declared a defector in line with their DSR Is it because of fear that he could have chosen to be branded a "double defector" Or is it simply a case of he having chosen the "right side" as Sanfa have presumably done?

Sacos, who are increasingly becoming marginalised because of the dogged self-righteous "non-racialists" within their ranks,owe those who have not yet deserted them some straightforward answers

It is not good enough to blandly argue that the DSR "differentiates between opportunists and principled nonracial sportspersons", as Sacos executive member Abe Adams has stated

Unless of course, only Sacos members are nonracialists

— GRAHAM ABRAHAMS

Hagler to make a comeback?

IT's been three years since former middleweight champMarvellous Marvin Hagler's world was shattered by a controversial points loss to Sugar Ray Leonard.

Now almost every major newspaper and television network is talking of his return to the ring.

The prospect of Leonard/Hagler II has everyone, including the promotors, excited at what could be the biggest-earning fight in the history of the sport. Forget Leonard/ Thomas Hearns III, or Leonard/Roberto Duran IV, this fight would truly be a monumental bout.

Willing to fight

Leonard, 34, still the WBC supermiddleweight, has said he's willing to fight the 36-year-old Hagler.

That Leonard is ready to fight the ageing middleweight warrior is an indication of his shrewd business sense

All four his opponents since his comeback in 1987 were ageing or limited fighters.

In his third comeback fight against Thomas Hearns, Leonard clearly did not take into account "The Hitman's" intense motivation. Leonard found himself on the canvas twice in one round, but managed to "steal" a draw.

Easy meat

Duran was easy meat, as Leonard demonstrated in their 12-round sleepwalk last year The former lightweight kingpin displayed none of the ferocity that made him the only man ever to give the "Sugar Man" a hiding

Again, as against Hagler, the key to Leonard's victory was good lateral movement.

A knockout victory at the end of Hagler/ Leonard III is unlikely Both have tough jaws, with the "Marvellous One" perhaps edging the "Sugar Man" in that department

Both fought Hearns, at the height of the "Hitman's" career, Leonard in 1981 and Hagler in 1985

Hagler, however, has never been knocked down in his career, while the "Hitman" has sent Leonard to the canvas in their third fight and has been hurt by others

The record books are littered with the names of fighters who have made a comeback to the ring Perhaps Hagler will be an exception, but in this game nothing can be taken for granted Just look at 42-year-old George Foreman Bets are, Hagler will return early in 1991 for the biggest fight of his career

Hagler: On the comeback trail?

Blitzkrieg halted

THE West German wunderkids — Boris Becker and Steffi Graf — seem to have run out of steam.

Last year they won both Wimbledon and the US Open titles. This year they crashed out of both the Wimbledon finals and the US Open.

Becker fell to 20-year-old American Andre Agassi in the semifinals of the US Open, while Graf lost to 21-year-old Argentinian Gabriela Sabatini in the women's final.

Last year pundits compared the West German duo to former world champions, Jimmy Connors and Chris Evert-Mill.

For Becker, 22, it has been a nightmare year as far as the major titles are concerned. Tipped by manager Ion Tiriac to take over the number one spot this year, he has failed to live up to expectations. He went out in the first round at the French Open and was pipped by new world number one Stefan Edberg in the Wimbledon final.

Graf on the other hand has only the Australian Open title as a reminder of her glory years. She lost in the French Open final to Monica Seles and in the Wimbledon semifinal to American Zina Garrison.

'Hitman' may hit the deck

WORLD Boxing Organisation supermiddleweight champion Thomas "The Hitman" Hearns may just have to contemplate permanent retirement after his clash with WBO champion Nigel Benn in Atlantic City in the United States on January 4 next year.

Hearns, 31, has looked decidely mediocre in the last few years against feeble opponents

The Hearns that outpointed Michael Olijide in his last fight in Atlantic City, is clearly not the same fighter that knocked out 30 of his first 32 opponents

In 47 fights, Hearns has had only three losses but has been involved in some vicious wars

In 1981 Leonard battered and knocked him out in round 14

In 1985, in the fight of the year, middleweight kingpin "Marvellous" Marvin Hagler knocked him out in a brutal three-round war

In 1988 Hearns suffered the third knockout defeat of his career against Iran Barkley

Later in the same year, James Kinchen almost sneaked in with a points win and Hearns barely able to stand after the bout

Already there are signs that all is not well with his brain

At press conferences his speech has been noticeably slurred According to Joseph C Tintle of the Ring magazine, parts of a telephone interview conducted earlier in the year was indiscernible because of Hearns' speech

Against a young gun like Benn, who is a known power puncher, "The Hitman" may just find himself on the canvas very early in the fight

Benn has little respect for the punching power of his opponents as he demonstrated last month against the former undisputed middleweight champion, Iran Barkley

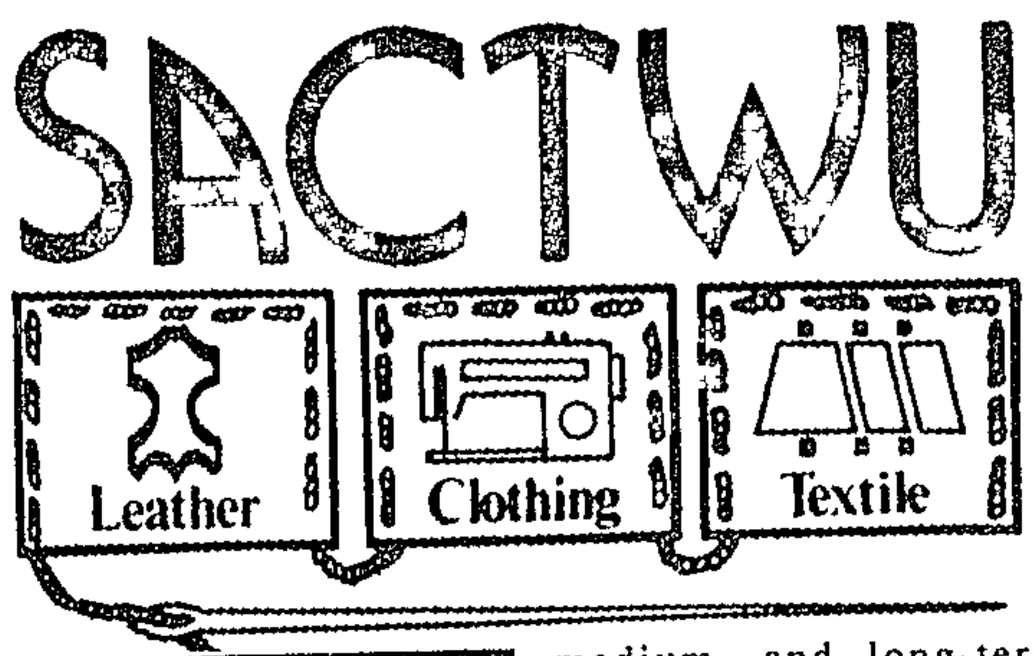
It is, however, bound to be an exciting fight with both fighters going for the kill in the early rounds

Nationwide minimum pay the goal

Unions launch wage campaign for workers

Sowetan 19/9/90

132



A nationwide minimum wage campaign is being organised by the Congress of South African Trade Unions, which is due to hold a conference later this month to discuss how the minimum wage should be structured. Labour reporter BRENDAN TEMPLETON looks at the viewpoint of the South African Clothing and Textile Workers Union.

FOCUS

SOWETAN REPORTER

THE coming trade union campaign for a minimum wage should be designed to suit the needs of different industrial sectors.

This is the opinion of the South African Clothing and Textile Workers Union (Sactwu) collective bargaining and research centre, which believes a blanket approach to establish a single nationwide minimum wage would harm the economy and workers' interests.

The Congress of South African Trade Unions is planning a nationwide campaign to establish a minimum wage and is due to hold a conference later this month to discuss ways of implementing a minimum wage.

Viewpoints which have emerged so far can be divided into two main camps - those calling for a single national minimum wage (NMW) and those who believe it should be established according to the economic circumstances of different industrial sectors.

Approach

Sactwu favours the latter and has outlined its reasons in an article for discussion at the coming conference.

It believes such an approach will accommodate the needs of workers and ensure a healthy economy in a post-apartheid South Africa.

A sectoral minimum wage (SMW) can also act as a stepping stone to the eventual establishment of a NMW and, eventually, a living wage when economic conditions allow, it says

"We must develop a minimum wage policy that is effective, that is capable of being implemented, that is appropriate to help uplift our apartheid ravaged economy and that can be effectively monitored and directly administered by the working class and their organisations," the trade unions.

Sactwu lists five reasons why a SMW is more practical·

* Industry economics differ from sector to sector and some are able to pay a higher wage than others Without taking into account the unique cost structures and other features of a particular industry, its short, medium, and long-term wellbeing could be jeopardised if it is unable to meet the national minimum wage

* Employment and unemployment is one of the main crises facing South Africa and a NMW may lead to greater mechanisation by businessmen who cannot afford the higher wage This happened in Zimbabwe when NMW legislation was passed and thousands lost their jobs between 1982 and 1984, despite a law forbidding retrenchments "without sound financial justification".

Workers would be protected best if the policy addresses itself to the low wage industries separate from the relatively higher paid industries Other businessmen could also move to neighbouring countries in an attempt to find cheaper labour.

* Collective bargaining would be undermined for workers in sectors which could afford to pay higher wages than the legislated NMW.

Experience

Employers would say there was no need for them to pay higher wages as they are already paying above the Government's legislated minimum

Again, this was the experience in Zimbabwe where unionists found fixed wages effectively undercut their ability to bargain for higher wages for their members

* Regional disparities also have to be taken into account. Rural employers pay lower wages and ignoring this may have the effect of wiping out all industries within those areas

The over-concentration of the industries in the four major urban areas - Cape Peninsula, Port Elizabeth/Uitenhage, Durban/Pinetown and the PWV area - will not disappear overnight The removal of subsidies or the industrial decentralisation package as a whole would lead to more unemployment in rural areas

* A post-apartheid economy would have to adopt policies to eradicate poverty and to stimulate growth A NMW would force some industries to raise the price of their goods, making them less competitive in export markets Without exports it would be difficult for the economy to develop.

The manufacturing sector would have to develop the internal market by producing goods which people need, such as cheap and good quality clothing and cheap processed food

Sactwu believes employers should be forced to come together and negotiate the SMW with unions - otherwise the unions would just go ahead and set it without them

SMW legislation would oblige employers to disclose their financial positions and they would have to meet respective unions at least once every year to determine their minimum sectoral wage.

Labour assault on status quo

B/Day 20/9/90 (132)

CLIVE THOMPSON

TRANSITIONAL SA presents itself as a cauldron of discontent. Lethal political rivalries, township violence, suburban crime, rent and school boycotts, homelessness, joblessness, stayaways and strikes seem to merge into one another

Some of the recent convulsions can only be described as senseless; others suggest the hand of agent provocateurs while others still can be led back to known organisations.

The picture of seamless tumult is dangerously misleading, for it invites an unsophisticated policy response.

Nowhere is this more true than in the area of labour relations There are many who view the widespread industrial strife of 1990 as just a further expression of general lawlessness. Certainly some of workplace conflict is attributable to bloody-mindedness, but in most cases the source of grievance is discernible and remediable.

A combination of factors distinguishes labour action from other assaults on the status quo

Firstly, it is directed. Trade unions are probably the most structured of the bodies operating in the extra-parliamentary terrain They have a history of relatively open organisation and are presided over by strong leadership groups which regularly replenish themselves from within

Secondly, labour action is goal-oriented. Shop-floor issues are usually well-defined and unions' larger social objectives are public knowledge

Thirdly, industrial action carries an immediate price for those who invoke it The loss of production coincides with a loss of wages, and mutual attrition induces settlement

Fourthly, and consequently, labour action is subservient to negotiation and hence rationality. Bargaining over differences and the conclusion of agreements are definitive elements of industrial relations

Finally, both bargaining practices and strikes are amenable to legal regulation, although even good law has limitations.

Blacks have acquired industrial rights before political ones. The stealthy reformers of the P W Botha era never anticipated that unions would exert such leverage with the limited material provided by a deracialised labour statute.

But unions bear real power today. Twenty years ago the economy could have been overhauled and rerouted by the joint endeavours of government and business alone. That option is not possible now

If unions are not brought on-side in formulating and implementing strategies to meet the daunting economic challenges that lie ahead, they will foil any initiatives undertaken in that regard

A market-driven economy is widely seen as the key for economic renewal. Looking past the rhetoric, the existence of strong unions is not antithetical to such an end They have played central roles in the development of both social and liberal democracies, and are an inevitable corollary of any system that respects and promotes freedom of association.

In SA unions have demonstrated a formidable ability to organise concerted action within and across industries.

They have done so in an adversarial setting marked by divisions and inequities that go far deeper than the standard conflicts of interest of other industrial societies.

It is not surprising, therefore, that labour campaigns have combined with other types of social unrest

That energy could be redirected to mobilise the same constituency to constructive ends if the place of labour was acknowledged in a new scheme of economic relations

A well-crafted institution of collective bargaining is capable of tackling several problems simultaneously it can unlock productive forces, function as an effective redistributor of wealth within an essentially market system, and provide social glue for the emerging constitutional order

The 1988 Labour Relations Amendment Act was an ill-conceived component of a moribund political dispensation. It did, however, trigger a consultative process between business and labour that has now assumed a near-institutionalised form The accord concluded between Saccola, Cosatu and Nactu, most of which will presumably become law next year, was significant but it would be premature to call it momentous.

This process will remove a major source of industrial conflict. That will facilitate a return to industrial peace but will not in itself provide a basis for a much needed economic partnership Labour relations require not merely repair but reconstruction

If the sceptics on all sides are to be turned, an aggressive and imaginative schedule must be followed to forge new forms of economic co-operation between management and unions Labour reforms should continue to lead political changes, for the groundwork is better prepared in the former area, the actors are more likely to succeed, and there is a better prospect of a salutary demonstration effect

There is talk of reconstituting the National Manpower Commission as a truly representative tripartite body positioned to play an integrative and influential role in the labour economy

If these plans are brought to fruition, the long haul of producing order, and a new order, out of the anarchy of 1990 will have commenced

☐ Prof Thompson is director of UCT's Labour Law Unit and on the National Manpower Commission's legislation committee.

Undisciplined workers 'could be Achilles heel'

B/Day 26/9/90

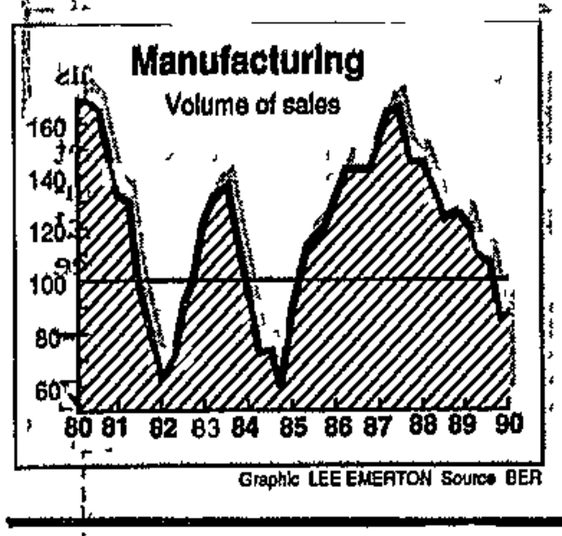
SYLVIA DU PLESSIS

AN UNDISCIPLINED labour force could be the Achilles heel of future SA development and economic growth, the Stellenbosch University-based Bureau for Economic Research (BER) warns

In its latest survey of the manufacturing sector for the quarter ended September, the bureau says economic instability will prevail until consensus has been reached on a new economic and political system.

It says 25% of manufacturers representing 21 sub-sectors reported a year-on-year drop in hours worked. A "still higher" percentage expect that trend to continue.

While the decline in labour input could not be ascribed to work stoppages alone — the recession also took its toll — sectors such as motor and transport were "riddled with impromptu strikes" and 58% of manufacturers there reported a decline in labour input



Graphic LEE EMERTON Source BER

"Labour unrest, if left uncontrolled, could surpass sanctions as the greatest destroyer of the SA economy, particularly as it affects multinationals whose perceptions of the host country's internal social, political and economic stability are of the utmost importance," it says

"Until labour disruptions have been curbed, further attempts at economic development will continue to be inhibited."

The bureau says political uncertainty is the most destabilising factor in the SA economic arena, with the index measuring the extent to which political constraints hamper business edging up to 36 points from 30.

"Not only is development capital being withheld for want of clarity on the post-apartheid economic system and political power structure, but the initiatives of local entrepreneurs are also being dampened by fears of possible future business restrictions."

Labour, on the other hand, is pursuing "unrealistic" remuneration goals.

A powerful weapon of struggle

132

South 27/9 - 3/10/90

By MARTIN NICOL

THE article published in SOUTH (Sept 13 to 19) on the national minimum wage debate in Cosatu is not fair to the Living Wage Committee or to the service groups whose advice we use.

The anonymous author says it is "reformist" to demand a national minimum wage. In fact, it would be a powerful weapon of struggle

The debate on the national minimum wage is part of an effort to transform the ideas contained in the Freedom Charter into concrete policies for which we can fight.

The demand for a national minimum wage is one of the key demands of the charter — but it only makes sense to call for it if the amount is stipulated in rands

The Living Wage Committee is open to all Cosatu affiliates It meets every two weeks The committee was asked by a Cosatu conference to do research into the minimum wage issue and we asked several service organisations to respond to certain questions we formulated

We found that 74 percent of black households earn less than R700 a month

We found that the wage gaps between black workers are growing at an alarming rate

The working class is being divided by economic forces so that workers who do the same kind of jobs earn different pay A cleaner in the chemical industry can earn R1 200 a month In some municipalities, cleaners get only R108 a month

The idea of a national minimum wage is to set a lower limit to wages This reduces wage gaps by raising low wages — not by reducing high wages And it can build solidarity between high- and low-paid sectors

The national minimum wage can be used to set a floor to wages in the economy In some sectors (like mining and the public sector) it will be a goal In other sectors it will be a safety net to stop employers exploiting more vulnerable workers

The debate in Cosatu is partly about the level we should set for a national minimum wage and partly about whether it should be set on a sectoral basis

The demand for a national minimum wage is already supported by demands for better UIF benefits, welfare payments, shorter hours and centralised collective bargaining on wages

It has never been seen as the basis for an independent campaign In fact, it is seen as one of the legs of the campaign for a living wage

You can't end poverty if you don't end low pay That is the main message in the demand for a national minimum wage

Stepping stone

No worker should get paid less than the National Minimum Wage As long as capitalism rules, minimum wage legislation is the only way to root out super exploitation Unions can build on the base it provides

The national minimum wage is a firm stepping stone towards a living wage

(Martin Nicol is a National Union of Mineworkers representative on the Cosatu Living Wage Committee He writes in his personal capacity)

● The article referred to above was an edited version of a discussion paper which, although anonymous was widely circulated in labour circles

A previous article in SOUTH presented the case for a national minimum wage, and earlier this month SOUTH published an article which argued that a national minimum wage is a "reformist" concept.

In two additional contributions to the debate, the South African Clothing and Textile Workers' Union (Sactwu) presents the case for a sectorally-based minimum wage and a member of Cosatu's Living Wage Committee responds to the "reformist" critique.

Society at large must gain from living wage

South 27/9 - 3/10/90

132

MINIMUM wage resolutions should be implemented in such a way that they will benefit all workers and society at large.

The best way to implement the policy is not by forcing employers of every industry to implement the same minimum wage

Instead, legislation should be introduced to compel all employers within a particular industrial sector to set a floor on wages for all workers who work within the sector — a national minimum determined sectorally

A government backed national minimum wage — a wage which will cover all workers, irrespective of the sector they work in — could have dramatic effects on the viability of every industrial sector

If we set an across-the board minimum wage without considering several unique factors which have an impact on every industry, we may adversely affect the future of many of these industries

We may completely wipe out some industries which will be vital for the social and economic reconstruction of a post apartheid society

Some sectors of our economy can pay better wages than others because different factors affect industrial sectors differently

That some industries retrench when others are employing new workers shows clearly that there are differences between industries

A minimum wage determined according to the cost structures of each industry would be better able to look after the interest of that sector and the interests of the workers employed there

A key objective of wage fixing is to protect vulnerable groups of workers who are in a weak position in the labour market

The sectorally-based minimum wage approach argues that these workers could best be protected if the policy addresses itself to the low-wage industries separate from the relatively higher paid industries

If the introduction of a minimum wage does not take the cost structure of each industry into account, the result will be disastrous Employers may be forced out of business if we demand that the government introduces a minimum wage of R700

Profits in the clothing industry are not as high as in the chemical industry The cost structures of the agricultural and domestics sectors would mean that hundreds of thousands of workers would lose their jobs

Farmers would buy more tractors, white madams would buy dishwashers

Sectors in which the objective is efficiency not profit — like the municipal, post and telecommunications and other state sectors — may be seriously affected

One of the main crises facing South Africa today is the high rate of unemployment. A nationally effective minimum wage might discourage entrepreneurs from establishing new businesses, while others will use more machinery or move their businesses to neighbouring states

There is no indication that a future government will have the financial resources to create jobs which will pay the minimum wage.

Thus legislation designed to help the majority of the population could have the inverse effect

After the liberation war in Zimbabwe, the government introduced minimum wage legislation The effect was a massive rise in the number of unemployed as thousands of workers were retrenched between 1982 and 1984

Only legislation that allows each sector to set its own minimum wage will be able to address these problems The people most familiar with the cost structure and other characteristics of the industry could set an appropriate wage looking to the short, medium and long-term viability of the industry

While most sectors fall below the R700 minimum, there are some industrial sectors in which workers are earning a higher wage than the proposed minimum

A generalised national minimum wage could undermine the campaign for a living wage in these industries

In Zimbabwe unionists found that the government's intervention to fix wages undercut their ability to bargain for higher wages for their members

A minimum wage should also take regional disparities into account

A policy which does not take into account the fact that rural area employers pay lower wages may have the effect of wiping out all industries in the rural areas

The sectorally-determined wages could have built into them a commitment to closing the gap between rural and urban areas

Central to the minimum wage debate are debates concerning the South African economy

We are inheriting a troubled economy which has seen decades of apartheid maladministration, an economy characterised by low wages, high unemployment and high inflation leading to poverty

We will have to adopt policies to ensure poverty goes and the economy grows

Economists suggest that part of the answer is for South Africa's industry and commerce to become more competitive in the export market

An across-the board minimum wage will mean that some industries might have to raise the price of the goods produced to stay in business

This will make South African goods more expensive than those of other countries It is difficult to see how our society can develop without exports

A sectorally based minimum wage will have a much better chance of ensuring our goods compete effectively on the world market and provide much needed foreign currency

We need not only a sound mining sector, a healthy agricultural sector an efficient services sector, an industrious construction sector but a vibrant manufacturing sector

This sector must provide goods people need

We envisage that the government should legislate that each of the 13 broad industrial sectors identified by Cosatu should have its own minimum wage.

The government should compel employers and trade unions in each sector to determine the wage.

A system of centralised bargaining — a goal of all Cosatu affiliates — would emerge quickly in this process

The government would have to pass legislation for employers to disclose their financial position

Once a floor has been set in each industry, the federation s affiliates could attempt to create a single national minimum wage In this sense the sectorally-determined minimum wage can be viewed as an interim step towards a single national minimum wage

(This is an edited version of a paper submitted to Cosatu s Living Wage Working Group by Sactwu's Collective Bargaining and Research Unit)

'A key objective of wage fixing is to protect vulnerable groups of workers who are in a weak position in the labour market..'

New NMC labour proposals likely to draw flak from unions, small business

W/Mail 28/9 - 4/10/90

132

By ALAN HIRSCH

PROPOSALS emanating from the National Manpower Commission (NMC) on modifying labour laws to suit small business development will probably meet criticism from both interested parties — small businesses and organised workers Small business will probably think the proposals do not go nearly far enough, while trade unions may feel workers in small businesses will have even less protection from exploitation

Trade unions, employer organisations, and small business lobby groups will soon have to respond to a set of proposals for amending the conditions under which workers are employed in small businesses

The proposals are contained in a "working document" issued by the NMC project committee on small business, designed to provoke discussion and responses, and culminate in amendments to existing laws

Proposals cover amendments to a wide range of laws regulating labour relations on issues extending from minimum wage measures to safety regulations and unemployment insurance

A minority of the committee members favoured the blanket exemption of small businesses from labour laws, but most plumped for exemptions for individual firms on application This is possible under existing law, but could be made easier for small businesses

The other major thrust of the proposals is the simplification of labour regulations to make it easier for small businesses to comply.

Though it had a fairly open-ended brief from the Manpower Minister, the committee decided to focus on "micro-businesses"

"Independent micro-businesses" are defined as firms which are entirely independent, owner-managed, employing no more than 10 permanent employees, and having an annual turnover of up to R250 000.

NMC chairman Frans Barker, who is a member of the committee, explained that in firms of 10 or fewer people it was likely that the owner-manager would be responsible for all aspects of management For this reason he, or she, would not have special knowledge of labour regulations, and probably would not have the time to learn them

Larger firms were likely to have the managerial capacity to cope with the myriad labour regulations and did not need special treatment, though they would also be considered for exemptions

One of the novel proposals of the committee is that a "facilitator" should be appointed by the Department of Manpower to receive all applications for exemption from micro-businesses, and to hear appeals on decisions by individual industrial councils on exemptions Barker said employers and employees could draw on the services of the facilitator for advice on procedure in their dealings with industrial councils

Another innovation the committee has put forward is subsidised arbitration in the case of disputes over dismissals The idea is to avoid the extended and complex bureaucratic dispute settlement procedure entailed in the Labour Relations Act If both parties agreed, the NMC could subsidise the costs of an arbitrator

In response to the suggestion that such a system might be open to financial abuse, Barker said it might help to have a fixed-sum subsidy, and to have a register of arbitrators

Disputes might also be settled in "small claims labour courts" which should be available in outlying areas

Where an employee had been found to have been unfairly dismissed, the committee felt a monetary settlement might be preferable to a reinstatement order, depending on the size of the firm and "the degree of personal relationship between employer and employee"

Perhaps the most controversial element of the committee's proposal is that it be written into the Wage Act that the size of the firm be taken into account when exemptions from minimum wage determinations are applied for This suggests small businesses may expect automatic exemption from minimum wage rules, which, as a labour lawyer pointed out, means no wage protection, as few small firms are unionised

As far as health and safety regulations, and unemployment and accident insurance are concerned, the committee was divided between die-hard deregulationists, and those who thought the regulations could be simplified enough to make compliance by small firms feasible The moderates generally won out, though in several cases alternative proposals were put forward without preference

Barker said summary responses to the committee's proposals must be submitted by October 8, and that oral representations would by heard by the committee a week later

The next step is for the committee to takes its proposals to the NMC, which will decide what to submit to the minister.

Incentives come into their own

S/Times: 30/9/90

(132)

TRADITIONAL relationships between employer and employee are changing — and new approaches to compensation are emerging.

Charles Cogill, remuneration consultant and professor of industrial psychology at the University of Cape Town, says relationships tended to be characterised by regular salary survey-linked pay increases and clear definition of job content — all directed from the top down

Traditionally companies have set their pay lines "at or above the market average" or some at specific percentage levels.

COMPETENCE

"Newer approaches to compensation, especially popular in America, do not guarantee to pay above the market, but below the market at the 40th percentile and then to make the remaining 10%, 20% or 35% achievable through incentives related to variable individual and company-linked performance," says Professor Cogill.

Variable pay plans, such as gain and profit sharing, group incentives and key contributor programmes are increasingly being accepted.

Organisational forms adopted at some plants in the US have been jointly worked out between employees and the company.

"The new organisational structures based on semi-autonomous work groups support the overall business strategy and are designed to impact directly on productivity.

"Compensation programmes are becoming organisational strategies, as opposed to simply being compensation strategies."

Employee involvement is increasingly occurring in decision making, especially about compensation. For example, employees are becoming involved in the design of the variable pay plans, such as gain sharing and pay for skill.

Skill-based payment involves setting up a "ladder" which employees climb at their own speed in a particular job. Employees are encouraged through the reward system to learn more general skills

"Movement up a circular ladder involves acquiring knowledge across a number of more rigidly defined jobs. Employees are paid for the skills they are capable of using, not for the job they are peforming at a particular point in time"

Frank Horwitz of the UCT Business School says that initiatives regarding flexible work practices have assumed greater prominence in business organisations following intensified international competition, deregulation and privatisation, globalisation of markets and the formation of strategic business alliances cross-nationally, such as Europe 1992, and between formally competing companies.

ROTATION

Professor Horwitz says initiatives include greater flexibility in work design, such as reducing levels of supervision, organisational restructuring to devolve authority and responsibility to lower levels, flexibility in remuneration systems such as skilled-based pay; and training and development, for example, job rotation

Proposals for greater flexibility are emerging in negotiations with trade unions in some SA industries It is important that unions be involved in the process, says Professor Horwitz

INDUSTRIAL RELATIONS - GENERAL

1990

OCT. — DEC.

Louw encouraged after exploratory ILO visit

B/Day 2/10/90

MATTHEW CURTIN

MANPOWER Minister Eli Louw yesterday described his reception by International Labour Organisation (ILO) director-general Michel Hansenne, various foreign politicians, bankers and diplomats at the organisation's annual conference in Geneva last week as positive.

Addressing a Press conference in Pretoria yesterday, Louw said his 10-day trip to Geneva and Frankfurt was exploratory

There was no discussion of SA's readmission to the ILO. SA was a founder member of the ILO but was expelled from the organisation in 1964

Complaint

While no formal talks had been held between the ILO and government, these were likely to take place some time in the future, Louw said

He said Cosatu's complaint against government that race still played a role in the registration of trade unions was raised during his meeting with Hansenne

The matter would be taken further if necessary once new labour legislation was promulgated next year.

Louw said he was convinced eradicating racial discrimation with the least delay and settling SA's future economic system were the priorities now facing government

"The world is anxious to know what economic system will prevail in SA before deciding to invest here," he said

He said the ILO welcomed the agreement on amendments to the Labour Relations Act finalised by his department, the National Manpower Commission, Cosatu, Nactu and Saccola representatives the week before he departed

Louw said his discussions with West German officials had convinced him a united Germany promised a more positive commercial relationship between SA and one of its major trading partners as the new country would need more imports and exports

He said he was particularly impressed with the economic awareness of German trade unionists

Economic education on the shopfloor was vital for SA's labour relations future and Louw said he felt the lack of industrial unrest in Germany could be explained by the high level of economic education there

He said he found West German approval for the "steady, patient" approach Mercedes-Benz SA was taking to resolve the problems at its East London plant

Manpower Minister Eli Louw speaking to reporters after his return from the International Labour Organisation's annual conference. Picture ROBYN RYAN

Talks on workplace violence

B/Day 2/10/90 GERALD REILLY (132)

PRETORIA — The 250 000-strong Federation of Salaried Staff Associations of SA (Fedsal) is to ask Manpower Minister Eli Louw at a meeting today for a commission of inquiry into violence in the workplace

General secretary Piet Heymans said yesterday Fedsal would ask that Cosatu, Nactu and employer groupings like Saccola be involved Fedsal wanted a code of conduct for employers and employees to prevent violence

SA's labour practices 'will move forward'

Argus 2/10/90

By SHARON SOROUR
Labour Reporter and Sapa

SOUTH Africa will create a system where labour practises are more in accordance with internationally accepted standards, says Manpower minister Mr Eli Louw.

After a week-long visit to the International Labour Organisation (ILO) in Geneva, Mr Louw said certain elements still had to be addressed the plight of domestic workers, farm workers and public sector employees

However, proposed amendments to South Africa's labour legislation had been seen in a positive light by the ILO.

At a Press conference in Pretoria he said there was an understanding about the challenges the country faced, which had been created by the release of African National Congress deputy president Mr Nelson Mandela, the leadership of President De Klerk and the unbanning of political organisations.

The proposed legislation amendments, which will be raised in the forthcoming parliamentary session, proved that South Africa "was moving in the right direction".

On the domestic work, farm work and public sector front he said "The Manpower Commission is working on two of these issues . It is negotiating with the representative parties in the field".

Complaints laid with the ILO against the government by the giant trade union federation Cosatu were raised in a meeting between Mr Louw and the director-general of the ILO, Mr M Hansenne.

These included the consideration of race in the registration of trade unions

Mr Louw emphasised this had been addressed in the proposed amendments.

Changes could weaken white unions' hold

132

Sowetan 4/10/90

SWEEPING changes to organised labour's voting rights - aimed at weakening the influence of conservative, white-dominated unions - have been proposed, according to the latest edition of *SA Labour News*

The newsletter on union affairs said that the 130 000 strong Numsa (National Union of Metalworkers) wants to abolish the present one-union, one-vote system and replace it with a system of proportional representation on the National Industrial Union for the Iron, Steel and Metallurgical Industries (Nicisemi)

If it succeeds, the belief is that other Cosatu (Congress of Trade Unions) affiliates will also move quickly to strengthen their own influence over labour matters at industrial councils.

.. *SA Labour News* said that according to sources within the council there is great unhappiness that the present voting system gives disproportionate power to the smaller, generally conservative and white-dominated craft unions which occupy the majority of seats on the Metals Industrial Council. - *Sapa*

(132)

Academics honoured

STar 5/10/90

University of Cape Town academics Dr Francis Wilson and Dr Mamphela Ramphele have won the prestigious Noma Award for Publishing in Africa with their book "Uprooting Poverty The South African Challenge" They will receive their R5 000 prize at a meeting of the African Studies Association in Baltimore next month.

LABOUR FOCUS

ILO may help formulate new SA labour laws

By DREW FORREST (132)

THE International Labour Organisation is believed to have offered assistance to the South African government in reformulating labour law in line with international standards

If the reports are correct, this would be the major breakthrough of Manpower Minister Eli Louw's recent trip to Geneva, where he met ILO director-general Michel Hansenne and other officials during the organisation's annual conference W/Mail 5/10 - 11/10/90

The strict purpose of Louw's contact was to discuss whether South Africa would submit to ILO jurisdiction on a complaint lodged by the Congress of SA Trade Unions over the 1988 amendments to the Labour Relations Act

The ILO constitution provides for a "fact-finding and conciliation commission" to investigate complaints emanating from non-member countries, if the government concerned agrees South Africa effectively lost its ILO membership in 1966

It appears that although Louw did not reject ILO jurisdiction, he is playing for time on the issue At a press conference this week, he suggested the complaint might fall away with planned amendments to the LRA next year

The Cabinet recently endorsed an LRA deal reached between Cosatu/Nactu, Saccola and the Manpower Department, in terms of which most of the controversial 1988 amendments will be scrapped in the next parliamentary session

Louw stressed that one of Cosatu's objections to the LRA, that it provided for racial registration of unions, would be addressed in the proposed amendments

The government has been vague about future contacts with the ILO, saying only that it could not be excluded But the UN agency is believed to be willing to help formulate legislation compatible with ILO conventions

Direct ILO-to-government contact on the LRA would be a major step forward from initial consultations between the National Manpower Commission, Saccola and Cosatu/Nactu at an ILO-chaired seminar in Harare earlier this year

It would be facilitated by Cosatu/Nactu involvement in a restructured NMC — a move envisaged by the recently signed LRA "minute" Sources indicate that as a first step, Cosatu may join a special NMC committee on farmworkers' labour rights, due to convene later this month

Government sources said there was a possibility of direct ILO-to-government consultations once proposed LRA amendments had been drafted

Clive Thompson, head of the University of Cape Town's Labour Law Unit and a member of the NMC's sub-committee on the LRA, said he believed South African readmission to the ILO was still some years off "In this period of political transition, the aim is one of engagement," he said

"ILO help at this stage could be crucial It may be easier to get good labour law now, when things are fluid, than in the future when political positions harden"

SA needs to overcome its 'lazy syndrome' — Maree

B Day 8/11/90 (132)

LESLEY LAMBERT

CAPE TOWN — South Africans needed to develop a work ethic similar to that which brought economic success to the western powers and the Pacific Rim countries, Eskom chairman John Maree said yesterday.

Speaking at the general meeting of Wesgro, the organisation which promotes economic growth in the Western Cape, Maree said the productivity of large numbers of SA's workforce was "dangerously low" due to a lack of education and scorn for the work ethic.

"We can only build an economic future if there is an acceptance that a full day's wage must be earned by a full day's work," he said.

SA faced a challenge similar to that of the Eastern European countries. "Too many East Europeans have lost the energy and the drive that supports the work ethic on which free enterprise has built such a powerful economic system. They do not know how to work hard. They lack what has built the western powers and the Pacific Rim countries — competence."

While no single policy or formula guaranteed economic development, its foundations were education and competence — and South Africans were lacking in both.

"The fact is that there is an alarming mismatch between what our schools and colleges produce and what commerce and industry need. If we cannot bridge this gap, we will not get the economic growth we need in SA."

Workers affected by the violence need business's aid

LLOYD VOGELMAN

132

B/Day 9/11/90

DURING the violence that swept the Reef over the past two months, businesses started asking what they could do to reduce the violence and limit the psychological devastation their employees experienced.

The question remains relevant, for the violence has abated, not gone away I have no doubt that in coming months we will see another upsurge as the contest for power increases and the recession bites deeper

Business's contribution should ideally range from the political and socio-economic domain to programmes directed specifically at employees The current political chaos makes it impossible to devise and implement national plans with long-term goals Our practical work has short-term vision and involves crisis management.

To begin to move national reconstruction, a political settlement which safeguards democracy is required as quickly as possible. Business as an organised force is well placed actively to encourage this

One practical reason violence has not plagued the workplace as it has the community is that conflict resolution in the labour sphere has been institutionalised relatively effectively. Unlike the political realm, the labour arena has two groups (employers and employees) who in most cases can deliver on their agreements and who have developed experience in negotiation.

This is distinct from the civic and political domain where negotiation politics is new, and where local level structures are often not strong enough to enforce accords. Since both business and trade unions have developed sound organisational and negotiation skills, they are well placed to assist community activists in these areas.

I am well aware of extreme caution within the business community in implementing specific programmes in the workplace, for fear of being labelled partisan by members of the workforce who belong to different political factions which may not have benefited from the assistance provided by a particular company

Obviously if the risks are too great, the implementation of programmes is not feasible. However, assessment of the risks should not be intuitive; it requires extensive consultation with the relevant trade unions. The reason some companies get caught in the middle is because sufficient consultation has not taken place.

If business is to respond appropriately to the violence its employees face, it must educate itself about the nature of the violence and the circumstances that surround it. This should be done not only by reading newspapers but also through joint discussions with staff about social issues in the townships. Companies can establish joint monitoring teams with trade unions, which would also help foster a relationship of trust and common purpose with employee organisations

Visiting townships is another means of obtaining information about the living experience of employees. It is refreshing to hear about the visit of a number of chief executives to hostels in the townships The hostels were the breeding grounds or starting points for much of the violence, and they need to be converted into more comfortable living areas.

A prime difficulty individuals face when living in war zones is transport and travel. Venturing out may lead to loss of life; individuals fear going to work. At these times, the option of different pay systems needs to be explored. Instead of no work no pay, it may be possible for days off to be deducted from the employee's annual leave.

Flexibility about working hours, such as changing shift times, can lessen the anxiety workers have about coming to or returning from work. Several of the most bloody attacks in the past two months took place in the evening or in the early hours of the morning; different shift times may help in saving lives or avoiding injuries.

Living in communities saturated with violence is costly It demands a change of living habits which adds to monthly expenses. Individuals may choose to take taxis, which are more expensive, rather than trains, which are less safe. Instead of buying in bulk from supermarkets and risking losing all their purchases, individuals may buy fewer items from stores which are more costly but closer to home.

Financial cost is felt in its most extreme form in damage to houses and their contents Many employees have worked long and hard to purchase items of furniture, only to see them destroyed Death too, is costly in SA — funeral charges are high. The provision of financial assistance to employees who have had houses damaged or have lost members of the family would go a long way to lessen the trauma that come with such losses.

Much can be done to assist victimised employees with medical, psychological and legal problems Assistance for employees who have been permanently disabled in the violence would be pivotal in improving the quality of life for those who face long-term difficulties Such measures also communicate to other members of the workforce that the company's concern with them extends beyond the scope of their physical capacity

The provision of psychological counselling through, for example, the employment of a social worker would help decrease some of the psychological difficulties arising from the violence. Heightened stress can have a significant impact on the family; it leads to irritability, conflict and frequently to violence in the form of wife battery and child abuse.

On an individual level, sleep disturbance, appetite problems, concentration difficulties, anxiety about the welfare of the family and an obsession with developments in the townships are common Counselling, as well as home visits by the social worker to employees would male a small contribution to dealing with some of these problems. Structured social support helps combat some of the long-term symptoms of extreme stress.

A psychological problem which impinges on the legal domain is the inability of victims to extract retribution. When retribution has occurred, it has frequently been informal. Necklacing has been one tragic example of the politics and psychology of revenge.

To foster the process of judicial retribution, black employees will need encouragement to report their victimisation, and they wil want some results for their trouble. Business can promote this process by giving time off or by accompanying the victim in the reporting of an offence. When there is evidence of little progress in the police investigation, management needs to ask why

Even if such a programme results in only a few offenders being apprehended, it makes two vital points. it tells employees that the company is sympathetic about their plight and their desire for retribution, and it tells the police that they are accountable and that lack of progress is acceptable only if they have exhausted their resources

Temporary accommodation for workers who have lost homes or who are unable to return home, is another useful aid. Employees looking for more permanent accommodation need mattresses and a place to sleep.

Holding memorial services at the workplace for employees who have been killed provides an opportunity for workplace friends to mourn their loss It again intimates that the company respects its employees beyond their working lives

All these solutions have their problems, and their execution involves a lengthy and arduous process. However, the implementation of even a few is likely to make a positive contribution to working relationships. At a broader level they add value to human life — and in SA we can do with a lot more of that.

☐ **Vogelman is director for the Project for the Study of Violence at Wits University.**

Star 10/11/90 (132)

Boom towns surface out of the recession

THE recession has not stopped South Africa from having its boom towns. Nelspruit is one and Rustenburg another.

DEREK TOMMEY

Central Statistical Services figures show that retail sales in Nelspruit in the first seven months of this year were running 70 percent ahead of last year's corresponding figures

The increase was from a small base — from R155,3 million to R265,1 million. Nontheless, retailers in Nelspruit and surrounding areas should have no cause to complain at the increase in business

Officials in Nelspruit have confirmed that the town has been experiencing good business

They said the upturn was the result of many factors One was the huge growth in tourism in the area which has led to a major investment in tourist facilities A chalet-type hotel providing accommodation for up to 1 800 people is under construction

Homeland

Another factor was the closeness to Nelspruit of the Kangwane homeland in which black business was developing rapidly The homeland also provided labour to expanding industries outside its border.

Another important factor was the export boom in sub-tropical fruit, especially avocados, which provided jobs for many unskilled people. There was an increasing amount of business done by the town with Mozambique, Nelspruit being the closest major town to the Mozambique border

The area had also benefited from a number of new mining projects, though the future of Rand Mines' Barbrook gold mines is being re-assessed in the light of the poor results in the September quarter

Another boom town, the figures show, is Rustenburg where retail sales in the first seven months of this year rose 49,3 percent Rustenburg is the centre of the platinum mining industry which has many expansion project under way

However, even the growth in sales in these two areas did not compare with the 168 percent rise in retail sales on the North and South Coasts of Natal, again from a small base.

Durban

Businessmen in Durban point out that the paper industry has been engaged in major expansion and coal terminal Richards Bay is doing record business

Figures for the other areas in the country show that the major manufacturing centres, with the exception of Durban, showed reasonable retail sales growth in the first seven months of the year

Sales were 24 percent higher in Johannesburg, 20,4 percent in the Cape Peninsula and 19,6 percent higher in Port Elizabeth However, East London was a feature, with sales rising 24,6 percent

In sharp contrast retail sales in the country districts have slipped, especially in the the West Rand where several mines have been laying off substantial numbers of workers

Retail sales in Kimberley, where South Africa's industrial development began, dropped two percent in the first seven months of this year — indicating a considerable recession in the area

Star 15/11/90

Industry calls for equal education

(132)

By Karen Stander
Education Reporter

A concerted call for the immediate restructuring of education under the control of a single co-ordinating department has come from a powerful sector of organised industry

The Private Sector Education Council (Prisec), which represents private employers across the spectrum of the economy — with the single exception of the agricultural sector — yesterday called for an end to policy decisions based on ethnic criteria

Prisec chairman Theo van den Bergh said there was a strong conviction that the establishment of a single ministry of education was of vital importance

Prisec represents the Afrikaanse Handelsinstituut, the Building Industries Federation of SA, the Chamber of Mines, the SA Chamber of Business and the Steel and Enginering Industries Federation of SA

It called for immediate measures to bring some stability to education and give a clear indication of the sincerity of the Government's intent

As a first step, all public schooling should be placed under the control of a single co-ordinating department, which would also control education in the six national states, Prisec said

Effective administration of a department of this size would require decentralisation, but this should be on a regional rather than an ethnic basis

Prisec said it was appreciated that there would be serious opposition to any changes in the edcational system "from certain quarters"

"The fact remains that the new South Afica is inevitably going to need a system able to satisfy the criteria of relevancy, legitimacy and affordability.

"In addition to these factors, it will need to build on the commonalities in the cultures of all our peoples instead of their cultural differences, in order to propagate the concept of a common South African citizenship"

A union call goes out: We want our seats

(132)

The unions were ignored in the Zimbabwe talks ... and again in Namibia. It must not be allowed to happen here, insists Cosatu

By DREW FORREST

W/Mail 16/11 -22/11/90

WHATEVER the final shape of South Africa's new constitution, the Congress of SA Trade Unions is adamant that it must be more than the handiwork of politicians and legal pundits.

"The working class is the key force for the real transformation of society," it insists in its latest *Campaigns Bulletin* "It is essential that workers have a say in the making of a new constitution."

On red alert after the Zimbabwean and Namibian experience, where organised labour was left out in the cold, and fearing that in the wake of the Pretoria Minute negotiations here may start soon, Cosatu is moving swiftly to ensure workers are heard both on how the constitution is framed and what it embodies.

The federation's sense of urgency has brought a re-orientation of its entire Workers' Charter campaign. The result could be a constitutional process — and a final product — which is unique in Africa.

Cosatu's first move on the issue came at its national congress last year, when it called for a constituent assembly, elected by all adult South Africans, to draw up a constitution Then followed February 2, talks between the African National Congress and the state — and moves by the ANC to draft its own blueprint.

In some union circles, this sparked anxiety that the ANC was retreating from the constituent assembly idea and gearing for a solo initiative. Most unionists now accept that an assembly cannot do its work without proposals to work on.

Hence the current push for a Cosatu stance before negotiations begin "With the Pretoria Minute, the whole negotiations process is gathering momentum," said Cosatu campaigns coordinator Lisa Seftel.

On issues as diverse as the electoral system, the structure of government, labour, the economy, land, the judiciary, local government and gender rights, Cosatu hopes to feed into the ANC's deliberations. It is also hoping to forge a full constitution in tandem with its alliance partners. the ANC and the SA Communist Party

This weekend, 350 delegates at Cosatu's Workers' Charter conference will take decisive steps towards a constitutional platform.

Seftel says the indaba will focus both on a democratic constitutional process and concrete demands. Among the proposals for discussion is that of a mass campaign for a constituent assembly

Although the intention is still to produce a charter by Cosatu's national congress next year, this is a significant narrowing of the short-term focus. It reflects both the new and urgent political priorities, and to some extent the disappointing worker response to the charter campaign.

Originally, it was foreseen that delegates would adopt a draft document based on a sampling of worker opinion, along the lines of the Freedom Charter Some demands might belong in a constitution, others in labour law or private deals with employers. Now the aim is to focus on aspects of the charter to be given constitutional force

Cosatu seems to be moving away from the idea, mooted in the ANC's constitutional guidelines, of a workers' charter embodied in the constitution, towards that of a broader manifesto. It also appears to favour procedural rather than substantive rights — instead of handing workers a living wage, for example, the goal would be to buttress organisation and bargaining.

The new approach flows from a key workers' charter workshop in September, which argued that the federation needed to confine itself to a few well-considered issues and to push these relentlessly

Its proposals, which the weekend conference must debate, include far-reaching ideas on the constitutional rights of workers. Topping the list is union independence from the state, which it suggests should bar unionists from holding state office. Other proposed rights are to free collective bargaining, to strike without fear of the sack, to picket, to "reasonable" disclosure of financial information, to veto industrial court appointments and to organisational facilities such as access and stop orders.

But Cosatu's constitutional agenda is clearly much broader than this. Just as it wants popular control of the constitutional process — through a constituent assembly elected under an interim government, which would scrap all security and apartheid laws — it wants popular checks on a future state.

The workshop mooted.

●A constitutional right to a referendum, on the strength of 500 000 signatures, on all issues except tax laws and foreign treaties.

●A constitutional court to shield "the rights of the people against abuse by the government and the power of the bosses" "We can't leave this power (to interpret the constitution) to the present courts, which are often racist and anti-worker", the bulletin insists.

●The entrenchment of certain constitutional rights, including those relating to union organisation and independence, the right to strike, referendums and the media.

●The right to know — which is broader than mere press freedom "We are fighting for a press that is not only free from government control, but also one where the views and struggles of the majority are on the front pages," the bulletin says.

The workshop bluntly urges the breaking up of newspaper conglomerates — "one boss should not be able to own or control more than one newspaper", it suggests.

Other ambitious proposals are access to all state documents, a government duty to answer all questions in parliament and a right to information from employers. "State media must put workers' points of view across in all debates which affect us," the workshop adds.

A final and crucial area of debate is economic rights in the constitution "Cosatu is committed to changing our talist economy and building socialism," the bulletin declares. "We need a clause in the constitution to help us fight for these objectives."

Delegates this weekend will try to hammer out a position on three key proposals of the Workers' Charter workshop — that the constitution promotes enterprises under collective ownership, greater worker control in economic policy-making and in private and public concerns, and an economy which provides jobs for all.

FOR MORE LABOUR NEWS SEE PAGE 48

Progress on workers' rights

B/Day 19/11/90

MATTHEW CURTIN

COSATU moved closer to drafting a definitive bill of workers' rights yesterday as 300 delegates reached consensus on a number of issues at the federation's workers' charter conference held in Johannesburg at the weekend (132)

Issues on which Cosatu delegates were able to find a broad measure of consensus were the workers' right to strike free from legal action and interdicts, the right to trade union independence and participation in all state structures in the interests of union members, and the right of trade unions to take part in economic planning

Cosatu general secretary Jay Naidoo said at a Press conference yesterday the conference agreed on the principle of freedom of association, but also resolved the closed shop was an acceptable forum for union activity "provided it was democratic".

The conference also outlined the federation's attitude to constitutional negotiations Cosatu resolved SA's future constitution could be drafted only by a constituent assembly which in turn could be set up only in a "conducive" political climate, the precondition for which was the release of all political prisoners and return of exiles

Naidoo said the differences between the federation and the ANC on constitutional issues were ones of emphasis, not substance.

The ANC was concerned with the rights of all citizens, not workers alone, and the federation would pursue a "more vigor-

☐ To Page 2

Workers' rights

B/Day 19/11/90 (132)

☐ From Page 1

ous" role in the ANC/SACP/Cosatu alliance.

Cosatu workers' charter campaign coordinator Ebrahim Patel said the conference's agreement on the right of society to endorse or reject any law or Act of Parliament by referendum was of particular importance.

Delegates also resolved to refer a number of issues for further debate.

Naidoo said the conference's resolutions would now be forwarded for ratification and further discussion to Cosatu's constitutional structures, culminating the presentation of the federation's findings to its 1991 national congress

Assistant general secretary Sydney Mafumadi said it was important that Nactu was involved in the process of drafting a workers' charter, but Nactu had not taken up an invitation to attend the conference

● Picture: Page 3

Strategic business planning survey launched

Star 22/11/90 (132)

Political Staff

A strategic business planning document, meant to help businessmen "survive the most dynamic transition period in the history of South Africa", was launched in Johannesburg this week.

The Political Environment Survey (PES) is an overview of the implications and strategic considerations of the socio-political developments in South Africa during the next five years, said co-author Michael Olivier

Mr Olivier, president of the Five Freedoms Forum (FFF), said the PES would provide essential input to strategic planning for business growth and survival.

Co-authors were Institute for a Democratic Alternative for South Africa executive director Dr Frederik van Zyl Slabbert, Business Performance Strategies managing director Michael Charnas and FFF press officer Gael Neke

C/Press 25/11/90

Will you be paying from the grave ...?

(132)

By SANDILE MEMELA

JOHNNY Dladla, 28, the youngest managing director of the National Black Consumer Union (NBCU), is thrilled by the challenge of fighting for consumer rights now that blacks are emerging as the driving force in the South African economy.

"Black buying power has undoubtedly moved into the driving seat of the economy, but what is tragic is that our people are abused by marketers and continue to allow themselves to be exploited," said Dladla

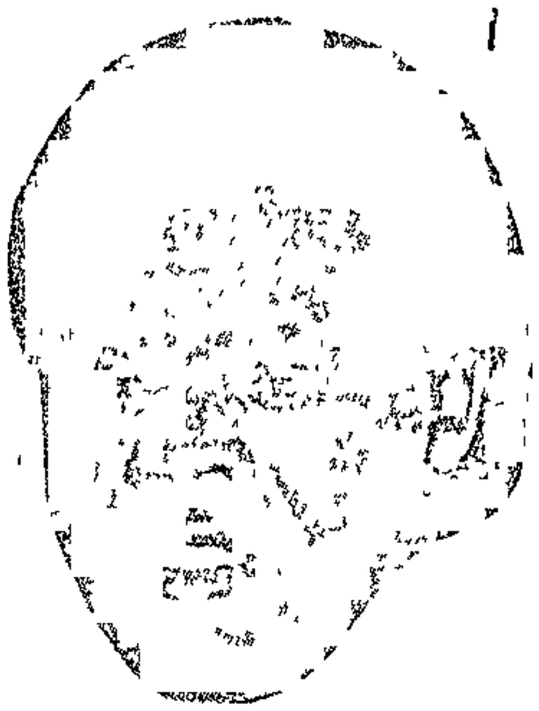
The first inkling one gets on meeting him, is that most of his peers are still engaged in job-hopping

But after four years working in the industry, Dladla has assumed the role of crusader for thousands of black consumers in the country who do not know their rights

Dladla – whose NBCU boasts an estimated 632 000 members – said lack of education, combined with ignorance of what one is entitled to, has resulted in this abuse

"We believe the most effective means to protect the interests of the consumer is through education," he said.

The Bureau for Market Research at Unisa has estimated blacks would enlarge their market share in clothing, furniture, household equipment, food and alcoholic beverages.



Johnny Dladla ... fighting for the rights of black consumers.

"But this is not accompanied by knowledge of what they are entitled to – and complete understanding of what signing things like hire purchase agreements mean"

Black consumers had a tendency to continue paying their instalments even from the grave

"This is because offspring generally do not know that when the person who signed the contract with a furniture shop is dead, the contract finishes

"But we have had many cases of people who continued to pay for the deceased, or have had their belongings repossessed by unscrupulous businessmen," said Dladla

His organisation's mission is to fight for the rights and dignity of the black consumer It wants to bring together all consumers, irrespective of social standing and mobilise them into a strong voice

The highlight of NBCU's work was the banning of skin-lightening cream by of Health and Population Development Minister Dr Rina Venter earlier this year

Dladla said his organisation was concerned about the use of consumer power to achieve political ends

The NBCU has never been consulted on the strategy of consumer boycotts, and this has caused his organisation serious problems

However, consultation with consumer boycott committees is in the pipeline and Dladla said the NBCU aims to help formulate more effective boycott strategies

The NBCU is establishing advisory offices in all major metropolitan areas where trained consultants are available to check contracts and other consumer-related issues

Union demands hit job opportunities - claim

132

Sowetan 26/11/90

UNLESS South Africa's trade unions were prepared to moderate their demands, serious damage would be done to the country's economy and many job opportunities would be lost.

Prof Nic Wiehahn, known for his report of 1981 into labour legislation, told a Soviet/German symposium on South Africa on Saturday that the demands of SA unions were becoming exhorbitant and unreasonable.

Disorder

Instability in the labour field was as dangerous as lawlessness and disorder in society, he warned

Unions should realise that their responsibility, for the welfare of the people and economic growth in the country, equalled that of employers

Removed

However, apartheid inequalities and discrimination should not only be removed from policies and and statute books of the country, but also from daily life

SA labour laws and policies should develop further in accordance with international labour standards and rules contained in the International Labour Organisation conventions and recommendations, stressed Prof Wiehahn

He said the democratisation process, which started with the labour dispensation 10 years ago, should be rapidly developed on the political, economic and other fronts, to ensure stability in the country's labour relations - *Sapa*

Call for union moderation

132

MUNICH — Unless SA's trade unions were prepared to moderate their demands, serious damage would be done to the country's economy and many job opportunities would be lost, Prof Nic Wiehahn told a Soviet/German symposium on SA at the weekend.

Wiehahn, known for his 1981 report on labour legislation, said SA trade unions' demands were becoming unreasonable. Instability in the labour field was as dangerous as lawlessness and disorder in society, he warned.

Trade unions should realise that their responsibility for people's welfare and economic growth equalled that of employers. B Day 26/11/90.

However, apartheid had to go. Labour laws and policies should develop further in accordance with international labour standards and rules.

Wiehahn added that the democratisation process should be rapidly developed on all fronts to ensure stability in SA labour relations. — Sapa.

'Interim govt would inspire confidence'

Star 27/11/90 (132)

By Jabulani Sikhakhane

The installation of an interim government would inject the necessary element of popular confidence in the process of change and enhance the possibility of its irreversibility, the director of the ANC's department of international affairs, Thabo Mbeki said in Johannesburg last night

Commitment

Addressing businessmen at a Sunday Times business award ceremony, Mr Mbeki said the establishment of an interim government would also tell people that they were helping the more representative structures maintain peace and stability.

An interim government would help eliminate the competition and conflict that arose when one party was the government of the day.

In the absence of outside referees, progress towards representative government would be assisted by the introduction of the more representative bodies during the period of transition.

The ANC believed that the Government and the ANC needed to carry out the commitment contained in the Pretoria Minute to hold talks on the new constitution

It would serve as an important signal that the pace of change is being maintained if the Government and the ANC could come out with an agreed set of principles and spelt out a broad framework within which the new constitution would be elaborated.

"If certain things are done and given the will and the wisdom of the people of our country, there is no particular reason why 12 months from now we should not indeed have such a constitution," Mr Mbeki said.

Star 27/11/90 (132)

Industrial liquidity declines

Finance Staff

There was a three percent deterioration across the board in the liquidity of the industrial and manufacturing sectors for the 12 months to August, Kreditinform's Kiss programmes show.

However, the number of liquidations is levelling off from a high in the first four months of the year

But the dramatic increase in consumer and business judgments this year will inevitably lead to a higher number of liquidations in the first quarter of 1991, compared with the same 1990 period, says Kreditinform.

The Kiss (Kreditinform Information Sharing System) is an information exchange concept representing companies and credit associations supplying key sectors of industry.

Each month over R1 billion in outstanding credit is entered onto a database from debtors' ledger information supplied by member companies.

The all-industry Kiss index covers the clothing, textile, footwear, pharmaceuticals, engineering, radio, television and appliances, automotive, building, clearing and forwarding agencies, financial services, factoring houses and other sectors.

In August, Kiss totalled R1,06 billion in outstanding amounts due to the above sectors, with R336,8 million in Rand Value Overdue, giving an all-industry Kiss index of 31,7 percent overdue.

In August 1989, the all-industry Kiss index was 28,8 percent.

Of the individual Kiss programmes for specific sectors of industry, the radio, TV and appliances sector showed the greatest improvement, using the programme to keep overdue amounts down

Star 29/11/90

Inquiry into fresh produce industry

(132)

By Norman Chandler
Pretoria Bureau

A report on a R1,5 million investigation by the Human Sciences Research Council into the marketing of fresh produce is to be handed to the Government early next year, it was disclosed yesterday.

The HSRC said the aim of the 16-month investigation was to determine problems in the industry and promote its development.

Co-ordinated by Dave Langley of the HSRC, the investigation is being conducted by Professor S Marx of the University of Pretoria.

A number of universities are involved in research, which includes the ownership of and trading at fresh produce markets, prices, advertising and marketing.

A total of 13 000 questionnaires were sent to producers and almost 100 interviews conducted with experts from interest groups in the fruit and vegetable industry in Europe and the US.

Others consulted included wholesalers, retailers and informal traders, commercial groups, institutional and domestic consumers,

Should business be neutral?

B/Day 7/11/96 (132)

GAVIN BROWN

THE debate over just what role business can or should play in the political arena has shifted in search of a new focus recently. The moral imperatives which fuelled the debate, especially from 1984, are fast dissipating and now that the apartheid demon is, statutorily at least, on its last legs, the differences between erstwhile anti-apartheid allies are emerging.

Assuming that matters constitutional are not properly the preserve of business, and that other forums are emerging for this purpose, it seems more legitimate for business to finally start rejecting more aggressive union demands that it take positions in the strictly political sphere

The greatest challenge to the political neutrality of business clearly lies in the industrial relations arena. Within the space of a few months a large part of the black labour movement has shifted from being the internally legitimate voice of black political resistance into a formal and significant bloc within the reconstituted SA Communist Party.

Does this tactically or morally allow business to more explicity oppose the union movement's ideology? Will such opposition stimulate economic debate within the labour movement or cause it to close ranks against capital?

Is business now in any way relieved of guilt for apartheid which hitherto flavoured much of its approach in dealing with trade unions? Is "union-bashing" now an any more legitimate response to "management-bashing" since the labour movement has openly affiliated to an organisation committed to defeat the ascendancy of capital? Or is this all outdated "rooi gevaar" thinking? Should business simply exercise more patience while the SACP comes to grips with new local and global realities which ridicule its formal economic credo?

What of factional political violence — does Inkatha deserve any more explicit support because of its pro-free enterprise platform and if so will this encourage more purposeless violence or greater prospects of its victory? Or does this stance simply disguise a possibly more dangerous and divisive Zulu nationalism?

How much longer can business continue to fret fruitlessly over the plethora of stayaways and boycotts which has now become so widespread and diffuse as to promote little but economic decline?

The labour movement, despite its considerable success in advancing the political and micro-economic interests of its members, has yet to display any inclination or capacity for using its "mass" power for expansionist economic objectives.

Aside from the commercial realities of mass action on the ground, can or should employers continue to support moves to adapt labour legislation which in some aspects legitimises and protects this mass action? Is enlightened labour legislation relevant in an economy with real unemployment levels around 25% and perhaps much higher?

The labour movement's economic behaviour more and more highlights the contradictions between the tenets of its espoused socialism and the fact that the trade unions have effectively established a new economic aristocracy which acts daily against the creation of employment and saps the limited resources for national socio-economic reconstruction

There are few historical examples of business successfully projecting itself into a volatile political milieu. Internationally, business probably plays its most effective (legitimate) political role as an interest group undertaking lobbying activities. But its interests are sectional and seldom lend themselves to the formation of a holistic political strategy.

At this level, self-interest and not political ethics will continue to spur business involvement in for example — housing, education and social responsibility programmes.

Perhaps there are mega-corporations in SA which have national or regional political agendas and the resources to promote them, but for the most part it would seem that sticking to business is the most natural political platform for most companies

Like it or not, South African "monopoly capitalism" exists and the political voice of business is largely in its hands. For the vast majority of employers, debates over national strategies of a quasi-political nature are happily left in the hands of, for example, Sacob, where the influence of the mega-corporations is also dominant.

However, things are not so esoteric in industrial relations. Individual businesses are the primary actors and they require a coherent and detailed platform and programme of action to project into their workforce and, in some industries, the community in which they function.

It seems most likely that the political content of industrial relations will continue to be dominant for some time and thus the question of political neutrality will face its most immediate challenges in this arena.

The most immediate and unavoidable problems for business will not come in the form of constitutional questions but rather will be present in the demands of customers and unionised employees.

For the moment at least, the political positions of business might best be deprioritised in favour of these more practical matters, pending at least a little more clarity on the composition and platforms of the teams going into the political finals.

☐ Brown is an industrial relations consultant. This is an edited version of an article to be published in the next edition of the Innes Labour Brief.

LETTERS

Strike toll rising despite trade-union moderation

S/Times 4/11/90

132

CONSULTANTS expect that 4-million mandays will be lost through strikes this year — a 33% increase on last year.

In 1989, 3-million mandays were lost. By the end of the third quarter this year the figure had already been exceeded, Levy Piron Associates calculating a total of 3,5-million.

But this year's projection of 4-million lost days will be less than half the all-time high of 1987 when the figure was 9-million It was the year when the largest and costliest action in SA's history occured — the three-week miners' strike over wages. The year was also marked by the three-month Sats strike, triggered by a dismissal

In 1988, mandays lost declined to 1,6-million, but rose last year to 3-million. This year's 4-million projection is cause for concern.

Economists and cabinet ministers continuously stress the harmful effects of strikes on the economy.

Stellenbosch University's Bureau for Economic Research (BER) warns· "Labour unrest, if left uncontrolled, could surpass sanctions as the greatest destroyer of the South African economy, particularly as it affects multi-nationals whose perceptions of the host country's internal social, political and economic stability are of the utmost importance.

"Until labour disruptions have been curbed, further attempts at economic development will continue to be inhibited."

Consultant FSA Contact believes that the recent agreement between the Manpower Department, the National Manpower Commission, Cosatu, Nactu and Saccola over the Labour Relations Act (LRA) will defuse tensions in industrial relations But demands for higher wages are unlikely to be reduced.

Manpower Minister Eli Louw says economic education on the shopfloor is crucial for labour relations. He believes that the low industrial action rate in Germany can be ascribed to the high level of economic education there

Mr Louw is particularly impressed by the economic awareness of German trade unionists

Cosatu's decision to "postpone for further discussion" the setting of a statutory national minimum wage rate perhaps reflects a more realistic economic approach

The postponement was made after opposition from the SA Clothing and Textile Workers Union (SACTWU), one of its larger affiliates The threat to job security of those earning less than the proposed minimum wage was one of the major reasons for the postponement decision.

Many trade unionists still surprisingly refuse to accept that unrealistically high wages can cost jobs

Wage issues are responsible for most of the mandays lost in strikes Trade unionists often seek wage increases of well above the inflation rate

By all accounts, negotiations have been tough this year The average pay increase for the year is 17,4% — the same as last year — in spite of a worsening economic climate

Levy Piron Associates reports that industrial action occurred in 64% of negotiations conducted between July and October this year — the highest ever Last year's figure was 56% and it was 36% in 1988

Between July and October the overtime ban was the most common form of action (30%), followed by strikes (26%) and the go-slows (22%).

Disputes were declared in 58% of these negotiations Most were resolved without intervention by a third party Only 37% of the disputes went to mediation, and 5% to conciliation boards.

There was a sharp drop in the average opening level of pay claims. It declined from 90% last year to 51% for 1990 This is not seen as a modification of expectations but merely as a shift to a new bargaining approach.

It is based on accepting reality Trade unions are able to avoid making huge changes in their bargaining positions and thus losing credibility with their members

This year the Chamber of Mines and the National Union of Mineworkers reached agreement without a strike. This is ascribed to the particularly harsh climate in the industry, marked by large-scale retrenchment.

Star 2/11/90 (132)

Afrox in expansive mood

By Duma Gqubule

Industrial group African Oxygen Limited has increased its inflation adjusted earnings a share by an impressive 27 percent to 216c (170c) and raised its total dividend by 35 percent to 135c (100c), for the 12 months to end-September.

Group turnover climbed 24 percent to R903,9 million (R728 million) and profit before interest advanced 25 percent to R187,2 million (R149,3 million).

However a substantial 84 percent increase in net interest paid to R30,7 million (R16,7 million) — reflecting higher interest rates and continuing expansion, mainly in the gasses division — and a virtually unchanged tax rate of 48,1 percent (48,6 percent) resulted in profit after taxation rising by 19 percent to R81,2 million (R68,2 million)

Although net borrowings increased 10,5 percent to R221 million (R200,1 million) gearing improved to an acceptable 25,8 percent (28,2 percent)

After charging additional depreciation of R15,7 million to reflect the current cost of assets and deducting outside shareholders interest of R661 000 (R1,6 million), attributable income was 27 percent higher at R64,8 million (R51,1 million). This translated into earnings a share of 216c (170c) from which a final dividend of 85c was declared bringing the total for the year to 135c (100c)

F.M 2/11/90 (132)

LABOUR TRENDS

WORKING ARRANGEMENTS

AS RECESSION BITES, A SENSE OF REALITY IS BEGINNING TO PREVAIL

Labour relations in this recession year are reflecting an oddly mixed message. There has been an upsurge in industrial action with an estimated 3,5m man-days lost to the economy so far Projections for 1990 as a whole suggest a figure in excess of 4m, well over the total for 1989 (3,09m)

Yet, despite increased worker militancy, particularly noticeable in the first half of the year, labour relations have been marked by a heightened awareness by both management and the unions of each other's concerns. While the events following February 2 triggered a sudden increase in worker expectations, a greater awareness of economic factors on the part of the unions seems to have moderated negotiating attitudes

For management in certain key industries there has been an increased awareness of union aspirations

But Cosatu cautions that while there is a general sense of optimism, there are other causes for concern Recent township violence has spilled over on to the shop floor, creating high levels of tension. The federation also claims that though there may be advances at a "global level," at the level of individual employers there are still cases of "intensified union-bashing tactics"

For years, the unions — mainly grouped under Cosatu — have happily achieved improvements in wages and working conditions. And the freeing-up of the political situation has meant that workers have gained confidence in Cosatu's social and political programmes The result has been a strong and relatively mature trade union movement.

Unofficial figures indicate that Cosatu's membership has risen from just over 938 000 in 1989 to nearly 1,2m this year. Even despite increased retrenchments on the mines, the NUM estimates its total paid-up membership on stop-order rose from 229 000 in 1989 to 264 000 this year. In the public sector, membership of Cosatu's municipal wing, Samwu, is believed to have increased from 23 000 last year to 35 000 this year — in line with Cosatu's increased focus on public-sector employees

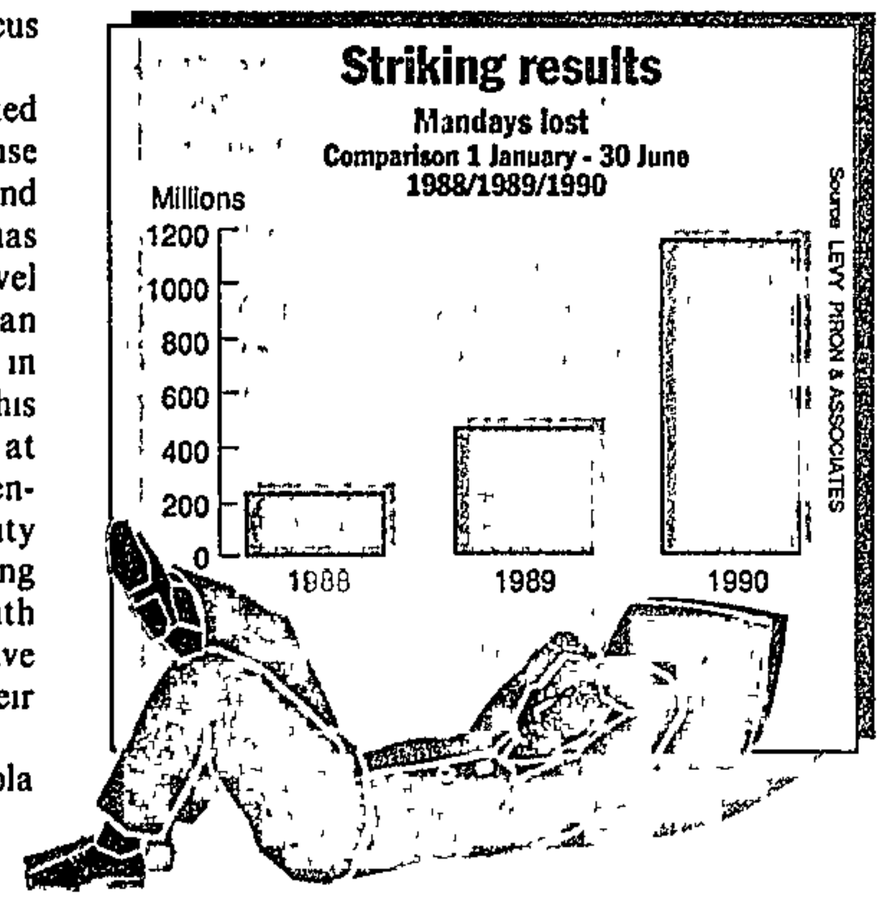
While workers have been motivated to push pay claims fairly hard because of heightened social expectations and the effects of high inflation, there has been a significant *decrease* in the level of claims tabled by unions From an average proposed increase of 86% in 1989, they have fallen to 51% this year Senior GM external relations at the Chamber of Mines, Johan Liebenberg, sees "a new economic reality coming into the equations," pointing specifically to wage negotiations with the NUM this year Both sides have been educating each other as to their respective viewpoints, he says

The precedent set by the Saccola and Cosatu-Nactu discussions on the Labour Relations Act (LRA) is another major leap forward — and could hold lessons in the political arena Barlow Rand vice-chairman and chief executive Warren Clewlow hopes the accord will lay the foundation for co-operation between employers and labour in future

"In general, collective bargaining this year has been effective — thankfully with less disruption than in some previous years," he says, adding that the economic downturn has had a serious effect on employment and the ability of employers to meet high wage demands

Cosatu general-secretary Jay Naidoo says· "Trade union demands . reflect the aspirations of workers for a living wage. But by anyone's standards, wage settlements are anything but excessive Looking at wages of the lowest-paid unskilled workers show that recent settlements are at their lowest level since 1988."

A recent Labour Research Service survey of 368 current wage agreements negotiated by trade unions reveals an average minimum wage of R681,36 per month — well below the "poverty lines" produced by some universities, according to Cosatu Earlier this year, in its *Campaign Bulletin*, Cosatu announced that R700 a month is the "national minimum wage," recommended by the federation's Living Wage Committee This sparked debate over the principle of a minimum wage



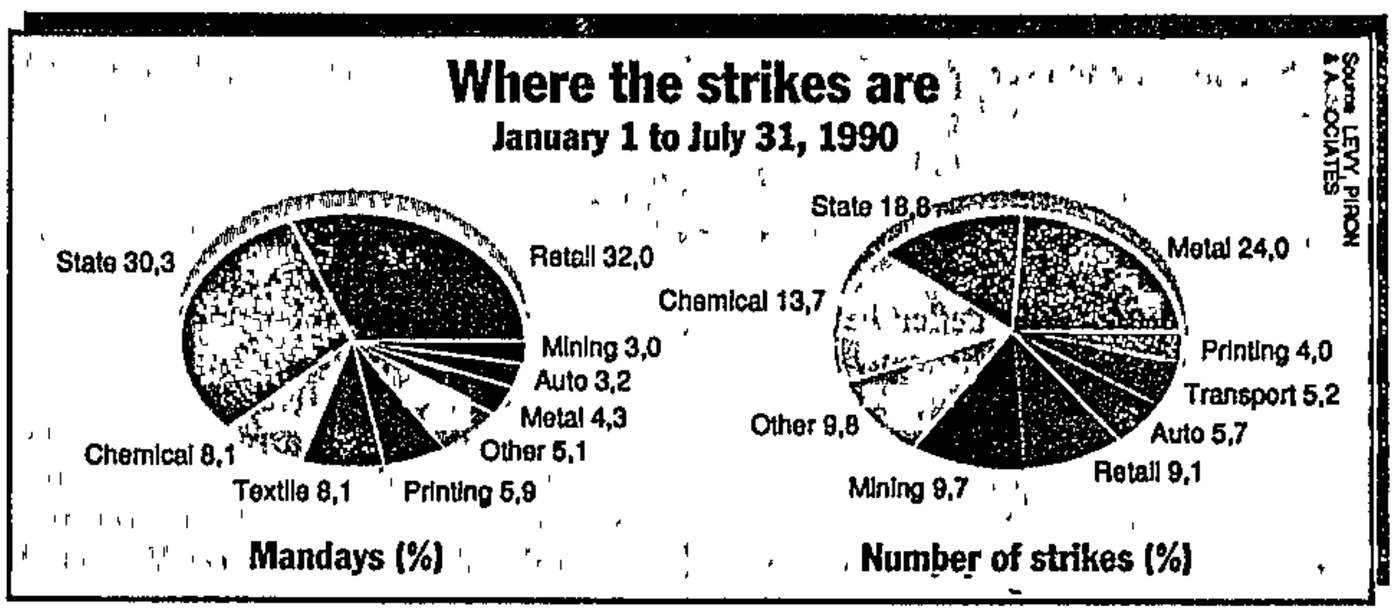
In its latest strike update for 1990, industrial relations consultants Levy & Piron report that strike trends in the first nine months of 1990 indicate a steep upward movement The total of man-days lost so far this year (3,5m) is high — but there has been a noticeable decrease in strike activity in the last few weeks

In the first seven months, the retail sector was most affected in terms of man-days lost — largely as a result of recent activity by Saccawu Large-scale strikes took place at OK Bazaars, Checkers, Southern Sun, Metro Cash & Carry, Trador and other retailers The recently formed Saccawu — a merger of Ccawusa, Harwu and Cape Liquor & Catering — says it was able to sustain intensified strike action because of strong shop steward structures inherited from Ccawusa

In the industry in general, negotiations have "improved management's understanding of union aspirations," according to Pick 'n Pay chairman Raymond Ackerman

The public sector showed a dramatic increase in terms of man-days lost and increased unionisation Intensified industrial action took place during May and June in municipalities, hospitals, post offices and schools This indicates a concerted effort by the unions to align conditions in the public sector with those in industry as a whole, according to Mike Beaumont, of consultants FSA-Contact

Prior to the recent agreement between



P.T.O.

New industrial council mooted

(294) MATTHEW CURTIN

EMPLOYERS and unions in the contract cleaning industry were poised to set up an industrial council, Transport and General Workers' Union (TGWU) information officer Kally Forrest said yesterday.

She said a meeting with the National Contract Cleaning Employers Association (NCCEA) a week ago had cleared major obstacles to the council's establishment. Only the issue of whether parties to the council would be determined by equal or proportional representation remained to be settled. B/Day 26/10/90

The TGWU represented 10 000 employees out of the 25 000 in the industry.

The development was a breakthrough for the union which had been unable to bargain for its members because managers had refused to negotiate at plant level.

An NCCEA spokesman said it would be premature to comment.

PSG Services MD Ashley Walker said his firm had resigned from the NCCEA earlier as it wished to pursue a different approach to labour relations.

differences

Graphic: LEE EMERTON Source: ESKOM

its performance

Trade union priorities not addressed, says Golding

B/Day 22/10/90

ALAN FINE

ADMINISTRATION and Economic Co-ordination Minister Wim de Villiers' plan for economic restructuring failed to address trade union priorities and was in opposition to them in various respects, a leading unionist said yesterday.

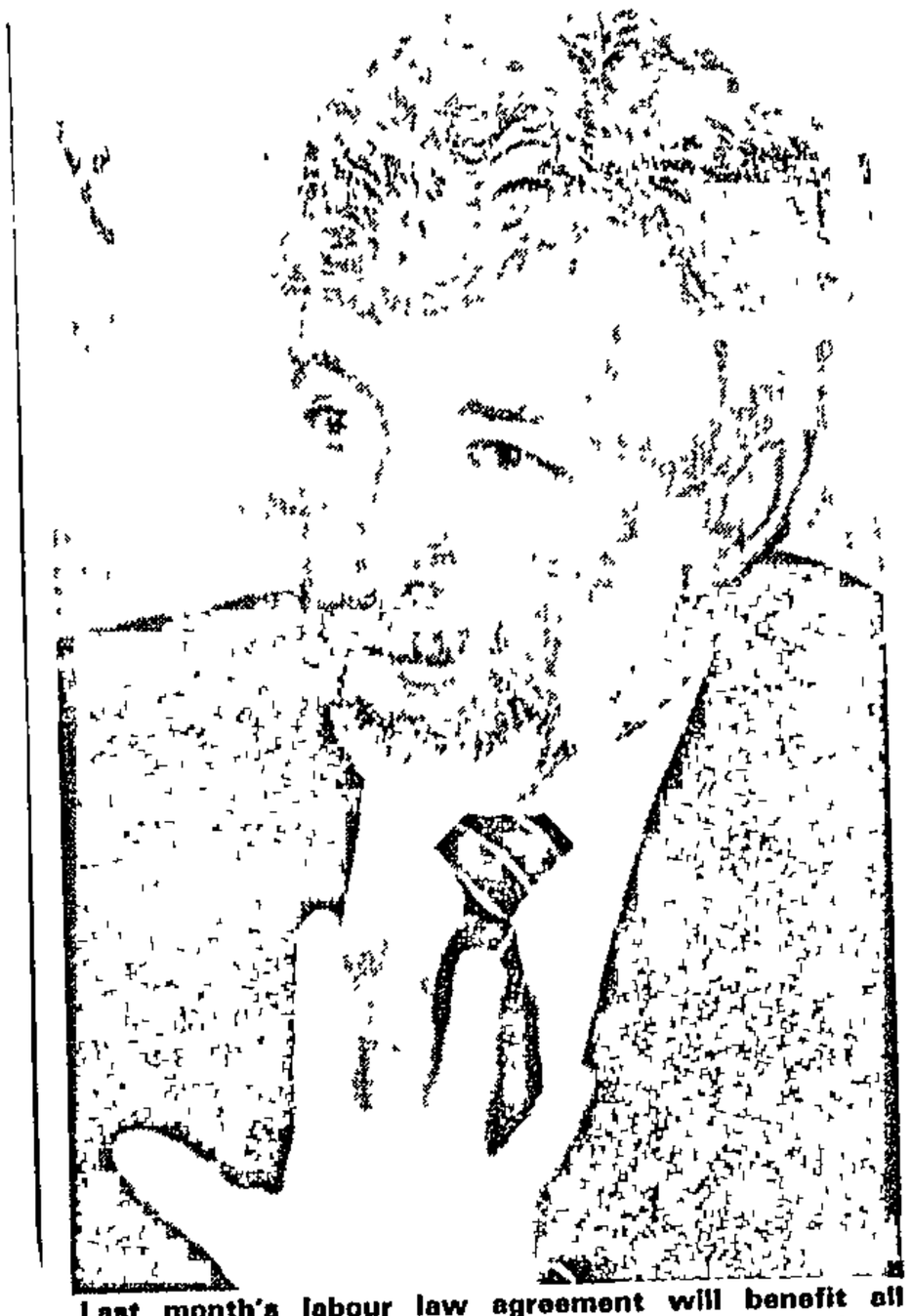
NUM assistant general secretary Marcel Golding, noting De Villiers's call on Friday for unions to co-operate in the fight against inflation through restraining their wage demands, also warned against government interference in the collective bargaining process.

(132)

Golding said government could hardly expect the labour movement to co-operate in economic strategies over whose formulation unions had had little or no influence.

He understood government's concern to tackle the inflation problem — inflation had also had a negative effect on workers' earnings. However, union economic priorities had to be the priorities of its members, and those were primarily job creation and increasing workforce income.

A key area unions believed needed to be addressed as a pre-condition for economic progress was training.



Last month's labour law agreement will benefit all employers, says Sacob industrial relations committee chairman Bokkie Botha Picture ROBYN RYAN

Sacob's Botha welcomes agreement on labour law

132

ALAN FINE

THE labour law agreement between unions, employers and government represented a decisive move away from protest to a more constructive way of handling conflict, Sacob industrial relations committee chairman Bokkie Botha said yesterday

The benefits of the agreement reached last month would be felt by all employers, particularly by small business employers

Very significant, he said, was the clause in which all parties committed themselves "to dialogue and discussion to resolve conflict wherever it arises"

While this would not guarantee an end to problems, and shop floor problems would not disappear overnight, it did mean a commitment to an end of "unilateral" stayaways B/Day 9/10/90

Sacob was pleased that Cosatu and Nactu had committed themselves to joining a restructured National Manpower Commission

This would, in future, mean that all parties would become part of the process of developing labour legislation rather than some being outside critics

Labour winds of change 'reaching the public service'

GERALD REILLY

PRETORIA — The winds of change that had swept through the labour scene since the Wiehahn report were now breaking over the public sector, Commission for Administration chairman Piet van der Merwe said last night. B/Day 12/10/90

Speaking at the University of the Free State in Bloemfontein, he said strikes in government service had taken on greater proportions than before. (132)

Labour relations were becoming more important in the service. The management and handling of labour relations would make big demands on line managers.

A process of negotiation in co-operation with personnel associations and other representative bodies to develop a framework for the regulation of labour relations in the public service was in progress.

He said circumstances in SA now and in future demanded innovative thinking on the part of public sector administrators and line managers.

It demanded, too, that business and labour leaders as well as the public should acknowledge the indispensable role of public institutions

Line managers had to be trained in labour relations to equip them for the maintenance of labour harmony

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Line managers had to be trained in labour relations to equip them for the maintenance of labour harmony

LABOUR F/M 12/10/90 (132)

SILENT PREACHERS

A researcher says employers underestimate the complex role of shop stewards and fail to give them the training in management principles and free-market systems which, they complain, the stewards lack.

She adds that shop stewards are, in fact, the main link between labour and management. They also keep records on incidents at work, including discipline and the financial performance of the company, and deal with the personal problems of workers. They have

F/M 12/10/90

to be familiar with management-union agreements and labour law

These are among the conclusions of a study by Ros Hirschowitz, of the Institute of Labour Economics Research, at the Human Sciences Research Council. She interviewed 123 shop stewards in Pretoria and the East Rand, as well as seven industrial relations managers and nine trade union officials. The report says shop stewards believe management is "not prepared to improve the career development prospects of the workers."

Hirschowitz's findings show 93% of shop stewards have some high school education and 31% are matriculants. However, they tend to work in low-level unskilled or semi-skilled posts. This poor placement of well-educated workers makes their role as unionists doubly important to them, Hirschowitz notes

Contrary to management belief that shop stewards are troublemakers, she writes, 81% of those interviewed have worked for only one other employer and most have been in the same work place for a number of years While 57% received training from unions, none has received any management training nor briefings about the nature of a free-enterprise system. ■

OPENING VITAL DEBATE

MANPOWER MIRROR

By Adrian Hersch

TWO books about employer-worker relations have recently been published locally — one about the application of worker participation in South Africa, the other a management handbook.

Worker Participation is edited by Mark Anstey, director of the industrial relations unit at the University of Port Elizabeth It comprises contributions by leading local and international practitioners in industrial relations and academics

The book consists of two parts. The first covers conceptual, theoretical and practical issues, and some international trends are outlined The second covers a number of practical initiatives in SA regarding worker participation.

OUTLINE

The chapter on the employee shareholding scheme at Anglo American relates to the wide issues regarding financial participation by workers raised in section one of the book. Another chapter described Volkswagen SA's efforts These are influenced by the West German system described in part one. Toyota SA's policies can similarly be traced to Japanese and US approaches

There is also a chapter on the Zenzeleni co-operative which can be read in relation with the chapter referring to co-operatives in general.

Worker participation in a pension scheme, and health and safety measures in SA are also outlined

Anglo American's manager of the group employee shareholder scheme, Clive Fletcher, describes the project's workings, its objectives, and he responds to its critics

Despite union opposition, by the end of 1989 about 145 000 employees, or 73% of those eligible, had become shareholders at Anglo

Volkswagen AG's (VWAG) head of international personnel operations, Brian Robinson, describes worker participation in Germany, and also how it specifically works at VWAG

VWSA human resources director Brian Smith says that between 1980-1986 relations were characterised by strike action. Although industrial action still occurs, there was an improvement from then on, which he attributes to greater worker participation and involvement of the union

Mediator Don Power, who has also had extensive experience in initiating employee involvement programmes in the US, warns management and unions that implementation will not result in swift improvement in productivity or in attitudes towards one another

He stresses that before starting the programme the union should be involved "It is important that the union understands that its existence is protected."

S/Times 14/10/90

SYSTEMS

The trials and tribulations of implementing various worker participation systems over a number of years, finally with success, is outlined by Toyota SA group industrial relations consultant Steve Dewar.

One of the major purposes of the book is to open debate about worker participation in SA. It makes a valuable contribution in this regard and should stimulate debate among practitioners, academics and students.

The book comprises readings presented at a conference It could perhaps have been shortened and some of the terms made easier to understand

Practitioners could potentially miss out on some of the valuable information which the book offers because they do not have sufficient time.

Practitioners will find Levy Piron Associates' Management Handbook useful. It is concise but comprehensive and easy to understand.

132

USEFUL

The pamphlet advertising the book says it has been designed to prevent labour pains, but the book does not recommend a caesarian. Instead the pocket-sized book provides useful information on Cosatu, Nactu and other federations

The do's and dont's when managing a strike are presented, and other information includes notes on the industrial court, the Independent Mediation Service of SA (IMSSA) and industrial relations periodicals.

Worker Participation: SA Options and Experience is published by Juta & Co and sells at R49,95. The Management Handbook. A Guide to Labour Relations 1990-91 is published by Electronic Publishing Corporation and retails at R45,99 Both are available at leading booksellers.

Workers' library staggers on

C/Press 14/10/90 (132)

By SANDILE MEMELA

THE two-year-old Workers' Library, aimed at improving the literary and cultural knowledge of trade-union members and working-class people, has not borne much fruit, chief librarian Emmanuel Kgomo told *City Press* this week.

The library, at Gilhove Chambers on the corner of De Villiers and Wanderers streets in Johannesburg, was launched with a flourish at the Wits Flower Hall in 1988 – but only a trickle of workers have come to make use of the rows of books.

The aim of the library was to provide a forum for workers to discuss issues affecting them, and to offer facilities for learning.

"We aim at establishing a network for workers to discuss their problems and come to grips with running their own lives," said Kgomo.

The goals of the library have not yet been reached.

"We are still trying to identify means that will best satisfy the aspirations of the workers."

Kgomo said most workers who visited the library were looking for jobs or information that could help them meet their immediate physical needs of food and shelter.

Star 17/10/90 (132)

Future economic system must be acceptable internationally

BIFSA Congress

FRANK JEANS

DURBAN — As South Africa heads for a post-apartheid era, the international business community should now inform the country's political leaders that unless they can ensure a reasonably acceptable economic system, they will never invest their money here

Mervyn King, executive chairman of the Frame Group, said this in a panel discussion at the annual congress here of the Building Industries Federation (Bifsa)

Emphasising the fact that South Africa did not have the resources to meet the social requirements of the future, he said the country depended on foreign capital But the overseas investor sought a "peaceful, relaxed situation and one not plagued by regulation"

What he termed "economic pragmatism" was the most important force shaping the future of southern Africa and it was driving neighbouring states to co-operate with South Africa so as to resurrect their economies

"Destroy the South African economy and you destroy southern African economies," said Mr King

"Should we achieve an economic system acceptable to the First World, it might result in a free flow of capital back to the country and could make South Africa the most exciting country in the world in the 21st century"

Lawrence Maduma, general secretary of the Construction and Allied Workers Union, told the panel that organised labour was not dogmatic about nationalisation as an economic option so long as the opponents of this option could formulate a proposal that was more acceptable to the poor masses of the country

"A workers' charter will have to be attached to a future constitution and employers will have to comply with International Labour Organisation conventions," he said

Educationist Fanyana Mazibuko, commenting on white attitudes towards a black Government, said "People have the wrong idea about how blacks feel in regard to the establishment of a non-white Government

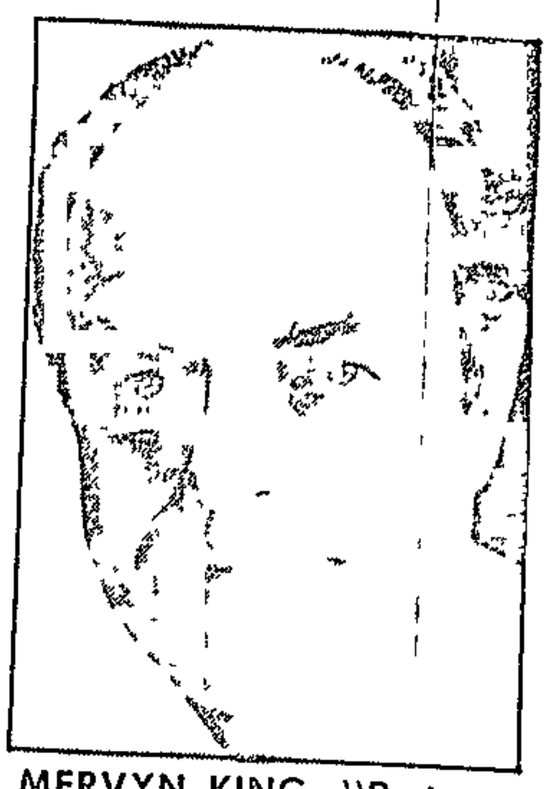
"There are a lot of black people I would not like to see in Government and at the same time, there are plenty of white people I would like to see in Government"

John Kane-Berman, executive director of the Institute of Race Relations, told the congress South Africa was facing an urban black youth explosion

The youth were neither at work nor at school — the result of large-scale unemployment and an inadequate education system

"The youth activists of today are more aggressive than ever before Whereas the youth of 1976 had still tried to win the opposition over instead of using force, today's activists use force as amatter of course

Of 3 500 children born in South Africa every day, nine of out 10 were black



MERVYN KING "Destroy the South African economy and you destroy southern African economies"

"Today whites comprise about 14,5 percent of the population By the year 2 000 their share will fall to 12,2 percent

"Despite attempts to curb urbanisation, about 69 percent of black people will be urbanised by the year 2010, compared with the present 53 percent"

Strikes: new peak in days lost

CAPE TOWN — Man-days lost because of strikes are expected to exceed the four million mark by the end of the year, according to a Johannesburg industrial relations consultancy.

Figures to the end of September had already overtaken the 1989 total, said Jackie Kelly, researcher with Andrew Levy, Johan Piron and Associates.

A total of 3,53 million man-days were lost to strikes between January 1 and September 30, compared with 3,09 million in the whole of 1989.

— Sapa

Star 18/10/90 (132)

MANAGEMENT STYLE

DRAWING CIRCLES

(132)

Do Japanese management and production techniques make sense in SA's dispute-riddled labour atmosphere?

Akira Goshi, a management professor at Japan's Nihon University who recently visited SA and consulted for several local companies, says Japanese management programmes are adaptable to SA But many unionists disagree. They see Japanese management programmes such as quality circles and "total quality control" as a tool for busting unions and denying worker rights. Their fear is that programmes aimed at boosting productivity will come at the price of retrenchments. F/M 19/10/90

The hallmarks of the Japanese approach should allay those fears.

- Companies avoid lay-offs and try to provide workers with life-long employment In the slump of the mid-Seventies, Detroit's vehicle makers laid off thousands of workers while management at some Japanese companies, such as Nissan, took pay cuts. Rank-and-file workers were unaffected,
- Workers and management co-operate closely and understand that "if the boat sinks, we all sink together;" and
- As they expand, companies share profits with workers.

In line with these principles, Japanese companies liberally employ quality circles — small groups of employees from different departments that meet regularly with management to discuss workplace issues The goal is to improve product quality, increase productivity and curb worker alienation.

Goshi is quick to point out, however, that a good management programme may not suffice. "It takes a lot of morale building Simply having a brilliant philosophy isn't enough." He believes that a major stumbling block to good labour relations in SA is the bloated status of management. "SA's top management has too many perks. It seems to be some sort of hangover from colonial British management techniques."

Iscor is one local company that has a comprehensive total quality control programme. "We select specific groups that have tackled a problem well and award them prizes," says spokesman Piet du Plessis

Unionists dismiss Japanese techniques as the Japanisation of SA Alistair Smith, a national organiser at the National Union of Metal Workers of SA, says "Total quality control is linked to the whole question of restructuring production in SA It's simply another attempt to undermine the collective bargaining process."

Manie Spoelstra, a professor at the Unisa School of Business Leadership, says quality circle programmes "have been more successful than unsuccessful" in increasing productivity and worker satisfaction One example, he says, is Eskom, where a group of gardeners sought to improve their working conditions A less time-consuming commuting system was initiated and worker absenteeism decreased sharply

Mistrust of Japanese management programmes is largely a result of SA's embattled labour history Companies have in the past acted like cowboys, unionists claim, unilaterally imposing total quality control programmes and alienating workers

Duncan Innes, a Wits professor of industrial sociology, points to Highveld Steel In the early Eighties, the steel giant unilaterally established a worker-management liaison committee Such decisions have cast a dark cloud over total quality control programmes, which in fact dictate that companies should not act unilaterally Labour observers viewed the Highveld effort as a bid to undermine unionisation Union fears must be allayed, Innes says, apartheid has left in its wake considerable tension between unions and management

Policy shift as union federation joins NMC

132

By DREW FORREST

IN a key policy shift, the Congress of SA Trade Unions is to join the state's National Manpower Commission before it has been overhauled — but subject to certain conditions

In the Labour Relations Act "minute" adopted by unions, employers and the state, Cosatu and Nactu undertook to join the the statutory advisory body on labour law once it had been restructured.

But at a central committee meeting last weekend, Cosatu decided to enter the NMC with immediate effect As the body was processing the "minute", this would ensure the federation's involvement in the first stage of law-making, said Cosatu campaigns co-ordinator Lisa Seftel

"If the NMC is not going in the direction we want, we'll return to mass action to press our demands," she said. "And we reserve the right to withdraw if we don't feel we're gaining from participation."

A key Cosatu demand is the setting of a deadline for the restructuring process. The federation would be formulating guidelines for restructuring, Seftel said

Other conditions for participation are that: W/Mail 19/10-25/10/90

- Manpower Minister Eli Louw should only appoint Cosatu representatives elected by the federation to the NMC and its sub-committees, and that the federation should have the right to recall its representatives
- Louw and the NMC should deal with Cosatu and not its individual affiliates
- That Cosatu is not bound by NMC recommendations and reserves the right to protest against them. The federation also wants Cosatu positions reflected in all NMC proposals
- Cosatu reserves the right to distribute NMC documentation among its affiliates

It is understood that in the initial stages, Cosatu will sit on sub-committees investigating labour rights for farm and domestic workers, as well as attending NMC workshops. These committees have already started their deliberations

Ramphele, Wilson win US book prize

(132) C/Press 21/10/90

PROFESSOR Francis Wilson and Dr Mamphela Ramphele have been named joint winners of the 1990 Noma Award for Publishing in Africa for their work entitled Uprooting Poverty.

Prof Wilson, director of the South African Labour Development Research Unit (Saldru), and Dr Ramphele of the Social Anthropology Department, will receive their 5000 US dollar (R12 650) prize at a special award ceremony to be held during the (US) African Studies Association's 33rd annual meeting in Baltimore, Maryland, next month.

Published by David Philip the book is described as a "devastating indictment of the effects of apartheid on the poor and powerless of South Africa".

The work draws together research conducted by the Second Carnegie Inquiry into Poverty in southern Africa, provides an overview of the inquiry, and addresses the problems of poverty as they affect the lives of South Africa's disenfranchised.

Prof Wilson said he and Dr Ramphele were "excited and thrilled" with the award. He stressed the work was a co-operative effort, and recognition should also go to 450 research workers.

Dr Ramphele said the award was "a wonderful acknowledgement by the international community that the focus on poverty is critical to the future of South Africa". – Sapa.

UCT's Dr Mamphela Ramphele . . . 'a wonderful acknowledgement'.

Big labour revamp on way

S/Times 7/10/90

(132)

THE Government is drafting a complete overhaul of its labour legislation in the wake of its recent success in negotiations with major trade unions and employer's organisations.

By DRIES van HEERDEN

Manpower Minister Eli Louw promised this week the new dispensation — already dubbed "son of Wiehahn" — will be negotiated step by step between the National Manpower Commission and the concerned parties.

An ugly chapter in the history of industrial peace was closed this week when the draft Labour Relations Amendment Bill was published in Cape Town — the result of many months of negotiations.

And its effect on labour peace was almost immediate — within hours the powerful Congress of SA Trade Unions (Cosatu) announced it was calling off its countrywide stayaway planned for tomorrow.

Interviewed in his Pretoria office this week, Mr Louw called the new legislation "a triumph for negotiations". And he promised to push it through Parliament "within days after the start of the new session early next year".

Mr Louw said the new law would return labour relations to the days immediately following the Government's historic decision in the mid-80s to accept the far-reaching changes proposed by the Wiehahn Commission

These reforms earned the Government high praise in a period when almost everything else it did was severely criticised

But 1987/88 saw a sudden sharp increase in strikes, stayaways and industrial action by the trade union movement intent on flexing its political muscles

There were elections on the horizon, the right-wing was stirring and the Government was not in a mood to be trifled with The result — a clampdown in the form of changes to the Labour Relations Act that seriously curtailed the unions' right and ability to institute industrial action

The law was rammed through Parliament against the strongest objections of both the unions and large employers With hindsight, Mr Louw now admits, it was a mistake

"But at least we kept on talking and negotiating," he said "Sometimes the sessions lasted until three in the morning"

First Cosatu and the other trade union giant, Nactu, negotiated an agreement with the employer's organisation, Saccola This was sent for comment to the National Manpower Commission (NMC)

The NMC reported to Mr Louw who then started negotiating the new law, clause by clause, with the concerned parties

"I was accused of dragging my feet," he said "There were calls for my resignation But I knew that we could not take any short-cuts"

The main feature of the draft bill — still to be discussed by the Parliamentary Standing Committee — is that it amends the definition of an unfair labour practice to its pre-1988 position.

The main feature of the draft Bill — still to be discussed by the Parliamentary Standing Committee — is that it amends the definition of an unfair labour practice to its pre-1988 position.

The strict provisions within which the industrial court had to decide cases — and which raised the ire of the unions — have been changed to guidelines No longer compulsory, but at the discretion of the court.

The contentious clause that enables parties to sue for damages on actions resulting from an industrial dispute remains, but the onus shifts to the complainant.

Cosatu has welcomed the new changes, but warned that the whole issue could revert to square one if the Standing Committee tampered with it

"This is only the beginning of a set of processes The acid test is whether it leads to consensus," it said in a statement.

Valuable

Next on Mr Louw's negotiating menu is tackling the rights of categories of workers not yet covered by legislation — especially civil servants, farm and domestic workers

Already the Basic Conditions of Employment Act and the Unemployment Insurance Act will be broadened next year to apply to farm workers

And then there is the revamp of the labour relations system. This will include the complete restructuring of the NMC itself Cosatu and Nactu have already indicated that they will participate in a new-look NMC

HOTEL AND LIQUOR TRADE

Footnotes

1. Notice - 48 hours for barmen, off-sales attendants, wine stewards and general workers in bars or off-sales.

2. Public Holidays - No provision is made for paid Public Holidays.

Are CCs still employees?

S/Times 2/12/90 (132)

FIONA LEPPAN discovers hidden danger in a new form of labour contract

PITFALLS await employers involved in the increasingly popular scheme whereby employees turn themselves into "contractors" — and then sell their services back to their employers.

The employees, often styled as "independent contractors", pay themselves through closed corporations (CCs) in the hope of getting tax advantages, but essentially they continue to give the same service as before

The legality of these schemes has been called into question by numerous tax experts and the Department of Inland Revenue

Now another debate has arisen. are these so-called independent contractors "employees" as defined in the Labour Relations Act 28 of 1956?

Two recent cases in the Industrial Court examine the dilemma.

Nelson Shikwambana was a former employee of Quantum Construction (Pty) Ltd

He resigned and took up the company's suggestion that he form his own CC. Mr Shikwambana's position before and after the introduction of the CC remained unchanged except that the CC was paid by the company for services performed by Mr Shikwambana In turn, he was paid in his personal capacity by his CC.

The arrangement between the company and Mr Shikwambana's CC was terminated without notice on February 28 1989 on the grounds that his services were too expensive

Mr Shikwambana believed that his relationship with Quantum Construction had been unfairly terminated, and that his status as an employee had never changed.

The company, however, argued that the applicant was not an employee and did not enjoy that status after the introduction of his own corporate entity.

Abuse

The company argued that the separate legal personality of the applicant's CC could not be set aside, more particularly where our civil courts have been reluctant to look behind the corporate personality.

In fact, only in the case of fraud or unconscionable conduct has the corporate personality been pierced

It is interesting to note that section 65 of the Close Corporation Act 69 of 1984 empowers a court to lift the corporate veil unless there has been a gross abuse of the juristic personality of the corporation as a separate entity.

The company, however, did not allege any such abuse and the Industrial Court did not take the matter any farther.

The court found that no formal contract had been entered into between the applicant's CC and the company.

This is an important finding since, in the earlier decision of the Industrial Court in C D Addington vs Foster Wheeler SA (Pty) Ltd, the court found that Mr Addington's CC acted as a labour broker which required Mr Addington to perform work for Foster Wheeler and that he was not an employee of that company.

In that particular case there had been a formal agreement entered into between Foster Wheeler and the CC It was said that the written contract provided clear proof of an intention that the CC would provide the services of its member to Foster Wheeler

Mr Shikwambana's case, however, was distinguishable because there was no evidence of the conclusion of a contract or the provision of services There was merely an arrangement that Mr Shikwambana's salary would be paid to him via his CC

Mr Shikwambana's duties and obligations and his rights to a bonus and continued membership of the pension fund did not change after the introduction of his CC

The Industrial Court concluded that these factors demonstrated a continuation of the employment relationship, which could not be terminated without good reason and in the absence of a fair procedure. The Industrial Court said in that case "the mere fact that the pay envelope of the applicant was slipped into the pocket of his close-corporation suit does not mean that the man inside the suit can, in labour law, be ignored . labour law is concerned with equity. Equity in this case requires that the corporate veil — in this case a thin one indeed — be brushed aside".

Contract

The case law suggests that a minimum prerequisite for the scheme to be valid is the existence of a cogent written contract entered into between the former employer and the CC, in terms of which the CC provides the services of its member to the former employer

On a close reading of the Shikwambana case, employers would be well advised to take care when dealing with these schemes, for it cannot be assumed that once the CC is introduced the stringent rules of fairness can be discarded in the erroneous belief that the employment relationship has come to an end

● *Fiona Leppan is a labour lawyer with the Johannesburg law firm of Deneys Reitz. She has been requested by the Sunday Times to write a series of occasional pieces on labour and the law*

Letters are on Page 25

Labour relations heading for yet another turbulent year

S/T Times 2/12/90 (132)

By ADRIAN HERSCH, human resources consultant

THE COMING year could be tough for labour relations.

The strike rate will be at least as high as this year's and wage increases will continue to outpace inflation, say labour consultants

But the Sacaola-Cosatu-Nactu (SCN) accord could provide a forum for management and labour to find common ground on critical issues, such as housing, education and health.

The 4-million mandays lost to industrial action this year were largely due to widespread strikes in the public service — including walk-outs by hospital, school and municipal employees.

The retail and hotel sectors also accounted for a major part of lost mandays. The OK Bazaars, Checkers and Southern Sun strikes were among the worst.

Upward

Wage issues were central to these strikes, and 71% of all mandays lost in the year were related to pay.

Political flux, giving rise to heightened worker expectations, and high inflation are believed to be the major causes of the rising strike rate.

Experts say these causes are still present, if not increasing. So the strike rate will at least be maintained.

Andrew Levy Associates consultant Brian Allen says: "Inflation is showing an increasing upward trend and political manoeuvring about the new constitutional structures is only beginning.

"We can expect much the same pattern of strike action in 1991 as we experienced in 1990."

Wage increases were been consistently above the inflation rate in the 1980s This year the trend was maintained — increases averaged 17,4%.

FSA-Contact consultant Mike Beaumont says that in 1991 the average pay increase is likely to exceed the rate of inflation because worker expectations and determination to

ADRIAN HERSCH Tough year ahead

achieve more income will remain high

But there could be a wider range in the settlements for the first time.

"In some instances, where companies are really battling, increases could be as low as 11%."

Job security is now a feature of bargaining

Levy Associates Pat Stone says most negotiations are accompanied by demands for job guarantees and minimum severance benefits, and a ban on temporary and casual labour.

Tens of thousands of jobs were lost this year The mining industry was particularly hard hit. The chances of a national strike in the industry were thus remote.

The Chamber of Mines and the National Union of Mineworkers (NUM) settled for an average increase of 16,5%.

Workers voted in favour of a strike in the metal industry, but it did not materialise.

The National Union of Metal Workers of SA (Numsa), the major union involved, said a strike had the potential to aggravate violence in the townships.

But the increases, ranging between 15% and 19%, are regarded by many as reasonable. The union probably agrees

The agreement between the Manpower Department, the National Manpower Commission, Saccola, Cosatu and Nactu over the Labour Relations Act (LRA) is expected to defuse tensions in industrial relations.

Testing

A Bill reflecting the agreement will be put before Parliament in early 1991.

One of the major changes to the LRA will be replacement of the unfair labour practice definition by one almost the same as that in force before the 1988 amendments.

Mr Beaumont says the forum established by Saccola, Cosatu and Nactu offers hope for further discussion on issues beyond labour legislation. This potentially includes housing, education, job creation, small-business development and health care.

But the unions face a testing time. The Mercedes-Benz strike highlighted the problem of lack of worker solidarity. A minority of union members were against central bargaining, believing they could get a better deal for themselves through negotiations at the plant.

Appeals from union officials went unheeded

Mr Beaumont says the question of union alignment with politcal parties could prove to be a major issue in 1991. If not handled carefully it could lead to splits in some unions.

A right to work, but who pays the wages?

BRIAN POTTINGER discusses the weak spots in the ANC's draft Bill of Rights

THE ANC'S draft Bill of Rights published this week promises every South African the right to work S/Times 2/12/90

It does not say who will provide the job or pay for it

Neither does it explain who will guarantee the other rights the document demands, such as health, minimum wages, nutrition and education.

The real problem with the document — although it does contain many good principles — is that it tries to write into a Bill of Rights what should really be the policy of the government of the day.

The document proposes a series of clauses which entail not merely the right to be protected *from* government action but the right to demand something *of* government

The ANC, in line with many contemporary hunan rights charters, argues for what it calls a "minimum floor" of such rights.

Here the ANC's document draws heavily, and not unnaturally, from the Freedom Charter, the guiding document of resistance groups since the 50s

This is where the real debate lies (132)

Impulses

Mr Justice Didcott of the Natal Bench once warned that a Bill of Rights that zealously protected private property and thus entrenched privilege would never gain legitimacy. It must remain "neutral", he said, leaving it to political process to choose the economic policy.

Many recent draft bills of rights may be considered "neutral" The KwaZulu/Natal Indaba Bill of 1986, the Business Charter of 1987 and the seminal report of a working group of the SA Law Commission in 1989 do not go much beyond proposing the basic right of opportunity to work, conduct business, hold property, make profits and join trade unions

But for the ANC such "neutrality" amounts to an entrenchment of existing inequalities Any political organisation which has a largely impoverished constituency, such as the ANC, cannot but genuflect to the impulses of its supporters

Yet how does one enforce these rights? Who does one sue if one is without a job or a house or is hungry? How does the state give relief if it has no money?

The mere meeting of its obligations in terms of the Bill of Rights in one area (such as education) may mean the state is unable to meet obligations in another (housing, for example). Is it in the public interest to have government funding policies dictated by law?

The ANC does not say. In its preface to the draft Bill of Rights it merely observes "Exactly how the economy is to be organised and how revenue is to be raised is a matter for the parties to argue about and for the electorate to decide upon"

That is not the only area of likely dispute.

Article 17 of the SA Law Commission's first proposed Bill of Rights, now being substantially reworked, refers to "the right of every person or group to disassociate himself or itself from other individuals or groups"

This section drew the most opprobrium, with the Law Commission being seen by many critics as the back-door to a form of neo-apartheid.

Courts

The ANC document, conversely, places emphasis on breaking down groups' all organs of government are committed to dismantle structures and practices which "compulsorily divide the population on grounds of race, colour, language or creed".

An interesting side-bar to this, however, is that within the resistance groups themselves there is some confusion on the exact role of groups

Cosatu's recent draft Workers' Charter appeals for the recognition of collective rights in the constitution otherwise "it may well result in constitutionally protected individual rights being used by the courts to strike down collective interests".

The issue of political group rights as opposed to merely cultural, religious or linguistic rights is thus still very much alive

Shutdowns 'the answer to go-slows and sit-ins'

132

B/Day 3/12/90

MATTHEW CURTIN

MANAGEMENT will use increasingly the strategy of shutting down production to regain shopfloor control from militant workers in the present unstable labour climate, say labour analysts.

SPA Consultants' industrial relations adviser Andrew Pons said at the weekend managements' recent actions at the Mercedes-Benz plant in East London, Volkswagen's Uitenhage plant and JCI's Atok platinum mine were evidence of this trend.

Unprocedural union action not only threatened the viability of companies' operations but also management's authority on the shopfloor.

Go-slows, work-to-rule and overtime bans were as damaging as procedural industrial action because they had the effect of replacing management authority with workers' authority over an extended period.

Pons said management was able to bring unprocedural action to a head by closing down its operations. It was a positive development if management intended to repair its relationship with the work force while reducing its reliance on the law.

It was vital to appreciate the need for workers' education, a factor at the heart of the Mercedes and Volkswagen disputes, as well as the socio-political climate in SA.

Union members sometimes misunderstood industrial relations procedures and the extent to which their unprocedural action jeopardised a company's viability.

Industrial relations consultant Gavin Brown said unprocedural action was endemic in SA industry.

Reluctant

It might be too early to determine a trend in the recent plant closures but the tactic was certain to become more common. "Management may have to stop production to regain control on the shopfloor", he said.

Employers, tolerant of unprocedural action when union recognition agreements were new, were increasingly reluctant to allow for worker ignorance.

Unions rarely let management educate their members and had "failed abysmally" to educate them themselves, although they were compromised by a lack of resources and the explosive political environment, especially in the eastern Cape, said Brown.

UCT Labour Law Unit director Clive Thompson said the trend showed management, growing desperate in the current industrial relations environment, had developed more confidence in dealing with unprocedural action.

The shut-downs technically constituted illegal lock-outs, but were an indication of an underlying malaise afflicting the law.

"Employers no longer resort to the contours of the law, but to the contours of industrial relations."

But Levy, Peron and Associates consultant Johann Scheepers said the recent plant closures should "not be confused with lock-outs".

Employers had common law rights to close down operations to protect their interests.

Workers engaged in sit-ins, and rival factions or rival unions ignoring or not abiding by procedures, presented potentially explosive situations for management. Shutting down production was a last resort, for safety considerations if nothing else, he said.

Tour of Sweden for labour delegation

(132) MATTHEW CURTIN

EIGHT of the most experienced participants in SA's labour affairs leave for a brief study tour of the Swedish labour law system this week, the Swedish legation in Pretoria said yesterday.

First secretary Robert Rydberg said the party would be the guests of the Swedish Institute, a government-funded body, and would meet unions and employers and see how Sweden's industrial courts worked.

Tour members are National Manpower Commission (NMC) acting chairman Frans Barker, attorney Halton Cheadle, National Union of Mineworkers assistant general secretary Marcel Golding, Mr Justice Goldstone, NMC member Adolph Landman, Mr Justice Smalberger, Saccola chairman Anton Roodt and UCT Labour Law Unit director Clive Thompson.

Mr Justice Goldstone said yesterday labour law was becoming more and more important in SA and he welcomed the opportunity to examine the Swedish system at first hand. B/Day 4/12/90

Golding said yesterday the party would investigate the Swedish collective bargaining system and the industrial courts in particular. They would see what lessons could be learnt for SA.

Many of the tour's members played a direct role in the formulation of SA's new labour legislation this year; the Cosatu, Saccola, Nactu accord, and the amendments to the Labour Relations Act recommended by the NMC for promulgation in 1991 based on the accord.

Breakthrough in public service

W/Mail 7/12/-13/12/90 (132)

Unity among staff associations and unions at recent talks heralded a breakthrough for workers' rights in the public service, reports **DREW FORREST**

ELEVEN unions and staff associations representing 300 000 workers laid the foundations for a new labour deal in the public service in trailblazing talks with the Commission for Administration last week.

In a key development, the employee bodies — including the largely white Public Servants Association and emergent black unions such as Cosatu's National Education, Health and Allied Workers' Union (Nehawu) — forged a united front at the talks and made common demands.

These included interim labour rights for unions such as Nehawu and unrecognised staff bodies The Public Service Act makes no provision for union recognition or formal collective bargaining

Nehawu general secretary Sisa Njikelana said the talks signalled "a major breakthrough in building union rights in the public service, which we have been denied It's clear now that we're making headway".

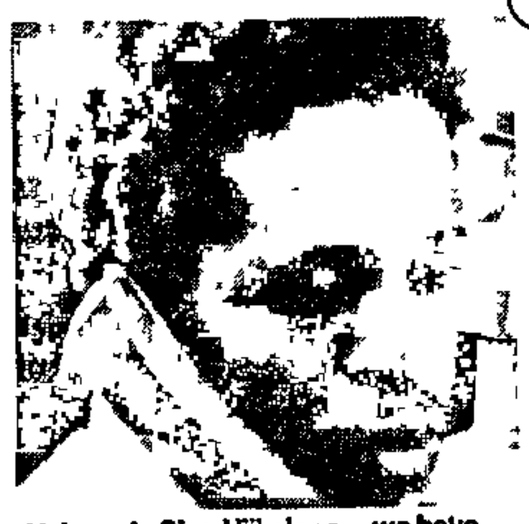
The commission has fought shy of the Saccola forum on the Labour Relations Act But a state sector strike wave and consistent Cosatu pressure for the inclusion of state workers in the LRA has persuaded the government of the need for a new deal, and separate negotiations for public service unions were offered as a compromise earlier this year

In the LRA "minute" signed by government, employers and the unions, Cosatu effectively agreed to shelve its demand for the immediate extension of the LRA to the public service and to use the alternative forum offered

Last week's talks aimed to set the terms of, and criteria for participation in, a formal forum for negotiations. This will meet for the first time from January 28 to 30 next year

Tough criteria applied by the commission to last week's talks led to the exclusion of Nactu's National Union of Public Service Workers and SA Black Municipal and Allied Workers' Union, on grounds that they have members outside the public service

After pressure from the union-staff association front, employers accepted new criteria which should allow Nactu to participate These, it is reliably understood, will admit unions with 1 000 verified public service members which submit their constitutions.



Nehawu's Sisa Njikelana ... we have more to gain through a united front

The interim labour rights agreed to by the commission will provide a vital leg-up for unions such as Nehawu and the Health Workers' Union, which have been battling for recognition They include

- A commission pledge to urge departmental heads to give representative unions workplace access and the right to represent workers, where "reasonable requests" are forwarded.
- An invitation to submit wage proposals for the 1991/2 financial year — only recognised associations have previously had this right. The commission has agreed to continue granting this right until a formal bargaining forum is established
- Access to the same information the commission gives to recognised bodies At departmental level access to information has to be approved by the relevant head of department.

The commission will also urge the Treasury to grant stop-orders for the collection of dues "where some form of formal relationship exists between the department and the staff association/union".

These rights were of particular significance for Nehawu in departments such as development aid, agriculture, education and water affairs, where the union had made inroads, Njikelana said

In a joint statement, the employee bodies said they believed the negotiating forum should be broadened to include the public sector as a whole "with a view to consolidating the labour relations dispensation in the public sector"

In a summary of decisions taken at last week's talks, which have been acquired by *The Weekly Mail*, the following topics are proposed for discussion next year criteria and scope of recognition; collective bargaining structures, the bargaining process, the bargaining unit and levels of bargaining, dispute procedures, unfair labour practices and legislation.

The forum will have to decide whether the Public Service Act or the LRA should govern public service labour relations, and, if the LRA applies, whether the sector should be covered by a separate chapter of the Act.

Njikelana said the union/staff association front flowed from a recognition "that we have more to gain by co-ordinated activity than by bickering".

However, given the sharp contrasts in political and operating styles, the front's long-term viability seems doubtful. Conservative staff bodies allegedly urged the state president not to enact the Saccola accord earlier this year. There are also membership battles. Nehawu, for example, is in conflict with Hospersa, a black hospital worker body widely seen as a "sweetheart union".

Democracy 'vital to union independence'

(132) MATTHEW CURTIN

THERE are signs that the union movement in SA is viewing "its political position with some concern", says a senior labour industrial relations consultant in the latest Seifsa news bulletin. B/Day 10/12/90

Andrew Levy and Associates executive director Andrew Levy told delegates at Seifsa's recent annual meeting that union independence in emergent African states had shown itself to be a "fragile bloom".

Democracy was necessary not only for an efficient economic future but also for an independent and secure trade union movement.

It was too soon to say the failure of communism was affecting ideology in SA, but Levy was certain that "the questions were at least being asked" He forecast less overt politicisation and political demands at work from organised labour, but said the formulation of new labour legislation should take centre stage in labour affairs in SA "Much thought" should be given to what he called the "Azanian Labour Relations Act".

Cosatu's "workers' charter", to be used as a bargaining counter for political support, and the Cosatu, Saccola and Nactu labour relations accord demonstrated the significance of future legislation and the way in which it would be set

Levy said an absolute right to strike, compulsory written contracts of employment, union access to employee record files and a veto on retrenchments would be some of the issues covered in the new labour arena.

Seifsa, as SA's leading employers' association, had a key role in responding to these anticipated pressures and helping shape an outcome "sensible and fair to both sides".

Ten labour milestones

(132)

W/Mail 20/12/90 - 10/1/91

MARCH: The disbanding of the African National Congress' labour wing, the SA Congress of Trade Unions, followed later in the year by Cosatu's formal inclusion in the "tripartite alliance" with the ANC and SA Communist Party

MARCH: Countrywide anti-privatisation marches by Cosatu public sector unions, in tandem with the ANC, leading to an apparent state moratorium on privatisation plans

APRIL: The government announces that that the Basic Conditions of Employment Act and Unemployment Insurance Act will cover farmworkers next year The National Manpower Commission (NMC) is instructed to investigate labour rights for farm and domestic workers

MAY: The accord on the Labour Relations Act between Cosatu, Nactu and Saccola after two years of talks The drive for a new law also brings the first-ever encounter between the black unions, Manpower Minister Eli Louw and President FW de Klerk.

MAY: The NMC joins Cosatu/Nactu and Saccola at an International Labour Organisation-sponsored seminar in Harare Later, Louw meets the ILO director-general in Geneva

MAY: After negotiations with Cosatu, Ciskei passes a decree legalising unions A Cosatu push in all the homelands later leads to progressive legislation in Transkei and a campaign against Bophuthatswana

JULY: The relaunch of the SACP as an above-ground organisation, and the inclusion of three key unionists in its provisional leadership

SEPTEMBER: The LRA "minute" between Cosatu/Nactu, Saccola and the Manpower Department, in which the state pledges to enact the core of the Saccola agreement and the unions to join the NMC

NOVEMBER: Cosatu maps out its stand on a new constitution at a Workers Charter conference.

NOVEMBER: Historic talks between the Commission for Administration and public sector unions/staff associations on a new labour order for state employees

Protect workers' interests - Nagfaal

(132)

THE advent of a new or black government in South Africa would not herald a struggle-free era for workers, the president of the Media Workers of South Africa Mrs Sandra Nagfaal, said at the weekend.

Addressing the regional congress of the union in Pietersburg, Nagfaal said a new government would also be forced to strengthen the economy of the country.

"When that happens, workers' problems would start all over again because the only way of strengthening the economy is to limit wage increases. This time it will even be worse because we will be dealing with our own people in government," she said.

Nagfaal said many workers in independent countries were still being oppressed after achieving political freedom and installation of black governments.

"Trade unionists were being detained in many parts of Africa, indicating that only workers could protect worker interests," she said

Nagfaal said there had existed a need in the past for trade unions to "promote our organisations like the ANC, BCM and PAC while they were banned.

"If we are part of these respective organisations, let it not hamper our dealings in our unions".

The congress elected the following regional executive: Mr Mathatha Tsedu (chairman); Mr Nathaniel Sefara (vice-chairman), Mr Maphuthi Mpai (secretary); Mr Sitabu Maphalla (treasurer); Mrs Jostinah Mokgothloa (additional member).

Sowetan 11/12/90

EC urged 'maintain sanctions pressure'

Sowetan 14/12/90

SOUTH Africa's largest labour organisations, Cosatu and Nactu, have urged the European Community to maintain sanctions despite movement away from apartheid by State President FW de Klerk.

SA PRESS ASSOCIATION

A statement issued on Wednesday by the Johannesburg-based Co-Operative for Research and Education said a Cosatu/Nactu delegation had met Italian premier and current president of the Council of Ministers of the European Community, Mr Giulio Andreotti, earlier this week to discuss the EC's attitude towards sanctions.

Issues

The EC heads of government met in Rome yesterday to discuss wide-ranging issues, including their attitude towards South Africa.

According to the statement, the South Africans recognised that while there had been some changes in South Africa, the main pillars of apartheid - the Population Registration Act, the Land Acts and the Group Areas Act - still remained intact.

They insisted "the much-publicised changes in South Africa have not had a real impact on the lives of black workers".

Andreotti, the statement said, committed himself to convey the trade union message to the summit participants.

The union leaders had earlier attended an international conference on labour in Tokyo.

WORKER DEMANDS SET TO INTENSIFY IN 1991

Cape Times 16/12/90

LABOUR relations in 1991 were set to be dominated by union demands for job security and added momentum to Cosatu's Living Wage Campaign, according to a leading Johannesburg industrial relations consultancy. (132)

The first half of this year saw an unprecedented increase in strikes, with just over four million mandays lost by the end of year, consultants Andrew Levy, Johan Piron and Associates said in their draft 1990/1 report.

In 1989 just over 3,09 million mandays were lost and the past year saw a "dramatic" 23 percent hike in strikes in the public sector.

Political instability and economic pressure were the major factors contributing to union growth and heightened worker militancy – both of which existed in "high measure" in 1990.

Debate in Cosatu on a workers' charter to be included in a post-apartheid constitution had reached an advanced stage, although there were some "fundamental disagreements" on its content.

The major wage debate in trade union circles was whether a future government should legislate a minimum rate of pay, or whether market forces should be allowed to fill this function.

A white worker backlash could be expected as predominantly black-based unions blocked unilateral management changes in industrial relations.

White trade unions would also grow in the coming year.

Unemployment was unlikely to drop, causing unions to be less willing to discuss productivity and profitability at the expense of jobs. Pressure for the redistribution of wealth would continue.

The enactment of the current Labour Relations Bill in early 1991 would probably be met with demands for further modifications.

Unions party to the landmark Cosatu/Nactu-/Saccola accord would "vigorously" campaign for the LRA to be extended to cover public sector, agricultural and domestic workers.

Privatisation in the public and industrial sectors was likely to be opposed by unions in alliance with the ANC and other "progressive forces".

The State and smaller business sectors would be targetted in union recruitment drives.

Cosatu and its affiliates would continue to push hard for centralised bargaining and centralised social security benefits – resulting in a shift from "plant-based to an industry-based consciousness".

Demands for union inclusion on decisions regarding reduction in permanent workforce levels had shown the emphasis shifting from the protection of workers to the protection of jobs themselves.

Unions were shifting to a "pro-active" strategy by including job security issues in wage bargaining time.

Other sectors also had to address the pivotal question of job creation in a bid to soften the retrenchment blow.

Cosatu's Living Wage Campaign, which set a basic monthly rate of R750 in 1990, was poised to gain momentum. Unions would demand more pay with less work, partly in a bid to preserve jobs. – Sapa

created problems with exporters

Department of Trade and Industry deputy director general Gerhard Breyl said the department was aware of the dissatisfaction.

"The scheme works on a value-added basis and all those in the lower categories are drawbacks, inappropriate ... tions and other problems inherent in a broad-based system, but to throw it out without a fair trial would be ridiculous"

She said that by using it in a computerised system, Safto found the scheme relatively simple to operate

Job security the dominant labour issue

MATTHEW CURTIN

JOB security would dominate labour relations in 1991 after a year in which political instability and economic stricture triggered unprecendented pressure on the SA econony in the form of strike action, industrial relations consultants said last week.

Andrew Levy & Associates said the recent retrenchment agreement between Anglo American's Freegold South mine and the NUM would set a precedent in the mining industry, but other sectors would have to address the issue of job creation "in a bid to soften the retrenchment blow".

Unions would include job security issues in negotiations. Almost 50% of retrenchments in 1989 and 1990 were permanent.

In their review of 1990, the consultants noted a 29,4% increase in man-days lost from last year to more than 4-million, though this was short of the 1987 record of 9-million man-days lost when between 220 000 and 350 000 mineworkers went on strike for 21 to 33 days.

They highlighted the "dramatic" 23% increase in public sector strikes, and suggested union recruitment would concentrate in this area along with smaller businesses in 1990.

Cosatu's living wage campaign was set to gain momentum in 1991 while debate would continue over whether government should legislate a national minimum wage or market forces should determine this.

Labour demands in the New Year

Sowetan 17/12/90

LABOUR relations in 1991 are to be dominated by union demands for job security and added momentum to Cosatu's Living Wage Campaign, according to a leading Johannesburg industrial relations consultancy.

The first half of this year saw an unprecedented increase in strikes, with days and days lost by the end of year, consultants Andrew Levy, Johan Piron and Associates said in their draft 1990/1 report.

The past year saw a "dramatic" 23 percent hike in strikes in the public sector.

Political instability and economic pressure were the major factors contributing to union growth and heightened worker militancy - both of which existed in "high measure" in 1990.

Unions would continue to fight for workers instead of general political rights.

Debate in Cosatu on a workers' charter to be included in a post-apartheid constitution had reached an advanced stage, although there were some "fundamental disagreements" in its content.

Debate

The major wage debate in trade union circles was whether a future government should legislate a minimum rate of pay, or market forces should be allowed to fill this function.

A white worker backlash could be expected as predominantly black unions blocked unilateral management changes in industrial relations. White trade unions would also grow in the coming year.

Unemployment was unlikely to drop, causing unions to be less willing to discuss productivity and profitability at the expense of jobs. Pressure for the redistribution of wealth would continue.

The enactment of the current Labour Relations Bill in early 1991 would probably be met with demands for further modifications, particularly that the law be returned to the pre-September 1988 dispensation.

Unions party to the landmark Cosatu/Nactu/Saccola accord would "vigorously" campaign for The LRA to be extended to cover public sector, agricultural and domestic workers.

Privatisation in the public and industrial sectors was likely to be opposed by unions in alliance with the African National Congress and other "progressive forces"

Business

The State and smaller business sectors would be targetted in union recruitment drives.

Cosatu and its affiliates would continue to push hard for centralised bargaining and centralised social security benefits, with a con-comitant shift from "plant-based to an industry-based consciousness."

Demands for union inclusion on decisions regarding reduction in permanent workforce levels had shown the emphasis shifting from the protection of workers to the protection of jobs themselves.

Unions were shifting to a "pro-active" strategy by including issues on job security in wage bargaining time.

On retrenchments, the agreement between the National Union of Mineworkers and Anglo American subsidiary Freegold South would set a precedent in the economically hard-hit mining industry.

Other sectors also had to address the pivotal question of job creation in a bid to soften the retrenchment bow. - *Sapa*

Bargaining gains dividends

Sowetan 17/12/90

THE past year witnessed tough but increasingly mature wage bargaining with trade unions sustaining average payroll increases of 17,4 percent and 19,5 per cent on minimum rates, according to a leading industrial relations consultancy.

Wage disputes accounted for nearly 66 percent of all strikes in 1990, demonstrating union resolve to press home pay demands, said the 1990/1 draft report of consultants Andrew Levy, Johan Piron and Associates.

Wage demands tabled in 1990 had, on average, fallen "dramatically" when compared with previous years since 1985.

This did not imply reduced expected settlement levels, but indicated an increasing maturity among unions in the bargaining process.

The University of Stellenbosch Bureau for Economic Research - assuming an inflation rate of 13,5 percent - predicted average, "somewhat optimistic", wage increases of 13,8 percent in 1991.

Average

The report said it took, on average, 80 days to settle wage disputes between the date of the initial demands being tabled and final agreement.

As a result, businesses were subjected to the uncertainty of disruption for nearly a quarter of the trading year.

Nearly 64 percent of all wage negotiations in 1990 were affected by some sort of industrial action.

Cosatu, having defined its "living wage" monetary terms, placed it in the region of R1 500 a month, arguing that the minimum acceptable level is R700 a month, R160 a week and R3,60 an hour.

Facet

A critical facet of the wage bargaining process was being played out in the public sector, where unions had started playing an increasingly more active role, the report said.

Public sector workers' expectations had been raised by union intervention, but dashed by the official pay policy of curtailed expenditure - "a fact that has been reflected in the high levels of labour unrest recorded in the public sector this year."

"Failure to restrain (inflation and public sector wages) will lead to higher levels of unemployment and still less investment in labour intensive sectors of the economy," the report concluded. - *Sapa.*

1990 — Year of Triumph and Tears

Labour uproar

South 18/12/90 - 17/1/91

HEIGHTENED political expectations and uncertainty were reflected in an upsurge in industrial action

In response to the rapid pace of political events, the labour movement moved swiftly to ensure it would not be relegated to the role of observer

In addition to attempts to flesh out its alliance with the ANC and the SACP, Cosatu concentrated energy on formulating workers' demands for a new constitution as well as investigating economic options for a future South Africa

Long held certainties gave way to new debates in the light of the fall of Eastern Europe

Violence cast a bleak shadow over a year which began with the Germiston massacre of Sats strikers

While the new political space meant unions could organise around new issues, they faced old spectres, not least the state of the economy

Almost everyone downed tools From previously subservient homeland workforces to public servants, workers asserted their claims for a slice of the pie

By midyear, economists were scrambling over one another to isssue dire predictions as a strike wave peaked with more than 40 000 workers around the country downing tools

Dissatisfaction with wages were the trigger in most strikes, an increasing number of which were directed against small scale employers - a trend likely to continue next year

Industrial militancy was spearheaded by the recently-reunited South African Commercial, Catering and Allied Workers' Union (Saccawu) and the Paper, Print, Wood and Allied Workers Union (Ppwawu) which also, unsuccessfully, took on Barlow Rand subsidary Nampak over centralised bargaining

MASS ACTION: Marches were widely used by workers to highlight their grievances

More than 3 000 members of Nactu affiliate, the National Union of Wine, Spirits and Allied Workers' Union, downed tools in the first ever national strike by liquor industry workers - only to return to work without visible gains

Unprecedented

From prison warders to House of Representatives clerks, public servants joined unions and downed tools at an unprecedented rate

A hospital strike by the plucky independent union, the Health Workers' Union (HWU), saw the Cape Provincial Administration hospital services almost grind to a halt before the authorities made major concessions to the strikers

HWU blazed a trail that hospital employees elsewhere in the country were quick to follow

Flamboyant Cape Town municipal workers' leader Mr Salie Manie led

Numsa's Moses Mayekiso

Cape Town City Council workers on a strike which stunned the city

As garbage piled up in the streets, the city fathers were forced to acknowledge the key role council workers played in ensuring the smooth functioning of the city

A similar experience awaited other municipalities and, as the year drew to a close, Khayelitsha was crippled by strikers who downed tools to demand the

For trade unions, employers and the state, 1990 was a turbulent year in which the major actors on the labour front faced up to new and often bleak realities while coping with the shadow of old legacies. Political change also made an impact on labour in various ways, reports CHIARA CARTER:

resignation of the controversial Lingelethu West council

A new giant union was born with the formation of the South African Democratic Teachers' Union, the end product of three often painful years of unity talks between teacher bodies

Political changes saw union leaders juggling different caps as they assumed leadership positions in the ANC, SACP and PAC

The ANC's international labour wing, the South African Congress of Trade Unions (Sactu), bowed out its cadres began to trickle back into the country and into Cosatu affiliates

The Food and Allied Workers' Union (Fawu) entered the environmental arena with a fishing industry campaign which hit out against gill netters

Settle

The bitter three month long strike by more that 24 000 members of the South African Railway and Harbour Workers' Union ended with a victory for Sarhwu that spelt the end of craft unions on the railways

Despite hype about major strikes looming, Cosatu's big three - Num, Numsa and Sactwu settled with the Chamber of Mines, Seifsa and Cape clothing manufacturers without resorting to strike action

The spirit of negotiations teamed with the threat of mass militancy won the day when the major federations, employers and the state reached an eleventh hour agreement on labour legislation, staving off a massive stayaway

The tripartite agreement, which acknowledged in principle the right of all workers to collective bargaining, included a draft amendment to the LRA, bringing to a close a two year battle against the controversial law

New labour laws drafted for Ciskei and Transkei met with a mixed response from unions

Cosatu's Jay Naidoo

Furious debate over the feasibility of a minimum wage law ended with an agreement to go back to the drawing board

The government's privatisation policy posed the threat that a future government might find its cupboards bare and unions geared up to block moves to sell the "family jewels"

Employer moves to smash centralised bargaining forums met with unions joining forces in an ongoing campaign against corporate giant Barlow Rand

Five years after its formation, Cosatu restructured itself in an ongoing attempt to ensure greater cooperation between affiliates and organise largely untouched sectors like farmworkers

Unions deepened their work around parental rights, provident funds, housing and educational schemes

The South African Domestic Workers' Union continued to battle for legislative protection for domestic workers and an end to child labour

Many strikes were marred by bloody confrontations, often triggered by employers' use of scab labour

On the mines, white and black miners did battle - as did Xhosa and Zulu

In Natal and the Transvaal, Cosatu unions were seriously weakened by the ongoing violence

Realities

Unions, like employers, were forced to face bleak realities as South Africa's economy showed little sign of revival

Factory closures, retrenchments and short time left many unions in a weak bargaining position and widened the gap between the employed and a growing army of jobless people

Specially hard hit were the mining, metal, clothing and textile industries

Cosatu continued to be weak in the Western Cape despite changes in leadership and the presence of Sactwu

Nactu continued to be virtually non existent in the Western Cape

Rifts and rivalries continued in the Public Servants' League but, despite predictions that the PSL leadership was about to fall, the hierarchy endured

Another long awaited split failed to materialise when delegates to Nactu's conference managed to set aside their political differences, at least in the public gaze, and reiterate the federation's non-aligned position

Little progress was made towards the formation of a single trade union federation

Political tensions in the Food and Allied Workers' Union made headlines when expelled workers and dismissed organisers in the union's Cape Town branch waged a 'campaign for democracy" against what they claimed were Stalinist union bosses

Former general secretary Mr Jan Theron entered the fray with an article in the South African Labour Bulletin

Political tensions also surfaced in the newly-reunited South African Commercial, Catering and Allied Workers' Union

Arguably the most efficient union in the country, Numsa, had to weather a rebellion in its ranks when Mercedes Benz rebels in East London downed tools to protest aganst a central bargaining forum - a cornerstone of Numsa, and Cosatu, policy

In Cape Town the legacy of plant level

Jan Theron

bargaining surfaced in a range of wild cat strikes by Numsa members

The South African Clothing and Textile Workers' Union merger seemed to cement itself in the course of the year with once bitter enemies finding common ground

Tentative moves were made towards forming a single union in the transport industry, and public sector unions drew still closer together

Recognition for labour's power

W/Mail 20/12/90 - 10/1/91

UNIONS

DREW FORREST

A YEAR ago it would have been unthinkable employers and black union chiefs making common cause before a standing committee of the South African parliament

The date is October 26, the occasion joint representations by the Congress of South African Trade Unions (Cosatu), the National Council of Trade Unions (Nactu) and the employer body Saccola on planned amendments to the Labour Relations Act (LRA)

This "crowning accomplishment", as one employer described it, highlights the emergence of a new style of political unionism — a shift from the politics of opposition and protest to the exercise of real power in state structures

From the side of the government, it bodies forth a recognition that black worker organisations are now too powerful to be ignored Although the full flowering may only come in a post-apartheid South Africa, it heralds the dawn of a new tripartism between labour, capital and state on social policy

"We're beginning to see new union politics, combining strategic thinking towards the state with successful mass action," commented Wits sociology professor Eddie Webster "The institutional power of labour is being recognised, not only at the economic level but in politics and society"

The breakneck pace of developments has been largely driven by an internal logic — there is no evidence of a union masterplan But February 2 gave the process a decisive fillip

Barely a month after President FW de Klerk's speech to parliament, and after two years of gruelling talks, Cosatu, Nactu and Saccola clinched the "Saccola Accord", essentially rolling back the 1988 amendments to the LRA

The next step was to get the deal enacted, requiring engagement with the state With this in mind, the unions met Manpower Minister Eli Louw, and when the cabinet refused to enact the deal in June, held talks with De Klerk.

His appointment of a three-cornered "working party" to break the impasse led in September to a second major breakthrough — the LRA "minute", which committed the government to enacting the heart of the Saccola agreement and the unions to the dropping of mass protests and participation in the National Manpower Commission (NMC).

The State of Emergency, with its detention of unionists and legislative attempts to clip the wings of the unions, seemed very far away

Cosatu's decision to engage with the NMC, an advisory body which works closely with the Manpower Department, is strategic, selective and highly conditional Demands for the inclusion of farmworkers in the LRA were held over as part of the "minute" compromise, and the unions want to influence NMC thinking on the issue They have also reserved the right to withdraw at any point, and to revert to mass action

But the move opens up new vistas of tripartite co-operation Restructuring of the NMC to give it more teeth and make it more representative — a Cosatu demand — could foreshadow a "National Labour Council", in which unions, employers and the government thrash out labour policy It also suggests a possible union role in other state structures, such as those dealing with training and unemployment insurance.

Much more is potentially at stake. In employer, African National Congress and union circles there is growing interest in the idea of a "social contract", under which labour, capital and the state would jointly manage the economy

The unions have already suggested that the Saccola forum should be broadened to deal with wider economic issues A restructured NMC could well serve as an arena for the striking of economy-wide compromises

There can be little doubt that sustained collective protest was critical in softening up employers and the state The first signs of a government rethink came barely nine months after the 1988 law, with the appointment of an expert NMC committee on the LRA

By sanctioning negotiations and a collaborative approach, February 2 was of equal moment Said Saccola's Bobby Godsell "Before that date, I can't really imagine the September minute It confirmed that black workers would soon be enfranchised it was now in the interests of the Manpower Department and parliament to heed their views"

Adds Clive Thompson, labour law specialist and member of the NMC's labour law committee "Many Manpower Department officials already thought the law was not worth a candle February 2 gave them the green light to do a 'Wiehahn for the '90s'"

A third pressure point was South Africa's "outward policy" in the wake of De Klerk's *glasnost*, and specifically its strong desire to win over the International Labour Organisation (ILO), from which it was ousted in the Sixties

Bobby Godsell ... it is in parliament's interests to listen to labour now

In a startling diplomatic coup in May, signalling the emergence of a conditional ILO line on South Africa, NMC officials joined Saccola, Cosatu and Nactu at an ILO-sponsored workshop on labour law in Harare And in September, Louw was quick to follow up the LRA "minute" by seeking a personal audience with the ILO's Geneva-based director-general

Without Cosatu's endorsement, the Harare workshop could not have happened — in effect, the federation conceded some international credibility to the state and employers in its quest for acceptable law

A similar tactical flexibility has been evident throughout the year Although the critical core of the union programme remains intact, both the Saccola agreement and the tripartite minute entailed significant compromise

"It's an extension of what the unions have been doing for the past decade — striking deals with employers and institutionalising their relationship," said Thompson "They're simply moving from the micro to the macro level"

Commentators agree that although state structures have assumed some legitimacy in union eyes — largely because the government finally saw that effective law-making must involve the major stakeholders — full co-determination is some way off

The current phase can be seen as one of embryonic pact-formation, and it is a process which is clearly at work at industry level, particularly in mining and engineering

This year's Metal Industrial Council agreement is significantly wider than a mere wage contract, covering such areas as training and job creation On the mines, industry-level talks on issues such as violence and race discrimination suggest a newfound employer acceptance of a broader union role

An intriguing article in the annual report of Andrew Levy and Associates detects important differences of emphasis in union thinking — broadly labelled "nationalist" and "workerist" — on the issue of a "social contract"

"Nationalists" are more resistant to significant short-term compromise, arguing that this can only happen under majority rule But political transition could bring a "relatively startling" change of heart "It is only a partial overstatement to suggest that they might be very fierce lions until majority rule, lambs after it," the article comments

"Workerists", by contrast, fear that a new government would undercut the unions by dictating economic policy "Far from waiting for a new government before they negotiate the beginnings of a social contract, they believe it imperative to have one in place before it is installed"

Whatever the timing of the process, the question remains will consensus at national and industry level filter down to the ground? Thompson points out that the past year has been marked by a surge of labour unrest, often unprocedural and coupled with violence

It was the year of the Saccola Accord, but also of the railway strike and the Mercedes Benz sit-in, the latter throwing into harsh relief the alienation of ordinary members from union leaders At the same time, the Saccola leaders are known to have struggled with mandates for the LRA accord

For the unions, Thompson foresees a twofold conflict on the one hand between constitutionalists and hardliners who still cling to revolutionary fantasies, and on the other between leaders and rank-and-file, "who have a different experience and have yet to taste the fruits of pact-formation"

The challenge of the Nineties is essentially the same on the labour and political terrains to what extent can organisations committed to peaceful solutions carry their constituencies?

Scrooge-style pay increases next year

S/Times 23/12/90

132

WAGE and salary increases for workers and their bosses will shrink next year.

Pay rises even close to this year's inflation rate of 15% are likely to be be confined to the "lucky few" who are promoted or are skilled in specialist areas.

As the recession bites, business leaders are faced with the choice of maintaining employment by limiting pay increases or adding to the huge pool of jobless. Business leaders warn that the problems experienced in 1990 will worsen next year

Although they are reluctant to anticipate negotiations with trade unions by guessing at percentages, most predict increases equal to or below official inflation

The Reserve Bank says high pay increases are a major contributor to rising inflation Earlier this year the bank appealed to the private sector to pull out all stops to contain inflation

The bank says wages increased at a year-on-year rate of more than 17% in the second quarter of 1990 The rate of increase was 14% in the first quarter

Marginal

The increases were awarded in spite of recession, retrenchment and a rise in unemployment, says the bank's December quarterly bulletin

The mining sector, hit by weak gold prices, rising costs and a steady rand, has retrenched more than 100 000 employees in the past two years.

No improvement is expected in 1991 Genmin gold division managing director Gary Maude says the unions should be looking at ways to save jobs

"Any increase in costs at marginal mines will mean a corresponding reduction of staff numbers The larger the wage bill, the fewer the jobs."

Anglo American spokesman Shelagh Blackman says "The economy has moved into a strong recessionary phase

"It is imperative that we break the stranglehold of inflation and ensure that it returns to levels comparable with those of our major trading partners

Intensive

"To survive in business and to save as many jobs as possible from being axed, companies will have to consider increases below those granted previously"

Unions say they will seek above-inflation-rate increases. They claim that their members receive a low wage and large percentage increases are needed.

Press officer at the National Union of Mineworkers (NUM) Jerry Majatladi says "Retrenchment is a serious problem The mining industry has been labour intensive until now To keep productivity high — having failed to train black labourers — it is resorting to mechanisation, hence the retrenchments

"High on the agenda at our congress next year is formulation of a policy to fight retrenchment"

Mr Majatladi says workers cannot be blamed for the poor state of the economy

"They cannot be asked to accept below-inflation-rate increases"

Not everyone agrees that an increased salary bill will mean more sackings

Brian Allen, senior consultant at industrial relations company Andrew Levy & Associates, asks "If salaries in 1990 had been 15% to 20% lower, would there have been fewer retrenchments? I don't think so

By CHARMAIN NAIDOO

"Retrenchments come from overstaffing, not from not being able to afford to pay."

Mr Allen believes that executive salaries, and those which are not negotiated, will not keep pace with inflation

"Negotiated salaries should not be too far below inflation"

He has found that unions acknowledge that business is going through tough times

"But their approach is that members are also suffering A total of 72% of all strikes and industrial action this year was related to wages"

Four-million mandays were lost to strikes this year compared with 3,09-million in 1989

Chamber of Mines senior general manager Johann Liebenberg says the industry expects "extremely difficult" conditions next year

"This will cause us to be cautious about wages we negotiate with employees."

Mr Liebenberg says that affordability is only one of several factors examined when deciding on pay increases

JOHANN LIEBENBERG The cake isn't growing

"If that was not the case, there would have been years when we wouldn't have granted any increases We look at other factors, such as what pay increases will mean for the economy in general

"The chamber, which employs 5 000 people, shed 870 jobs this year Salary increases coming out of a cake that isn't growing mean more money for fewer people Tight financial discipline for all is the key to survival"

Executives will not receive salary increases exceeding those given to general staff members, he says

"Prudence dicates that salary increases be below the consumer price index People should not expect the sort of increases they got last year"

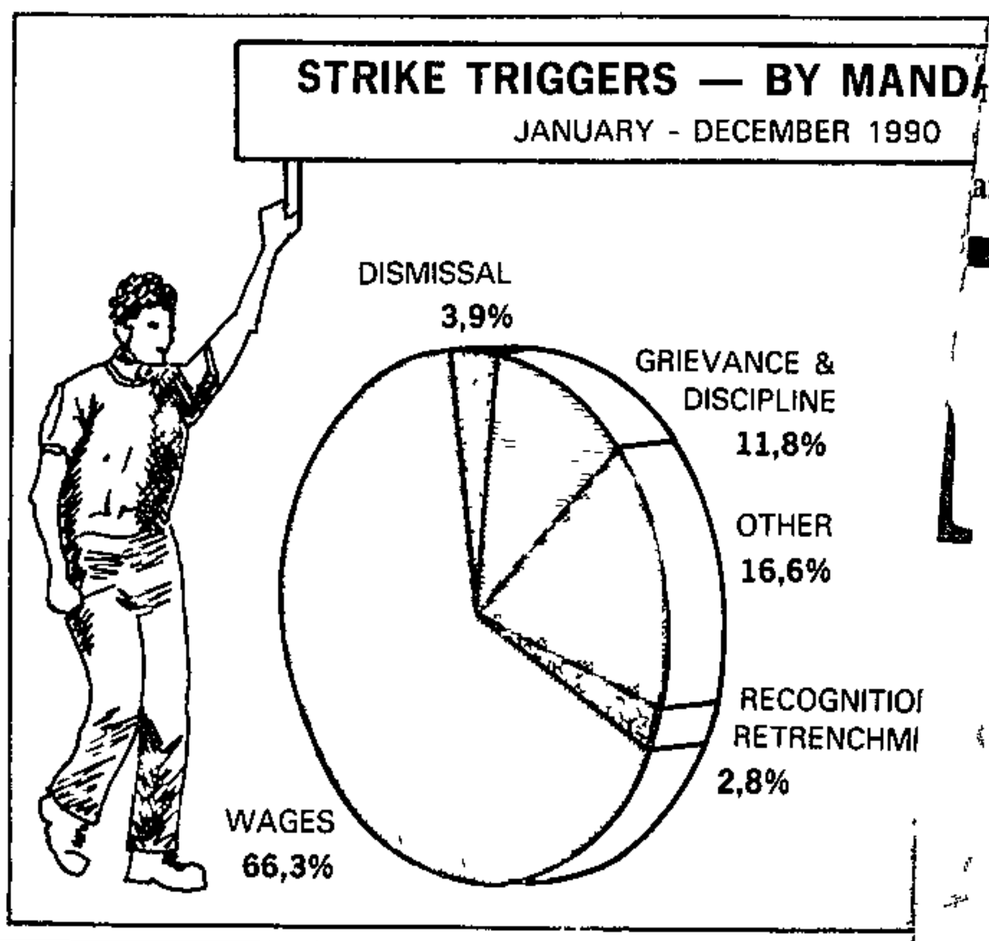
Ability

Kevin Stacey, senior consultant at Old Mutual Consulting Services says "Salaries will go up, but below the rate of inflation

"Executive salaries, in keeping with the trend, are lagging behind"

Genmin's Mr Maude says "There will be a lot more emphasis on worth and ability in the executive sector than in the past"

● Central Statistical Service figures show that the actual wage rate index for all workers for the quarter ended November increased by 20,8% over the same time in 1989



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Experts tell why tens of thousands are losing jobs

132

Star 28/12/90

This year could be described as the year of retrenchments — unionists and employers believe it to be the worst on record SHAREEN SINGH reports on the crisis and the conflicting views on the reasons behind it.

At least 70 000 workers have lost their jobs since the beginning of this year The hardest hit was the mining industry where close to 30 000 workers were made redundant.

The iron, steel, metallurgical and engineering industries retrenched more than 10 800 workers over between July and October Statistics for the rest of the year are not available, but a spokesman for the industrial council for the iron, steel, engineering and metallurgical industries said drastic retrenchments had taken place in the latter half of 1990

In the clothing, textile and knitting industries, well over 7 000 workers lost their jobs.

Transnet announced a few weeks ago that it planned to reduce its workfoce by about 60 000 by the end of 1991

Crisis

Labour experts predict a worsening of the crisis next year, with many companies waiting until after Christmas to start rationalising.

Why the crisis?

Andrew Levy & Associates consultant Brian Allen attributes the deepening crisis to increased labour costs.

Companies cannot cope with unions' escalating wage demands. In previous years, when the economy went through rough times, companies could "still afford to carry labour" because wages were lower and union demands more acceptable.

If the current economic situation continues next year, which is more than likely, retrenchments would soar at a higher rate than this year, Mr Allen believes

Trade unions would have to be more realistic about the economic situation and weigh the cost of higher wages against job losses, he says

In the mining industry, employers were forced to rationalise and close shafts, and would possibly shut down entire mines next year, because of the low gold price and rand-dollar exchange rate, says Chamber of Mines spokesman Johan Liebenberg.

Profits and dividend payments to shareholders have declined over the last few years, he claims.

A substantial burden for mining houses are labour costs Unions have become accustomed to demanding increases based on, or higher than, the inflation rate, which is not economically viable, he says.

Professor J L Sadie, of the Bureau for Economic Research, blames trade unions for the increasing loss of jobs because of their "irresponsible demands"

In the current climate of "unrealistic union demands" and uncertainty over whether workers would turn up for work, companies were finding it less costly and more profitable to replace labour by capital machinery

The "rather aggressive stance of unions, encouraged by the ANC's policy of mass action and destabilisation", had resulted in labour market instability, loss of business confidence and a severely affected economy

"Unions have themselves to blame — they are pricing their members out of the market," Professor Sadie says.

A Labour Research Service (LRS) economist, on the other hand, argues that companies should be grateful to unions for pushing for higher wages, which increases consumer spending and in turn benefits the economy

Higher wages are a positively good thing for the economy, he urges, because they force employers to upgrade their workforce and invest in training and capital, thus increasing productivity and the quality of goods produced.

The temporary technical downturn in the economy has contributed partly to job losses, which was expected when economies go through difficult phases.

Solved

But the real problem lies in employers' failure to invest in new productive capacities Fixed investment has been falling since early last year, particularly in the manufacturing sector, though the population is growing rapidly, he says.

And decreasing capital stock has a direct bearing on employment levels.

"It seems that bosses are on strike," LRS says, because they are not fulfilling their contribution to the economy Instead of providing capital, they are allowing capital stock to decline.

Until investment dramatically increases, the unemployment problem would not be solved. This onus rests directly on the shoulders of employers.

There are about 368 000 newcomers on the job market yearly and only about 45 000 get jobs, which amounts to a 12,5 percent absorption rate.

Reinforcing the LRS view, unionist Ebrahim Patel from the South African Clothing and Textile Workers Union says the economy's inability to create jobs is caused partly by the decline of gross domestic fixed investment.

"When employers refuse to invest in new plants and factory expansion, then obviously unemployment will rise as new job entrants enter a stagnant employment market," he says.

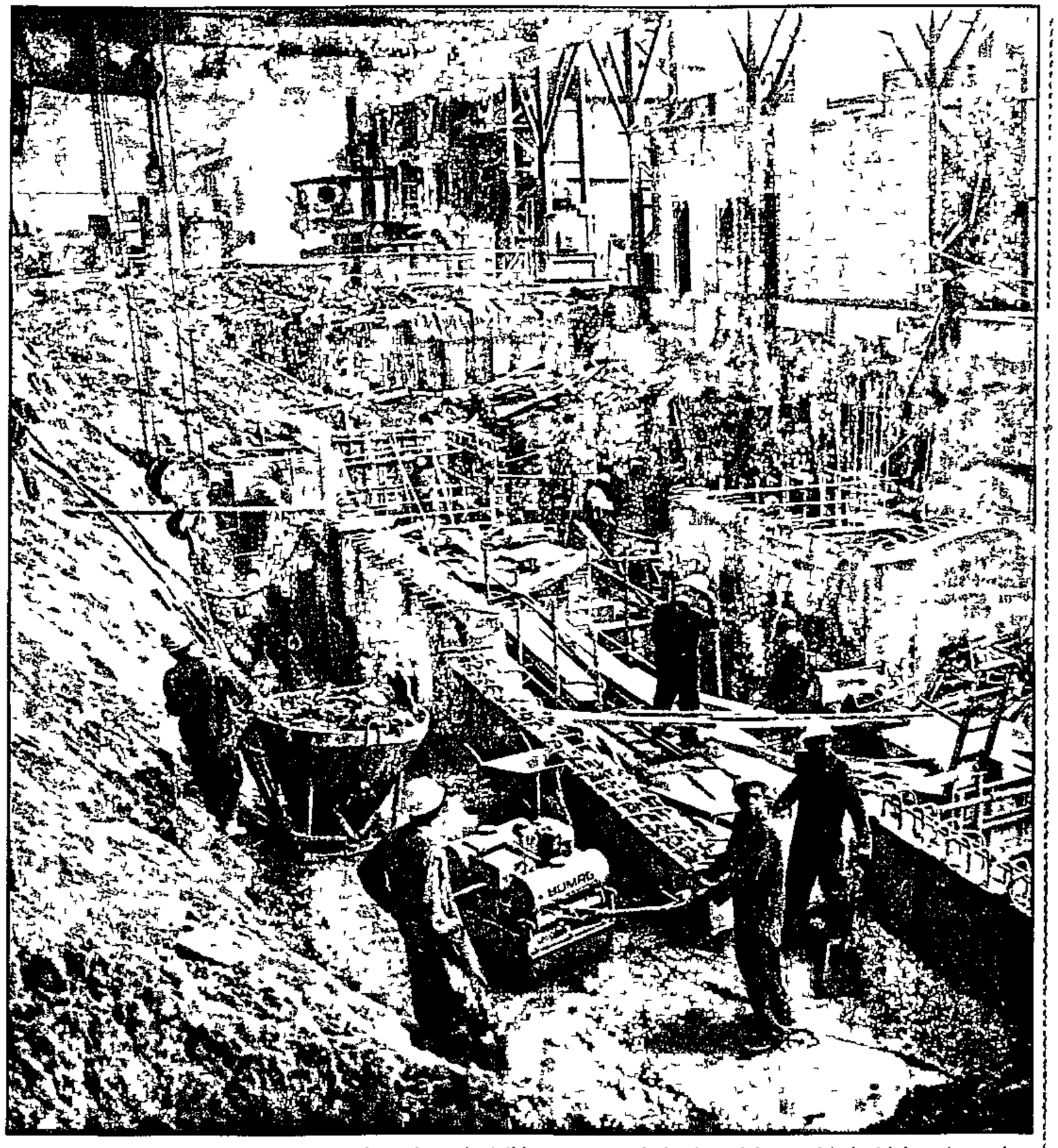
Employers argue that high wages are a major contributory factor to high retrenchments, but there is no guarantee that low wages protect jobs, Mr Patel says.

In the clothing industry, 9 000 workers were retrenched in the Cape alone in 1985 at a time when trade union militancy was unheard of in the industry and when wages were extremely low

Low wages have also not stopped retrenchment in the mining industry, he adds.

In response to the current recession, the Government is trying to lower inflation by increasing interest rates. But the higher the interest rates, the lower the economic growth, which workers pay for by losing their jobs. The high inflation rate is not the fault of workers, but the Government's apartheid policy, he argues.

Workers are paying to rectify the consequences of apartheid through factory closures, retrenchment and short time. Unions would fight the retrenchments in the short term by negotiating job security with employers, Mr Patel says.



Gloomy future At least 70 000 jobs have been lost this year, mostly in the mining and industrial sectors where management says the costs of labour have become too high And prospects for the new year are decidedly grim

INDUSTRIAL RELATIONS - GENERAL

1991

Back demands of ANC, unions told

Star 10/1/91.

(132)

By Kaizer Nyatsumba and Brendan Templeton

ANC deputy president Nelson Mandela yesterday urged black South Africans to use their power to change those still bent on maintaining apartheid structures.

Speaking at the Post Office and Telecommunications Workers Association (Potwa) biennial congress in Johannesburg, he reiterated the ANC's demand for a constituent assembly, saying it was necessary that trade unions made a greater input towards ANC policy and added their voices to the demand for a constituent assembly and an interim government

"It is the duty of everyone in the trade unions and other formations to make every democrat understand why we make these demands Negotiation is a weapon which is exploring the peaceful transfer of power to the people," Mr Mandela said.

Workers' struggles could not be relegated to the factory floor. Workers, like other members of the oppressed community, were black and oppressed when they left the shop floor

It was for this reason that workers who went on strike needed the community's support. The struggle for national liberation was a struggle for all the country's people, and therefore had to involve everybody

Thrash out

Mr Mandela's speech came a day after the release of the ANC's 79th anniversary statement calling for a constituent assembly, an interim government, the maintenance of sanctions and the convening of an all-party congress to thrash out constitutional issues

The ANC leader said that although his organisation was willing to compromise to make a contribution to as wide an agreement as possible, it would not accept a junior partnership in any form of apartheid

Mr Mandela said black South Africans had to use their power to change those bent on keeping apartheid structures. This would make those in favour of apartheid "feel the power of a people unwilling to give in to a wrong and unjust system".

He also voiced his organisation's dissatisfaction with the widespread violence in the townships and the way the Government was dealing with it.

South African Communist Party chief Joe Slovo told the Potwa congress that whatever differences existed between the party and the ANC were "not competitive" While the SACP believed in a social South Africa, the ANC had so far not been clear on this issue.

Mr Slovo, who stated that if there were no differences between the two allies there would be no need to have an alliance, said those who stood against maximising the unity of the oppressed were not serving the interests of justice.

Unions asked to chip in on ANC policy

ANC deputy president Nelson Mandela yesterday called on trade unions to make a greater contribution to ANC policy to get a constituent assembly and an interim government off the ground.

Mandela was addressing about 200 delegates at the third biennial congress of the Post Office and Telecommunications Workers' Association (Potwa) at Nasrec, outside Johannesburg

"It is the duty of everyone in the trade unions and other formations to make every democrat understand why we make these demands (for a constituent assembly and interim government) Negotiation is a weapon which is exploring the peaceful transfer of power to the people," he said

The struggles of the working people could not be relegated to the factory floor At the end of the day, he said, workers were also black and oppressed when they left the shop floor

"Workers who go on strike need the community's support When we talk of a national liberation struggle, we mean a struggle of and for all the people of our land

"Black South Africans should use their power to change those still intent on maintaining apartheid structures

"Let them (pro-apartheid forces) feel the power of a people unwilling to give in to a wrong and unjust system"

On a more conciliatory note, Mandela said the ANC was willing to compromise to make a contribution to as wide an agreement as possible But the organisation would not accept a junior partnership in any form of apartheid

Main congress speaker Joe Slovo of the SACP conceded there were differences between the ANC and the SACP, but said "Whatever differences exist, these are not competitive While the SACP believes in a socialist SA, the ANC has not been clear on this issue."

KIN BENTLEY reports from London that Britain yesterday welcomed the ANC's call for an all-party congress to pave the way towards constitutional negotiations

A Foreign Office spokesman also noted as "significant" the fact that Constitutional Development Minister Gerrit Viljoen was quick to support the idea — Sapa.

B/Day 10/11/91

132

Labour 'at forefront of reform'

By SHARON SOROUR
Labour Reporter

LABOUR is at the forefront of reform in South Africa and will continue to lead the way, with the country's labour system on the brink of gaining acceptance in the international labour fraternity

MANPOWER

Minister of Manpower Mr Eli Louw said in an interview with The Argus that apart from a few outstanding issues, like extending protective legislation to farmworkers, domestic workers and certain state employees, the system was close to reaching a standard "that can be defended anywhere in the world"

South Africa's labour system moved a step closer to international standards when the Labour Relations Amendment Act of 1991 was signed on April 10

"We proved with the agreement that it was possible to come together, find sufficient common ground and, in the end, reach consensus"

The Act brought to a close more than two years of intense negotiations between the government, trade union federations Cosatu and Nactu and employer body Saccola on proposed 1988 amendments to the much-criticised Labour Relations Act of 1956

It has been hailed as a victory for the tri-partite negotiating team and will come into effect on May 1

Earlier Mr Louw said the Act was regarded as an honourable attempt to bring employers, employees and the State closer to promote a climate of mutual appreciation

The Labour Relations Amendment Act paved the way for greater labour peace in the future, creating a broader industrial democracy in developing the labour system.

"If you consult the parties for whom the legislation is being drawn up before it reaches the Statute Book, and consensus can be reached, it will of course bring greater peace in the labour arena when it is passed or becomes law."

Mr Louw said protective legislation for farmworkers would be introduced in parliament before July, but whether the bill would be passed depended on parliamentary process.

The legislation incorporates farmworkers into the Basic Conditions of Employment Act and the Unemployment Insurance Act

Mr Louw said he believed labour peace could never be guaranteed in South Africa because there were "too many players in the field and too many external influences in the industrial arena that could lead to disharmony"

"But I am satisfied that since the major players are talking to one another, and to the government, there is undoubtedly a better atmosphere to develop labour harmony," he said.

The government's role in promoting labour peace was to take a "more neutral stance" between employers and the labour movement

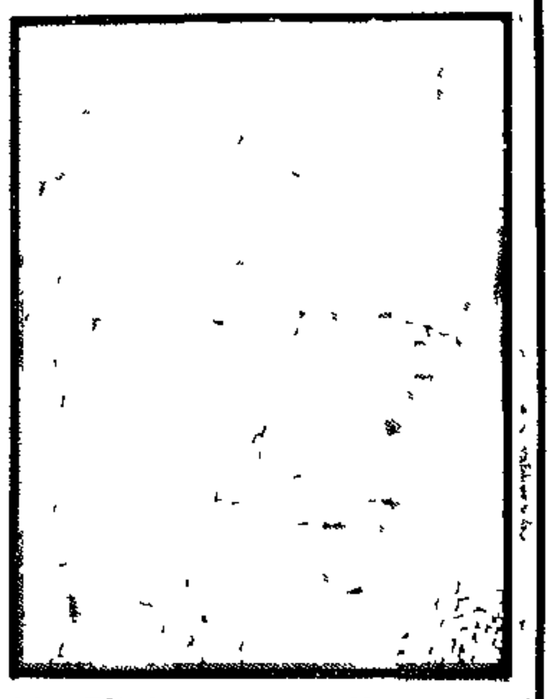
"Government must provide a framework conducive to labour peace in which the parties can find one another The government must try to remain impartial to the greatest extent — and that is another aim of the department"

South Africa had resumed international labour ties after making contact with the International Labour Organisation last year, after three decades.

"The government recently approved a request for the ILO to visit South Africa on a fact-finding visit to investigate a complaint lodged by Cosatu against the Labour Relations Act

"The complaint, submitted in 1988 related to two sections of the Act which allegedly contravened ILO conventions But the Labour Relations Amendment Act effectively deletes the offending provisions," he said.

A visit by ILO experts would improve international liaison on labour matters, he said



Mr Eli Louw .. "system close to a standard that can be defended anywhere in the world".

Unions will play major role in new economy

C/Press 24/3/91 (132)

TRADE unions have to play a decisive role in shaping economic policy and steering growth as the politics of resistance shift to that of reconstruction in an unfolding democracy.

At the same time, organised labour has to examine the entering of alliances with major political and economic players without compromising its independence

These themes, which are increasingly dominating debate in Cosatu, were raised in the March edition of the *South African Labour Bulletin.*

The journal, which closely reflects thought in militant trade union circles, also published a discussion paper by Cosatu's secretariat on key policy issues to be tackled in its July congress.

According to the *SALB*, trade unions were retreating from the militant stance towards the State and employers which characterised their relationship under apartheid.

Instead, as the country moved towards democracy, trade unions were developing a new relationship with government bodies and employers, as displayed by the Cosatu/Nactu/Saccola accord on the amended Labour Relations Act

"Undoubtedly these trends will accelerate once a democratic government is in place Organised labour is destined to become a central and very powerful social institution," the *SALB* said

"In recognition of this the trade unions are beginning to debate new politics of reconstruction Their decisions (on economic strategies) now will have enormous impact on the shape of our society, perhaps for decades to come"

Two major union positions within Cosatu have emerged on these issues While pointing to reconstruction based on some form of social contract, neither positions dismiss the need for organised, independent "politics of resistance"

The National Union of Metalworkers of South Africa (Numsa) position holds that socialism could be achieved through an accord with the State through a governing party – probably the ANC

Given potential conflicting economic interests, Numsa believes unions have to retain their militant independence in such a partnership

According to SA Clothing and Textile Workers' Union general secretary John Copelyn, completely independent trade unions would negotiate agreements with employers These would, in turn, be implemented by the State

Numsa envisages a negotiated pact between trade unions, civic associations, rural organisations and political organisations, where the unions initiate and lead the formulation of economic policy

"Such an accord would be implemented partly through the State and partly through mass organisations in civil society," said the *SALB* Negotiations with business would be based on the accord

The union advocates a broad-ranging economic development policy, hinging on major investments, coherent policies on technology development, exploitation of markets, education, technical and commercial training, as well as higher levels of productivity in the manufacturing industry

Copelyn argues that unions should put all their effort into establishing and strengthening centralised collective bargaining structures, providing an independent base from which to influence society and the State

Bargaining with employers would embrace strategies on broader social and economic issues Once agreement is reached, these would be put to the State for implementation

"In a post-apartheid South Africa, business, international economic forces and the State bureaucracy will all form an extremely powerful opposition to the union programme."

Given these powers, the Bulletin says, the Numsa argument is a strong one.

"Cosatu and ANC economists already exchange ideas regularly On the other hand, Copelyn's ideas are already being implemented as Cosatu seeks to extend the scope of negotiations with Saccola

"In the end, we are likely to see a combination of both strategies Much will depend, of course, on the attitudes of the ANC and business" – Sapa

Vol. 6, No. 7.

Weapon of War — Lever of Peace

INDUSTRIAL RELATIONS – General

Trade unions in South Africa are fast becoming a strong political voice. Industrial relations are abysmal, and worker discontent is very evident. Mr Clive Mather, an Employee Relations Manager, spoke recently on the subject of industrial relations; this is a summary of his explanations for the problems, and some simple starting points recommended to facilitate much needed changes.

Let me first say what I understand industrial relations to be. It is the sum of human and labour relations at the workplace, an amalgamation of personal relationships and collective relationships The important point is that industrial relations is not just about companies, union federations, strikes, stayaways, wage negotiations and formal agreements It is also about people – individual attitudes, behaviours and needs at work.

By any standards, industrial relations in South Africa today is in a mess That is not just my view, but the consensus of specialists, commentators, managers, employers, academics, trade union leaders and so on. There is an abundance of industrial action (the best misnomer yet invented), a shortage of skills and a sense of grievance everywhere Look at the mine workers, the steel and metal workers, the railway workers, the post office workers, the teachers, the refuse collectors and so on Productivity is pitifully low, unemployment dangerously high and there is a woeful lack of common purpose.

Why this sad situation and why is it such a factor today? To find some answers I believe that we must first look backwards. In 1924 the Industrial Conciliation Act set up a lot of good industrial relations systems in South Africa – recognition of trade unions, creation of industrial councils etc – very sound, modern thinking Alas, however, blacks were formally excluded Sixty years later in the 1980s, following the Wiehahn Commission, trade union rights were extended to black workers, or at least most of them In other words, it was only after sixty years of systematic suppression that the cause of the black worker was recognised and brought into the formal industrial relations system More importantly, when the reforms were finally introduced they were not consistent with everything else that was going on in society at large In other words, blacks got the thumbs up on industrial relations but the thumb stayed firmly down on housing, education, the vote, etc

That to me explains some of the mistrust and anger of many black workers and their leaders It helps to explain the political factor which touches all industrial relations issues here today and it points to continuing conflict

The fact is that the living and working conditions of black workers have been controlled by a political system in which they have no stake and no say The fact is that today – with the amended Labour Relations Act of 1981 – trade unions offer a lawful avenue for political expression by black workers – practically-speaking the only lawful avenue for political expression by black workers The fact is that this avenue is being exploited by all sorts of elements – good, bad and downright ugly – to produce powerful forces for change in the townships and in the workplace

What I suggest is that if you deny the majority of the labour market – the blacks – a place in society, (or even a means to express their views for a very long time), and then suddenly recognise in the field of industrial relations that they must be allowed a place and a say, you must not be surprised that industrial relations becomes the vehicle, for all other issues that concern them I say this not to blame, not to point the finger – that gets you nowhere – but to help understand This may not be the only reason why industrial relations is in the state it is, but I suggest it is the most important and the most fundamental.

I can't help smiling every time I read in the paper of letters from "Disgruntled in Pietermaritzburg" and "Outraged in Caledon" – saying that the church in general (and Archbishop Tutu in particular) should keep out of politics Would Jesus have stayed silent? I really believe the church has a special charge in South Africa to speak out and get involved But how do we play our role and how do we test it by our faith? The tests I would offer are the tests of scripture – compassion, dignity and respect – to which I would add – prayer

Firstly at the level of national politics as it applies to industrial relations, recognising at the outset that peace will not come without fundamental change in society Change that addresses the political agenda, change that gives the black worker his/her dignity, status and self-respect Change that gives him/her a stake and a say in society at large

You cannot begin to handle conflict until you recognise it, articulate it and channel it into constructive action And my view – foreign as it may be – is that it will take some bold, imaginative first steps to open up these channels, to free up discussions, to isolate the terrorist elements and allow reasoned black leadership to come forward and talk. Not steps that dive straight into the constitutional debate, rather steps that tackle housing, transport and education The day-to-day matters of living where so much more can be achieved, so much more quickly if there was only a will to do so

For the second role, we have to translate the notions of respect and dignity into the workplace Good organisations operate from consent, from people working together because they share a vision or goal That sharing to me has two immediate requirements In the first place, discrimination has to go it's as simple as that Whether it's discrimination in wages, canteens, toilets, promotions – no matter discrimination can have no place in good organisation where consent and sharing are valued In the second place, systems of participation have to be developed Long term stability, long term peace in industrial relations requires that all employees are involved in their workplace – in the running of the business, in its direction, in its future Management and trade unions may offer the structures for achieving this, but it is only through changes in attitude and behaviour that any lasting spirit of co-operation and any real participation will emerge

It seems so simple to say that if employees are involved in what they are doing, they will do it better and with a will And yet it seems so dificult to put

into practice Everybody's rights seem to get in the way The rights of management to manage, the rights of unions to organise, the rights of the individual to law But let's apply the tests of respect and dignity What greater respect can you pay any worker than to involve him/her in his/her work, to given him/her a share in the organisation, a stake in his/her future? What little respect and dignity to you accord him/her, if you deny him/her, intentionally or otherwise, the freedom to bring his/her own talents and ideas to his/her work, the freedom to share in the achievements and, yes, the problems of the organisation

Don't think this is slushy intellectual stuff – it is hardnosed economics. Talk to Albert Koopman of Cashbuild, talk to the Japanese They have built successful, prosperous, dynamic companies on the back of fairness and belonging – ending discrimination, and involving their employees But then of course you have to compare those companies with some employers in South Africa who would rather close their business than recognise a trade union, who reject discrimination in theory, but in practice condone it as the soft option I suggest that their future is bleak

For our third and last role we turn to the level of the individual and I believe that we have to think small Most of us will feel positively intimidated by the prospect of launching into national political issues or even tackling discrimination and participation at the workplace Yet if each one of us recognised and addressed an injustice or grievance in our work, in our lives – on an individual basis – what a start that would be

Industrial relations is no soft option nowadays Both the stakes and the emotions run high It is a vital subject, however, and no matter how gruelling the challenge of seeking peace through change, we must persevere We must not be daunted by the challenge, by the passion and the anger

I think that we may have had a bit too much on our own, and now need a little more of God's help God has given us precious values – a dignity in work, a sense of achievement in what we do and the respect for others – we have to work with others to restore these, to counter the sadness and revolt so evident in the workplace nowadays

Mr Mather came to live in Cape Town last year in order to work for Shell South Africa as their Employee Relations Manager and Deputy Personnel Director He is on secondment from Shell International. He has worked in industrial relations or related fields for nearly 20 years, including assignments in the Far East and West Africa He is married with two children

New look labour court in focus

B/Day 18/3/91

EDWIN CAMERON (132)

BY 1988, government and business had had enough. The Industrial Court, in their eyes, had become altogether too sympathetic to worker interests. It had to be curbed, and a Labour Appeal Court (LAC), presided over by a Supreme Court judge, was to be the principal instrument for their purpose. If a judge was the overseer of labour law, they felt, good commercial commonsense would return to labour relations.

Government, now intent on reconciliation, seems to be ruing its actions. There seems to be regret, too, in the ranks of enlightened employers, whose concerns are now more with labour concord than confrontation. But many employers still endorse the amendments and mightily applaud the performance of the LAC, which are seen as restoring the prerogatives that were rightfully theirs.

That the LAC should please them is understandable. After a mere two years, its tally reads roughly like this: Bosses 13, Workers 2 In its short history the LAC has drastically altered labour practice in SA. Its judgments have done grievous bodily harm to the jurisprudence the Industrial Court painstakingly established on the right to strike, unfair dismissal and the rules of employer/union power play (for example overtime bans; benefits for strikers and non-strikers; bargaining levels).

Anti-union and anti-worker decisions are by no means the only source of complaint. Appeal procedures are mercilessly long — in many cases they add a year or more to the dispute resolution process. And a ruling by the LAC may be followed by a further appeal to the Appellate Division in Bloemfontein — another two years down the line.

The selection of judges for the LAC, and their selection of the assessors who sit with them, have also become sullied by controversy. On occasion judges have presided who seem to believe their own notions of right and wrong will be sufficient to dispose of the case, little realising how thoroughly those notions are infected by the individualism of the common law and how much can be gained from past Industrial Court decisions and international norms.

Frequently, too, both assessors in a case have been well-known employer advocates We know they discharge their various roles with probity and conscientiousness, but the ambiguousness of their position, coupled with the apparent preconceptions of the judges they sit with, do little to reassure workers of the impartiality of the proceedings.

Almost everyone accepts that there should be an appeal from the rulings of the Industrial Court. The concern, therefore, is not about the principle but about its application in practice. It is, moreover, shared by Saccola — the employer body with whom the unions have been holding talks over the amendments — which has agreed that the LAC will have to be changed.

The debate now taking place among employer and union deal brokers and influential figures in government and the judiciary is about how to set up an LAC that enjoys maximum legitimacy on all sides.

A consensus seems to be emerging that the LAC must be divorced from the Supreme Court but enjoy equal status, and that the judges staffing it must have the ability and expertise to make an appropriate contribution to the development of a responsive labour law.

Also tentatively emerging is agreement that.

- ☐ Judges must be handpicked for their knowledge of labour law and their sensitivity to its claims;
- ☐ The LAC cannot consist only of judges nor only of lawyers. There should be additional members drawn equally from two panels — one employer-nominated, one union-nominated. These "wingpersons" may or may not be lawyers Experience in other countries has shown that wingpersons play a pivotal role in helping judges understand labour issues. It also shows that they can be independent-minded; wingpersons frequently make a decision adverse to the side which nominated them;
- ☐ Wingpersons should have the power to outvote the professional judges on factual and legal questions;
- ☐ There should be flexibility on how many judges and wingpersons are required to sit in any specific appeal, depending on the complexity of the case, and
- ☐ Procedures should be expedited and the number of appeals limited The double appeal system is cumbersome and serves no one's interests.

More than the details of these common thoughts, what is remarkable is that consensus about their broad outline has emerged at all. The fractious animosity of three years back seems to have been supplanted — at least for the moment — with a more realistic appreciation of the fact that economic life is a common enterprise indispensable to all, and that simple coexistence requires that deals between the major players be struck

Does that sound familiar? Perhaps In the constitutional arena some consider that events over the last year evidence the same prudent and reasonable insights. But the stakes in both spheres are high since failure means calamity for all. Perhaps the labour consensus — including, modestly enough, such details of judicial hierarchy and structure as the parties seem to have agreed on — can encourage further concord along the way

☐ This is an edited version of an article in the latest edition of Employment Law, of which Cameron is co-editor.

Employers brace up for bitter talks

132

S/Times 24/2/91

By DAVID CARTE

THE PAY negotiation season starts next month with employers and trade unions in an unrelenting mood.

Profitability is plummeting and employers do not see their way clear to granting the generous pay increases of the past five years

The unions, goaded by the ANC's call for mass action, are unlikely to settle easily — even though the economic dice are loaded against them

Many industrial relations observers fear confrontation and a replay of the industrial relations disasters of 1989 and 1990

The minds of employers have been concentrated by stagnant sales, high interest and labour costs.

Straw

Several are angry at what they see as the unreasonableness of organised labour when there are queues of job seekers outside factory gates prepared to work for less than union wages

For many an employer, the 1990 Mercedes-Benz strike was the last straw Like President Bush, many have drawn a line in the sand

An industrial relations adviser says. "One reason we reached agreements in the past two years was that most firms were fairly profitable They could afford increases Now conditions are ripe for acrimonious dispute."

Trade unions are not expected to be sympathetic to companies' claims that they cannot afford to pay more The ideological gulf between management and union is vast They hardly talk the same language.

Cosatu general secretary Jay Naidoo has written that business and the Government are unfairly blaming the unions for SA's economic ills

The Government's wasteful economic policies and an investment "strike" by companies are the real problems. Mr Naidoo contends that higher wages and stepped-up investment are the answers

LESLIE BOYD. Restraint needed

ATT DU PLESSIS Mines at risk

Companies maintain they invest for returns Because of high taxes and wages that exceed productivity the risk-reward ratio makes new investment unthinkable So we have a dangerous impasse.

The first round of negotiations starts next month when the Steel & Engineering Industries Federation of SA (Seifsa) meets the National Union of Metalworkers (Numsa)

Mandate

Seifsa executive director Brian Angus says he has not yet had a mandate from members But Seifsa's business conditions index, measuring order intake, is at its lowest since January 1987

Major sources of orders, such as Eskom, Armscor, Transnet and Mossgas are out of the market. Orders from the mines have plummeted Retrenchments have risen from 1 300 to 2 100 a month The number of employees in steel and engineering has fallen from 450 000 in 1981 to 385 200.

Industrial companies were highly profitable until six months ago Now sales are flagging and interest costs are cutting into profits Twenty-six out of 59 companies reporting to December registered profit declines The picture is expected to worsen when March reporting companies publish their numbers.

Most industrial employers are reluctant to talk about the increases they will offer, but off-the-record estimates average about 11%.

Les Boyd, deputy chairman of Anglo American Industrial Corporation, is looking for restraint from the unions

The gold mines have been devastated by the low dollar price of gold, a firm rand and rising costs, of which labour constitutes about a half

The 18% average pay increase negotiated last year with the National Union of Mineworkers (NUM) turns out to have been excessive No fewer than 22 mines employing 276 000 are marginal or losing if capital expenditure is taken into account. Excluding capex there are 12 losing or marginal mines employing 88 000

Tens of thousands of jobs have been shed and thousands more are about to go

Ken van der Plank, industrial relations man at the Chamber of Mines, says even the richest mines are reducing payrolls, as are head offices and the chamber itself

The mining houses still have to negotiate among themselves the size of increase they will permit the chamber to grant when negotiations start with the Council of Mining Unions, the Union of Mineworkers and finally NUM — but they are unanimous pay rises will be have to be small

Genmin manpower director Att du Plessis says "The last thing we want to do is put people on the street To preserve jobs we advocate low or no wage increases Otherwise mines like Stilfontein cannot survive

"Last year loss-incurring mines, such as East Rand Proprietary Mines, were excluded from the agreement between the chamber and NUM Now NUM is starting to argue that profitable mines should subsidise marginals losers That is impossible because there are different shareholders in each mine"

Bone

Mahlomola Skhosana, assistant general secretary of the National Council of Trade Unions (Nactu), says "Pay increases never match the inflation rate Why, when people are being retrenched, is skilled labour still being imported from Eastern Europe? Why aren't employers training our people? Why are managers hardly ever retrenched?"

Mr Du Plessis says management ranks have been pared to the bone

"But remember, if you have a store, you must have a storeman, no matter how many miners there are In the same way, you must have a paymaster Obviously there will be fewer cuts among white-collar people."

His counterpart at Anglo American, Adrian du Plessis, accepts that some pay increases will be necessary He is reluctant to say more than that they will be lower than last year

JAY NAIDOO Don't blame us

Mindful that Anglo has been less successful in cutting labour costs than Gencor, Anglo's new gold chief, Clem Sunter, has appointed management consultants to make sure every post on the mines and at head office is necessary

Gordon Young, of Labour Research Services, reports that settlements in the second half of last year were more modest because of "pressure from employers"

Hard

Contradicting Mr Skhosana, he says settlements have beaten inflation every year since 1987 He believes demands this year will be at least equal to the rate of inflation

He expects strong unions, such as NUM, the National Union of Metalworkers of SA (Numsa), the SA Clothing and Textile Workers Union, the Chemical Workers Industrial Union, the Engineering and Allied Workers Union, to be most strident in negotiation. A hard line is expected from all the public-sector unions as well

POLITICS

Sound labour relations 'vital' to SA's prosperity

B/Day 12/2/91.

BILLY PADDOCK

CAPE TOWN — Labour relations and negotiations had to be handled very carefully as they were vital to SA's prosperity, Manpower Minister Eli Louw said yesterday during the debate on the Labour Relations Amendment Bill.

Louw said an efficient and effective labour force was SA's greatest asset.

However, labour peace could not be enshrined in legislation and had to be worked for with patience and flexibility on both sides, he said

The proposed amendments showed this was the case

They were the result of two years of negotiations which proved conflict was handled best through discussion

He also said anyone who argued for sanctions and made threats to scare off investors either had no knowledge of the working of the economy, or was insensitive to the lot of the poor and the jobless

He said the proposed amendments were an attempt by employers, employees and the state to promote understanding and responsibility

TANIA LEVY reports the most important features of the Bill, published in May last year, included the reinstatement of the pre-1988 unfair labour practice definition and removed from the Industrial Court the power to interdict lawful strikes and lockouts.

● LOUW

The Bill also limited the Industrial Court's ability to grant interdicts within 48 hours' notice to the respondent except in special circumstances

It extended the time limits for referring disputes through official channels

The Bill aimed to delete from the Labour Relations Act a controversial clause which reversed the onus of proof required in the case of damage suits brought against unions for losses from unlawful strikes.

Sapa reports that Peter Gastrow (DP Durban Central) said during the debate the Bill represented a healthy balance between the interests of employers and employees.

"This shows what interim administration is all about," he said during the debate

There had been talk of pressure being exerted on the standing committee by Saccola, Cosatu and Nactu. It would be naive to have ignored the power bases of such large organisations

"The contents of this Bill are not a first prize for either of the unions, but signify a compromise from all sides. That is also what legislation should be about"

Jacobus Botha (CP Wonderboom) said during the debate SA would enter a period of unprecedented industrial unrest if the Bill was passed

This was what the two union federations wanted, he said

The stipulation in the draft legislation that the first 48 hours of an illegal strike would be regarded as legal clearly laid the basis for the mass action which the ANC/PAC alliance was advocating, he said

Arrie Paulus (CP Carletonville) said consensus could not be reached if one side threatened the other.

He said trade unions had used threats of refusal to negotiate unless their demands were met during National Manpower Commission sittings

B/Day 12/2/91

Angola tipped as trading partner

BILLY PADDOCK

CAPE TOWN — Trade with Angola was starting to take place and in the future Luanda would be SA's best partner in Africa, Foreign Affairs director-general Neil van Heerden said yesterday.

In an interview he said Angola was a very rich country but it was "not a bread basket", so trade would be beneficial to both SA and Angola.

Various business initiatives between the two had been started in the past few years which had paved the way for a warming of relations, a business source said

One of the primary advantages for SA was Angola's rich oil fields

Van Heerden said he envisaged the normalisation of trade with Angola in the next two years, but first there had to be a ceasefire and the peace process had to be on track

He said a ceasefire would open all sorts of channels and therefore SA had a strong vested interest in helping it reach fruition

Last Friday Van Heerden met Angolan President Jose Eduardo dos Santos in Luanda, where they discussed Angola's allegations at the Joint Commission talks that SA had started to resupply Unita with military hardware

He said he told Dos Santos SA was not doing so, but pointed out many other countries were supplying aid to Unita, most notably the US.

Social contract will dominate labour relations in the '90s

B/Day 18/4/91.

132

Co-determination of the economy, down to the individual enterprise level, may be a necessary feature of an economic compromise.

AS MANAGEMENT and labour prepare for the new SA, "social contract" is fast becoming the new buzz phrase among big employers, unionists and some ANC activists Why is this, and what might it mean for union strategies?

It is hardly controversial to argue that SA's eventual political compromise must be accompanied by an economic compromise The leaders of resistance movements, business and the government recognise this and they have already begun discussing its terms

But this is no guarantee that the compromise will work, because it may not be accepted by those affected by it. Resistance movements' limited ability to ensure constituency support for compromise will apply particularly to an economic compromise. Labour relations experience shows compromises work only because those who harbour high expectations have been party to negotiating the compromise between what they want and what is possible.

If a post-apartheid economic compromise is to work, those who harbour the expectations will have to be party to it too It must involve organised interest groups with leaders strong enough to ensure their followers will accept it. The trade union movement is the most obvious candidate, and this is why the social contract is likely to dominate labour relations in the '90s

Social contracts in other countries have often assured both redistribution and high growth because they usually achieve union agreement to wage restraint in exchange for other gains Unions accept that the capitalist economy will not disappear with apartheid Business leadership increasingly accepts that calls for economic "realism" cannot persuade the majority to defer all its expectations, and it sees a social contract as a way of negotiating the terms of redistribution

ANC economic strategists are coming to accept that the ANC will be unable to meet black economic expectations on its own, and they too are beginning to argue that a social contract can resolve the problem

Even government is accepting the need for economic compromise.

Despite these signs, a workable social contract will not be achieved easily here, nor will it be a panacea which will guarantee the success of a post-apartheid economy While successful social contracts abound in developed economies, there have been no successes in developing ones

In developing countries the unions represent a relative elite — those who have jobs. A social contract negotiated with them binds only a section of the "have nots" The success of a local contract may depend rather on whether groups other than unions are included — such as the urban unemployed, the rural landless and small farmers

The second obstacle is that recent talk of a social contract may well obscure the real differences which still separate the likely bargaining partners A workable contract will require tough compromises.

Some union views were gauged recently in an exercise in which key union officials were asked whether they would negotiate a compromise with employers in which they agreed to peg wage demands to the inflation rate in exchange for increased business social spending All said this was premature. But their reasons are more important than the answer

If they were to begin negotiating deals of this sort, unions would have to persuade their members to abandon the adversarial relationship which has been the key feature of bargaining until now Unionists say that no matter how rational the argument for doing this may be, workers still work in an economy in which they believe they have no stake — because they have no control over it.

There is a consensus among major Cosatu and Nactu unions that workers will have to enjoy a say in economic and industrial decisions if they are to gain enough of a stake to make macro-economic compromises possible. But they approach the issue in different way

For convenience's sake (and at the risk of simplifying union debates) it is useful to divide the unionists into "nationalists" and "workerists".

The nationalists, who are found in both major federations, argue that workers have no say over the economy because they have no say over the government. For them, the precondition for economic compromise is a majority government. Once that is achieved, workers will accept responsibility for the economy because it will then be the nation's economy, not the white minority's. Resistance to compromise might then give way to a relatively startling willingness to accept it.

The "workerist" position — only partially developed — is more complex. Workerists agree that major compromise will be impossible until workers have a share in economic power But they do not believe that need wait for a new government.

Workerist unionists, who tend to be found in Cosatu only, accept their industries will have to become more efficient if they are to survive in world markets and continue to provide jobs They can either resist changes which are needed to ensure the survival of industries, as British unions did, or try to negotiate the terms of change, like the Swedish or German unions

Workerists point out that, at present, decisions on investment priorities, manning levels and deciding how industry and the economy is organised, all fall into the "management prerogative" category If they are expected to take joint responsibility for the future of their industry, they need joint responsibility for controlling it, it is argued. This boils down to a demand for "co-determination", power sharing in industry, which, a "radical" workerist acknowledges, unionists would have dismissed out of hand not long ago. He and his union are still reluctant to use that phrase, but concede that economic realities are propelling them towards it.

Nevertheless, endorsement of such schemes by workers with high expectations will not be automatic. It will be possible only if workers are party to the compromises. Co-determination, therefore, cannot be restricted to the national or industry level. Workers in individual companies and plants will also have to have a say in strategic decisions

Workerists acknowledge workers would make mistakes in the early days of co-determination since they lack the knowledge which management enjoys But they are resigned to paying that price, both because they believe there is no alternative and because they expect workers to become more adept with experience. Some see negotiating the terms of industrial and economic power-sharing now as a way of protecting worker interests after white rule goes They fear a majority government will insist on dictating economic policy

In negotiations with nationalist unionists, employers are therefore likely to make more headway if they scale down their expectations of the concessions which can be won before white rule goes In negotiation with workerist unions and unionists, progress will depend on employer willingness to abandon some prerogatives now in an attempt to avert state intervention later

Some unionists acknowledge there are currents within the movement which may seek to protect special worker interests only — for example by clothing in militant rhetoric a demand for a high "living wage".

The key question is on whose terms a social contract will be negotiated — and whether it becomes a vehicle for stability and growth or for elites on both sides of the divide to carve up the cake at the expense of those who may be excluded from it.

☐ This is an edited extract from the recent Andrew Levy and Associates' annual report.

Whites assault black church group on outing

MEMBERS of black church group the Voices of Healing Ministry were assaulted by white men chanting "AWB" at a Vanderbijlpark picnic spot on Tuesday B/Day 4/1/91

Voices of Healing Ministry member Abel Lehoko said the church group had booked one of the venue's halls for a New Year's Day outing Events were interupted when the church members received a report that a white man was assaulting one of their children

Lehoko said that when church members approached the man he walked away He returned later in a group of about 20 people which started assaulting people

Lehoko, who sustained a swollen lip after being hit with a beer bottle, said the police were summoned, but they advised the church group to leave as they were likely to get hurt

Lehoko said the attackers made it clear they did not want to share their park with blacks

He said the whites chanted "AWB" as the group left the park

This is the second incident in which a church group has been assaulted by white extremists at a previously whites only park

Last year Sunday school children were beaten in Louis Trichardt in the northeastern Transvaal The incident led to a consumer boycott

Vaal police spokesman Capt Pieter van Deventer said police were called to the scene of the Vanderbijlpark incident but when they arrived no assaults were taking place

He said no member of the church had laid a charge so police could not pursue the matter The church group decided to leave because they felt they were not welcome

"Police assured them they were more than welcome, but they left," Van Deventer said — Sapa

Call for a boycott a 'fundamental right'

B/Day 4/1/91

SUSAN RUSSELL

CALLING for a boycott entailed the exercise of the fundamental rights of expression and association and therefore in the context of collective bargaining was lawful in principle

This is the view of labour lawyers J Gauntlet and D Smuts in the latest issue of the Industrial Law Journal, where they examine boycotts and whether they might be unlawful in certain circumstances

In examining what limitations the common law imposed on the exercise of the right to boycott, the authors referred to the significant increase in the use of boycotts in industrial conflicts over the past year

They pointed out that those making an organised call for a boycott of products of furriers and ivory merchants on ecological and religious grounds would be surprised if their actions were considered unlawful

(132) Freedom

"It would thus seem that the legal convictions of any community laying claim to democratic values recognise that certain actions of organised withdrawal of custom are lawful, while others are not"

The difficulty, they said, was drawing the jurisprudential line

"The departure point must surely be that the right to combine in an organised withdrawal of custom is an aspect of the recognised fundamental right to freedom of association, expression and at times, assembly"

They said recent boycotts had generally been called by a trade union to exert pressure on an employer to re-employ dismissed workers who were members of that union

A boycott in those circumstances had a purpose directly related to the resolution of the labour conflict and it could not be suggested that such a boycott was prompted by primarily punitive considerations, they said

The authors said in these circumstances the critical tests as to lawfulness were whether or not the party calling for the boycott was acting in protection of "justifiable interests" and whether to recognise the action as lawful would be in accordance with a general sense of justice

Taking the ecological and religious boycotts as examples, they said, SA society could be considered to accept boycotts of products in the propagation of a legitimate aim or interest of the party calling for the action

"If our law recognises and protects social or religious interests in appropriate circumstances, equally it must be considered to protect economic ones," they said

"It would seem that in principle the fact that in strict law the employer may have been entitled to dismiss the workforce, but its entitlement to act would not per se render boycott action organised in response unlawful"

On this approach, they said, there was no bright line between lawful and unlawful boycotts

The authors said the question of whether or not a boycott was lawful would probably arise in court proceedings in which a party was a target of organised withdrawal of custom and sought to restrain the instigator

Therefore, if as suggested a boycott entailed the exercise of a number of fundamental rights and thus lawful on the face of it, it was up to the applicant to establish that in those particular circumstances the exercise of the right was in fact unlawful

Wage agreements often don't reflect the demands

C/Press 13/1/91 (132)

Trade unions often make exhorbitant wage demands: Manpower minister ELI LOUW talked about this issue to our special correspondent

ARE wage demands not excessive?

Wage demands often create a wrong impression The demands are being published, but not the agreement reached. Some time ago a wage increase of 220 percent was demanded at a company, but the parties eventually agreed on an increase of 20 percent. I have personally handled a demand for an increase of 60 percent and agreed on 10 percent

What the public really sees are the demands But when an agreement has been reached, the parties say "No, this is a private matter"

Do wage demands contribute to inflation?

I want to submit a plea on behalf of the workers People tend to talk easily about inflation They immediately refer to the excessive claims made by the trade unions Yes, these demands create the wrong impression, but when you look at the growth of salaries and wages in industry, it correlates nearly exactly with the inflation rate

A graph has shown that labour costs and wages have moved along the same curve between 1965 and 1989

It would be wrong to say that wage demands are the sole cause of the rise in the inflation rate, because there are numerous other factors, which have nothing to do with wages, which cause an increase in the inflation rate

What are those factors?

Take, for example, the price of money (interest) energy and important raw materials Labour is not the only element in those respects There are other factors like the tax system It still encourages buying instead of saving Government spending and the growth in the money supply are additional important factors You can't have growth of 30 percent in the money supply while the economy grows at a rate of one percent Then you have inflation

We have now forced the inflation rate down and it will soon decrease further because we are controlling the money supply

Blaming wage demands only creates the wrong impression The only thing the labourer wants to say is that he does not want to be worse off and that he therefore demands a wage which keeps track with the inflation rate

It has often been said that South Africa's labour productivity is too low

That is true, but the bad news is that capital productivity is even lower The man who lost his patience with labour and then switched over to expensive machinery is often in a worse position, because the machinery cannot be used for a third of the day He should rather have trained his workers better and given attention to better labour relations

What is the present unemployment situation?

We still have a large unemployment problem which is being complicated by a population growth which is much higher than the economic growth rate This must be rectified urgently There can be no doubt about the consequences of continuous unemployment of large numbers of people in the social sphere, as well as upon racial tension, on attitudes towards employment and on society at large

The state can only create an economic framework, as well as a climate favourable to job creation. The primary responsibility for job creation lies within the private sector

What about job creating programmes?

To say we must have a growing economy and that we must create jobs, while saying at the same time that we should be boycotted, makes no sense whatsoever

It means you are busy with a process of destruction and the economy does not allow itself to be restored once it has been destroyed Zimbabwe still suffers as a result. You simply don't regain investment confidence. It requires a new generation of investors, or they only remember the bad times and what had happened to them.

We say many people – the so-called lost generation – have had no training and discipline We must start training them in the basic things For this reason the state launched socio-economic training processes

During the last five years we have trained 1,2 million people. It had a wonderful effect on them – they can now do something and they also have stronger human dignity

Should a joint economic responsibility between employers and employees not be developed?

The employer and the employee are partners within the same economy Let us take a successful stayaway action. Businessmen have calculated that it costs the economy R500-million a day But this is not the whole truth A large portion of this must be paid by the workers in the form of lost wages

This is why it is so important that the worker should also know how the economy works Employers must spend money to explain the working of the economy to the workers at the working place

Disputes between workers and employers can lead to picketing and disruption.

Are South Africa's trade unions not too politicised?

I can understand why the trade unions are politicised. At this stage they perceive certain advantages in conflict, because to them it is a political process That is why it is important that we should move quickly politically

It is equally important that we should get the economic system for the country – which we have put into prospect – off the ground and to find means to keep it going

The two processes must go hand in hand, but I would venture to say that the economic system must be a few steps ahead. It is easier to handle people politically when the people know what the economy looks like, because the general public is concerned about the economy It affects their pockets It also affects the willingness of foreigners to invest in South Africa

How does this affect the position of the trade unions?

The moment when the economic and political system has been mapped out, the trade unions will have their own place Then for the first time, the trade unions will be in a position to judge the situation objectively – when they have become one of the pillars of the economy, namely labour, capital and raw materials

The trade unions must clearly see their place within the economy No industrial country has become an international achiever without having informed and disciplined trade unions

Can South Africa draw investments with an uninformed labour force?

All over the world one realises that people will not invest here if they don't know what the economic system will look like in the new South Africa

Unions press on despite jobless rise

S/Times 13/1/91 (132)

By ADRIAN HERSCH

UNEMPLOYMENT has reached critical levels — about 40% of the economically active population

But trade unions will continue to ignore pleas for wage restraint and reject productivity bargaining, say consultants Although unemployment is increasing, union membership continues to grow

The Andrew Levy & Associates (AL&A) annual report says high unemployment is unlikely to drop, and ironically will tend to restrict the willingness of unions to discuss productivity.

"Clearly, the interpretation of productivity bargaining is that employers are attempting to produce more profitably at the expense of jobs, and that such a move would not be to the benefit of the labour movement"

Besides rejecting productivity bargaining, the living wage campaign is expected to gain momentum One aspect is the demand for more pay for less work — a move which can only harm job prospects

AL&A says that in 1990 many concerns in both public and private sectors considered a shorter working week to keep jobs

"However, this is normally accomplished with a concommitant reduction in wages as few companies can afford implementation without effecting some savings in running costs Also, it is generally a long-term process whereby the 40-hour week is introduced over a 10-year period — a reduction of half an hour a year"

Minor

The IR Network annual report says that given SA's labour costs and low productivity, it is surprising that management demands played such a minor role in 1990 negotiations

Management demands were few

But management demands were generally not agreed to or were dropped.

"This trend highlights the continued tendency for SA managers to show more tenacity in holding out against union demands than in pushing for their own" says IR Network

FSA-Contact consulting Mike Beaumont says "Managements will obviously be concerned about their own competitive positions and this could affect job security if costs are not agreed on."

But AL&A expect unions to continue to successfully negotiate increases in line with or slightly higher than inflation The unions continue to push strongly for more pay

Marked

AL&A says that in 1990 settlements averaged 17,4% and about 66% of the 4-million mandays lost were due to wage issues. Nearly 64% of all wage negotiations involved industrial action — a marked increase on previous years.

Negotiation time averaged more than 80 days in the past three years. "This not only indicates how tough the bargaining arena remains, but also that for nearly a quarter of their trading year businesses are subjected to the uncertainty and disruption that accompany the wage bargaining process"

Most mandays last year lost were in the State sector (24%), followed by retail (22%), metal and manufacturing (9%) and printing (9%)

The strike with the most mandays lost (210 000) occurred at OK Bazaars over wages

But unions are not having things their own way.

"Employers have, notably in the case of the Nampak dispute, been able to shift the focus to one of conduct of strikers and the need for 'due process' on the part of unions Where strikes have taken place in breach of agreements and labour law, employers have hardened their attitudes and demanded stricter compliance with agreements"

Union membership has increased each successive year from nearly a million in 1981 to about 2,5-million.

Cosatu membership increased from 971 263 to 1 155 967 in 1990. Its largest member, the National Union of Mineworkers (NUM) lifted membership from 212 000 to 247 000

Expelled

Nactu membership rose from 150 000 to 258 000, although its general secretary Cunningham Ngcukana says the figure does not reflect the "real" paid-up membership of about 320 000.

The federation gained five affiliates but expelled three

Mr Beaumont expects this year's refined Labour Relations Act (LRA) to reduce tension in labour practices and discipline, streamlining negotiations. But the legislation does not represent "a complete law" for strikes and lockouts

Will militant unions become government sweethearts?

(132) W/Mail 25/1/-31/1/91

Close ties between the newly elected leadership of Cosatu's postal union and the ANC pose an obvious question will public sector unions become a mere adjunct of a post-apartheid state?

By DREW FORREST

THE public sector is one of the most bitterly contested of South Africa's labour relations fronts — but will hostilities cease under a friendly government?

Controlling lifeline infrastructural and welfare services — hospitals, transport, docks, power, telecommunications — state sector unions are uniquely placed to inflict damage on the the economy and discomfort on the public In the United Kingdom, public sector strikes during the "winter of discontent" sparked a voter backlash which helped bring Margaret Thatcher to power

In South Africa more than a quarter of the man days lost through strikes last year involved central and local government workers — would the unions strike as readily against an African National Congress administration?

How would they view "commercialisation", public sector redundancies and calls for wage restraint in a democratic state? Would they push for rapid Africanisation, despite the political implications and even if services to the community were hit?

In a sense, the issue is a broader one the possibility of a "social contract" — economy-wide trade-offs between unions, the state and capital — is being hotly debated with the Congress of South Africa Trade Unions

But the snags and complexities are most vexing within the government sector At present, public sector unions refuse to moderate their pay claims or limit strikes, arguing that they owe nothing to a government that does not represent them Indeed, they see their activities as part of the wider push for liberation

The pressure to scale down demands, and the risk of incorporation, would be far greater if they faced the ANC, their historic ally, across the negotiating table

The question was thrown into sharp relief last week by a sea-change within the leadership of Cosatu's Post and Telecommunications Workers Association (Potwa), coupled with the announcement of a militant programme of action for this year, including demands for the virtual doubling of the minimum wage

The new leadership has extraordinarily close ties with the ANC The general secretary, assistant general secretary, treasurer and president have all been detained at some stage for activities linked to Umkhonto weSizwe, the ANC's armed wing Two are branch officials of the ANC, others are active in ANC-linked civic bodies Virtually all are thought to belong to the South African Communist Party

The picture is similar in Cosatu's other public sector unions, notably the South African Railway and Harbour Workers Union and the National Education, Health and Allied Workers Union, which tend to be more nationalist in orientation than the federation's industrial affiliates

Some suggest these unions will simply roll over and die under majority rule Others, including *Innes Labour Brief* editor Duncan Innes, insist the culture of independent unionism in Cosatu is too deep-rooted for this

A key consideration is the different nationalist strains within the labour movement. Some labour nationalists might argue, as happened at Cosatu's last congress, that unions should refrain from striking under an ANC government, while others — particularly those with MK links — are more jealous of union autonomy

Post-apartheid unions may not reflect quite the same militancy as "under the racist regime", predicts Mlungisi Hlongwane, Potwa's new general secretary "But we have learnt from our counterparts in Africa, which have been neutralised and demobilised by too-close ties with their governments "

He adds "Each member of the congress alliance must retain its independence We accept that the ANC will represent various strata in our society — workers' interests will not be automatically respected. But we would expect an ANC government to have a working class bias "

As providers of vital services to business and the public, state sector unions are uniquely touched by the sharp debate in Cosatu over essential service strike rights

Nehawu national organiser Monde Mdlishwa says his union believes in the full right to strike under the present dispensation but would have to "look at" compulsory arbitration in the health service come majority rule

Hospital staff demonstrate ... Will they protest under a majority government? Picture WILLIAM MATLALA

Hlongwane takes a different view "Denial of the right to strike in any sector makes employers insensitive, and workers resentful of their comparative disadvantage," he comments

Holding that statutory curbs simply do not work, he argues that restraint can only come through consultation between workers and the wider community

What of the public sector wage bill, which Innes believes will be high on the agenda of an incoming ANC government? He believes the unions might buy some form of incomes policy, but only in exchange for other benefits — job security being the most likely demand

"The unions won't simply accept a call to hold down wages — there'll be horse-trading And they certainly won't buy a wage policy coupled with redundancies "

Interestingly, Potwa accepts that the post office should be commercially viable in a post-apartheid state, while bitterly resisting the current push for "commercialisation"

"At the moment, it's a move towards privatisation," Hlongwane argues "And any profits would accrue to a minority government."

But he is adamant that any restructuring which entails job cuts "serves the interests of capital", insisting that through expansion — particularly into poorly served townships and rural areas — profitability can be squared with job creation.

The reality seems more complex What of the homeland bureaucracies, where the unions are making giant recruiting strides? Can the railways, for example, realistically move into the black without major tariff hikes or manning cuts?

"Africanisation ' of the public sector is another potential flashpoint Potwa is already kicking against the white monopoly of technical and managerial jobs in the post office and Innes predicts intense union pressure on the ANC to correct historic imbalances.

But the ANC's task is a tougher one than in other post-colonial African states, where many white bureaucrats were expatriates under contract The forced "greying" of the civil service, particularly if not seen to be on merit, could be politically explosive

Both Hlongwane and Mdlishwa believe the transition must be a gradual one, to ensure the maintenance of standards "As long as they are not racists, whites should be able to stay on," Hlongwane said.

But they also insist that this must be coupled with a massive education and retraining programme to equip blacks for more skilled work

Sky-high worker expectations of a democratic government hold special dangers for the unions There is a distinct risk that leaders counselling patience on promotion and restraint on wages could find themselves out of kilter with their base

One approach to this is an intensive programme of education, aimed at heightening workers' awareness of society's broader needs, including those of the unemployed and the unorganised

Hlongwane hints that unions might be sympathetic to an ANC push to curb inflation and conserve hard-pressed resources for other social projects But for this to happen, he stresses, workers will have to be involved at all stages of economic planning

"It's no good coming to workers when problems arise If they're approached at the initial stages, they'll be able to understand the state's problems "

Monday a vital date for unions

Star 25/11/91 (132)

Public sector workers are to meet representatives of the Commission for Administration on Monday, reports BRENDAN TEMPLETON.

PUBLIC sector unions will be left out in the cold when the Cosatu-Saccola-Nactu accord is passed into legislation this year

But unions in this sector are determined to have, at least, similar rights to those enjoyed by most workers, who will be covered by amendments to the Labour Relations Act

Most important among these are grievance and disciplinary procedures, the right to strike, bargaining forums, access to members and stop-order facilities

Arrayed against them are government departments which make it difficult to establish a relationship with the State at a national level

Laws such as the Public Service Act and Post Office Services Act declare it illegal for state employees to strike

Conservative staff associations which have worked within the old system of labour relations in the public sector also frustrate union efforts.

Yet unions, including the National Education, Health and Allied Workers Union (Nehawu) and the Post Office and Telecommunications Workers Association (Potwa) have succeeded in increasing their membership to the extent that the authorities have had to take notice

Postwa was established in 1982 and has a membership of 22 000, while Nehawu has grown from 9 500 in 1987 to about 50 000 today

Industrial action in the public sector reached unprecedented levels last year

Now the Commission for Administration and the Post Office have recognised the necessity to deal with the unions

Potwa general secretary Mlungisi Hlongwane and Nehawu national organiser Monde Mditshwa agree that a centralised bargaining structure has to be established where general grievances affecting all public sector workers can be addressed

This would do away with the delays experienced where unions and different departments come to agreement, then have to wait for higher-up approval

At the same time, differences in the problems facing, say, nurses and postmen, have to be addressed

The Commission last year called on trade unions and interested parties to work out a new labour dispensation. They are to meet on Monday

Mr Mditshwa said the invitation caught Nehawu off-guard, but said the union was determined not to be sidetracked by the sudden open-door policy

He believes bargaining procedures could prevent situations arising where health staff feel they have no alternative but to strike.

The associations agreed with Nehawu representatives that the Public Service Act could not remain, but disagreed that the Labour Relations Act should be extended to them

A big stumbling block with the Commission is its definition of "public service". Mr Mditshwa believes it is too narrow and should be broadened to include municipal, post office and railway workers

A centralised bargaining forum on common public service matters should be established

Mr Hlongwane agrees Although negotiations are taking place on a national level with the post office, management's new attitude has yet to trickle down to regional and local levels Even agreements made at national level have to be approved higher up, creating delay and frustration

Head-on confrontation with the Post Office will take place for at least the next six months, he says

A massive campaign, which will include community organisations, is being planned against the proposed Post Office Ammendment Bill which Potwa believes is paving the way towards privatisation

Nehawu is planning a campaign to protect nurses, who participated in last year's strikes

Despite an agreement after the strikes between hospital authorities and the union not to take disciplinary action, the Nursing Council says it was not party to the agreement and will go ahead with disciplinary procedures if it receives any complaints □

Political hopes boosted strike spirit

Star 28/1/91 (132)

Four million 'man-days' were lost last year as a consequence of strike action alone — a 25 percent increase over 1989. SHAREEN SINGH looks at the context in which industrial action took place.

AMID major political developments last year, trade unions, after a two-year lull in strike action, leapt into a scenario of mass spontaneous uprising with higher expectations and renewed shop-floor confidence in challenging employers.

The February unbanning of the ANC, PAC and SACP and the release of Nelson Mandela ushered in a militant mood and a strong spirit of optimism. Mass marches, rallies, stayaways and demonstrations were seen in every province.

It was in this euphoric climate, coupled with mass political mobilisation, that worker expectations increased and, consequently, industrial action escalated.

Evidently, workers believed they would have more bargaining power in a less repressive climate, thus becoming more assertive on the shop-floor and reviving Cosatu's living-wage campaign, which seemed to have subsided

The length of strikes at OK Bazaars, Southern Suns, Nampak and Zebedelia Citrus Estate (between 40 and 87 days) bore testimony to workers' confidence and militancy.

Nactu's National Union of Wine, Spirit and Allied Workers, with no previous strike history, held out for 34 days in a national wage strike.

Workers in the public sector and parastatals too, though not well organised, joined the strike wave.

Thousands of teachers took to the streets in a significant demonstration which forced the Government to grant teachers' unions some recognition and opened negotiations on such matters as salary scales and job security.

Hospitals, post offices, municipalities and railways were hit by major strikes.

Attempts to include public sector employees in the Labour Relations Act added impetus to their actions

Some unionists say the high level of industrial action was also due to Cosatu's move away from the centre stage of politics — a role it had assumed when political organisations were banned in 1988

While the political changes may have raised expectations of a post-apartheid dividend, employers argued that the average 14,5 percent inflation rate and a declining economy made union wage demands "ridiculously high."

Despite hardened management attitudes, soaring retrenchments and a poor economic climate, union militancy was not crushed.

But towards the latter part of last year, violence on the Reef severely affected the union movement. With their lives at stake, union members were forced to engage in a more urgent battle to defend themselves, over and above their wage struggle.

Clashes in the community had spread to the shop-floor, effectively weakening union strategies.

Several strikes had been aborted as union members became the targets of warring factions.

In Sebokeng, 19 members from the National Union of Metalworkers were killed. They were on strike at the time at Union Steel Corporation. Several Iscor workers were also killed shortly before the union had planned to go on a legal wage strike.

Cosatu accused employers of using the violence to crush workers' militancy

The federation had to focus much of its attention on the violence and on defending its members

A marked increase in violence between strikers and non-strikers, or scabs, was also a major problem with unions once again attacking employers for ignoring their warning of the dangers of employing "scab" labour.

Touching on this issue, Cosatu's Workers Charter Conference in November agreed that a new constitution should include a demand for no dismissals and no "scabs" during procedural strikes.

A significant development last year was the Cabinet's acceptance of the Cosatu/Nactu/Saccola (CNS) accord on the Labour Relations Act (LRA) The labour federations and the employer body accepted this as a victory after more than two years of campaigning for changes to the LRA.

But for Cosatu and Nactu the campaign around the LRA does not end here. The federations say many other worker-rights battles still have to be won: in particular, trade union rights for all workers and the extension of labour legislation to the bantustan homelands. Although the CNS accord makes provision for civil servants, domestic workers and farm workers, the Government is still resisting this

Also significant was the federations participation in the National Manpower Commission — a definite shift in their firm position against participating in state structures. Labour consultants believe this has set a precedent for future relations between government structures and the federations

With well over 70 000 workers retrenched last year and massive retrenchments in the pipeline this year, unions will focus attention on job security, improved retrenchment packages, training, restructuring of companies and disclosure of company figures. □

Unions warned of job-loss squeeze

B/Day 28/1/91. 132

VERA VON LIERES and MATTHEW CURTIN

UNIONS will be squeezed by high inflation and mounting retrenchments when they begin wage negotiations this year, say industrial relations analysts.

SPA Consultants director Steuart Pennington says union strategists have to appreciate the effect of the Gulf crisis on the economy, the government's war on inflation, and the fact that company margins are being squeezed.

In a labour survey conducted by Business Day, some employers said they faced the worst conditions for 30 years with a possible 150 000 jobs being lost this year. Unions would be wise to look for a job security trade-off in wage negotiations, one said.

Labour analyst Duncan Innes said unions might be caught in a dangerous "pincer movement" if they demanded above-inflation wage hikes while the economy deteriorated further.

Instability

But unions were likely to make saving jobs a priority in exchange for 14% to 15% pay awards and built-in job protection: severance packages and retraining programmes along the lines of the Anglo American/NUM retrenchment agreement at the Freegold South mine.

He said employers were concerned about the social instability which accompanied unemployment and would strive to "keep people off the streets". If they took a long-term view, banking on an economic revival in 1992/93 spurred by the lifting of sanctions, they might bear the short-term costs of better pay awards for this year, Innes said.

Labour Research Service (LRS) researcher Richard Good said post-sanctions investment would arrive only in the long term but union demands would remain unchanged in 1991. The LRS provides economic analysis for the union movement

He said organised labour would be able to challenge employers' arguments that the economic climate necessitated modest pay awards.

An LRS profit review of the top 100 companies showed profits rose 24% on average and dividends 21% in 1990.

But strike action would be undertaken more cautiously this year. Good said the failure of strikes like the seven-week Paper, Printing, Wood and Allied Workers Union action at Nampak would deter unions from "provocative" strikes.

Unions would demand that business address education and skills shortages rather than demanding "jobs at any price".

FSA-Contact consultant Mike Beaumont predicted bargaining demands were likely to be pegged above the inflation rate.

In the consultancy's quarterly review, he said increased expectations and the demand for job security with an emphasis on restrictive work practices regarding hours of work and manning would be key demands.

There were arguments for both sustained and reduced levels of industrial action in 1991. Industrial action might be triggered as political groups mobilised unions and workers' political expectations continued to rise.

Alternatively, the poor record of union successes during 1990, the concern for job security, and the growing gap between union leadership and rank-and-file membership might curb industrial action

An SA Chamber of Business (Sacob) spokesman said both the economic situation and the increases in the number of retrenchments were likely to have a dampening effect on the levels of wage settlement.

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Labour peace should be a joint effort, says Eli Louw

By LINDA GALLOWAY ARGUS 29/1/91
Staff Reporter

INDUSTRIAL councils have an important role to play in a future South Africa, as long as they focus on their role as equal representatives of union and management, says Minister of Manpower Mr Eli Louw.

He was speaking at the conclusion of the fourth meeting between the Department of Manpower and industrial councils in various regions.

Of 22 industrial councils in the Western Cape, 21 were represented at yesterday's meeting.

Mr Louw said labour peace could not be legislated, but had to be worked out with equal participation by workers and management

Industrial council agreements should include clauses on intimidation, violence and temporary labour which were morally binding on both parties, he said.

Mr Louw said the demand for inflation-related increases was not "such a problem" and in times of high inflation employers should not hold back on increases but should increase productivity.

It was not pay rises which increased inflation but reduced productivity, the money supply, the cost of energy, competition, taxation and whether earners were saving or spending their income.

Mr Louw said there was no doubt of the consequences of prolonged unemployment of large numbers of people on mental, social and racial tension and on attitudes to work and society as a whole.

The government could only create an economic framework and climate favourable for job creation and it was primarily the function of the private sector to create employment opportunities

Africans must lead the way

132

Sowetan 29/1/91

FOCUS

MESH SUMA, formerly Meshack Mabogoane, a journalist who is now establishing the Federal Democratic Movement, puts the case for African nationalism being the moving force in establishing the "new South Africa's" economy.

THE main tasks facing the economy are to restructure it so as to benefit the greatest number of people and organisations possible.

However, South Africa's human and material potential has been barely scratched Indeed, South Africa is really an underdeveloped country A forward looking and developmental outlook is required.

The redistribution issue is really backward looking; putting the stress on the already baked but relatively meagre bread, as it were.

Constructive plans, sound practical approaches, are required for effective transformation and sustained development.

The task which awaits us - to effect social changes and accelerate the economy - is a heavy one But it can be achieved within the market economy, still the ideal framework and route for revolutionising underdeveloped economies

Naive

Only the naive or ignorant would expect that some measure of public intervention and involvement would be ruled out

Yet experience has shown that social democratic or welfare-oriented economies characterise modern capitalism But it is important that the state busies itself with the economy to supplement and not supplant the efforts of the private sector.

The revamping of South Africa's market economy is necessary and inevitable to extend and deepen the quality of skills and enterprise of the Africans in particular This could happen at all levels.

For the workers, higher and varied skills are needed General social upliftment must also accompany the process, making cultural and psychological changes inevitable

Other radical actions are needed. Industrial relations must be significantly overhauled The racial question is central In South Africa, in addition to the normal antagonistic relationships between workers and employers, each group also views the other as belonging to another race

A variant of this exists in the white and Indian-led (or dominated) "non racial" labour unions Non-racialism is a nice phraseology but racial feelings are concrete and go deep The African worker refers to both the white employer and non-African unionists as "them."

Africans become grateful and dependent, remaining the eternally incapable underdogs, it seems Whether as producers or earners, aliens must lead them Psychologically, however unconscious, Africans do suffer alienation

No wonder that most of the long industrialised workers in Africa still have secretary generals and real administrators of their labour federations who are non-African Talk of backsliding, emasculation and selling the national soul!

The industrial relations system needs urgent surgery In-house co-operatives or workers' syndicates should be encouraged and formed, employee share ownership schemes must be extended.

Commitment to, and identification with the job, are sure to ensue

Workers

Labour unions must be led entirely by African workers The right and duty of national self determination is unarguable. Democracy should take place. Unions should be of workers, by workers and for workers and not the petty bourgeoisie and alien leadership which controls them now This will enhance their ability to do things for themselves, part of liberating Africans psychologically

Unions should be instruments of community development and economic empowerment while contributing to real African nation building

Still, the greatest need is to unlock the spirit of enterprise amongst the Africans

Collectively more elaborate and well determined collective frameworks and means are required The entrepreneurial upliftment of Afrikaners, for example, can serve as a model National trusts and special measures from the State were started by them and for them

The state certainly played a major role in these developments either through legislated and supported co-operatives or contracts awarded favourably to Afrikaner businesses This is how Volkskas and Afrikaner insurance companies became giants.

Similar networks and measures are, for Africans, either lacking or really inadequate A statutorily-established black economic framework of voluntary and obligatory contributions (shares and levies) to community, workers and national trust funds is imperative

Persuasion will be needed to ensure that black local councils and schools, for example, insure themselves or bank with African financial institutions Favourable contracts to African enterprises and businesses are required

Trust funds could be used for massive purchases of shares in existing major corporations.

Joint ventures with existing major corporations will be inevitable However, as time moves Africans should gain the upper hand in technical, managerial and directorial positions

The special promotion and protection of black enterprises are a must

But all this will come to little without the primary ingredient: The national will and the spirit of self determination

Demands

This demands commitment to nationalism as the driving force Racial solidarity and going it alone as much as possible, genuine self help and upliftment are its essential ingredients

Above all it calls for the removal of the virus of dependency - now disguised as "need for expertise", or "non-racialism" meaning complete and everlasting reliance on white and Indian leadership. Africans must be led and directed by Africans themselves

If there are lessons to be learnt from the rest of Africa and "non-racial" bodies here, it is simply that reliance on non-African expertise is fatal In contrast, the success of the old and new industrialised countries or societies depended on the national will and spirit, the real bootstrings that pull people up

Do politics and trade unionism mix?

Sowetan 11/2/91. (132)

SHOULD trade union leaders hold top positions in political parties or not?

This topic was the centre of debate during the Cosatu summer school which ended this week.

The three-week summer school on labour laws was designed to teach representatives of various affiliates of Cosatu, negotiation skills and an understanding of clauses of the Labour Relations Act.

One of the topics that arose during the debate was whether labour leaders should hold top positions in political parties or not

This debate surfaced during discussion of the topic *The Relationship between the Communist Party and the union movement - What can South Africa Learn From Italy.*

Mr Chris Gilmore, a leading official of the Italian General Confederation of Labour (CGIL) and a member of the Italian Communist Party (PCI), explained how Italian trade unionists and leftwing parties dealt with this thorny problem of leaders wearing several hats

He said senior trade union leaders in CGIL today could hold a leading position in a political party in his country.

This was, however, not always the case

"In some cases, if a trade unionist wants a senior position in a party, he or she has first to resign the position held in that particular union," Gilmore said.

Gilmore pointed out that during the period of fascist rule in Italy, between 1921 and 1944 when the PCI worked underground and the trade union movement led by the CGIL operated under severe repression, an anti-fascist alliance involving trade unions and political parties was formed.

"The role that workers played both in the political and armed struggles during illegality and repression under fascism enabled them to have a say in the work of the Constituent Assembly and in drafting the constitution after the Second World War.

Labour

"That is why the first words of the Italian constitution say that Italy is a republic founded on labour," Gilmore added

This alliance that "rigorously respected autonomy of each organisation", according to Gilmore, saw the involvement of workers in political activities providing a support base mainly for PCI.

"When the PCI was unbanned in 1944, workers and peasants and some of the intelligentia were involved in rebuilding the party," he said.

"As a result communists held most of the senior positions in the party and unions as well," he said

He added· "The difficulty with the dual leadership situation is that it shifted the emphasis of the unions from advancing workers interests on the factory floor to concentrate on political issues.

"If a union fails in its responsibility of representing and advancing workers interests, it is finished as a vital force for change.

"It was because of these reasons that the CGII arrived at the decision that dual leadership worked against the long term interests of both the party and the trade unions," he added.

He said the CGIL now has more than five million members and is able to conduct joint action on a whole range of issues, both at the workplace and in the national political and social arena with the other two federations which broke away from it in the late 1940's.

Communists and socialists hold most of the leading positions in the union both and national and local level, roughly on a two-thirds to one-third ratio

Militancy

He said. "Communists in the trade union movement have a great responsibility, since through their examples of commitment and militancy, they can influence the union in a decisive way."

The response of many participants at the Cosatu summer school was that South Africa has not yet reached a stage where dual leadership was problematic for the trade union movement.

They argued that the problem would only arise when a person assumed two full-time responsibilities in both the party and the union.

This argument was based on the assumption that the working class must play a leading role in the struggle for liberation.

There was, however, an admission that in a post-apartheid situation, there would be a need to reassess the role of dual leadership in both the unions and the South African Communist Party (SACP).

"The responsibility of establishing a legal mass Communist Party in South Africa, lies on the shoulders of unionists as well as other sectors of the liberation movement," said one of the organisers of the summer school.

Only time will tell whether this will be possible.

Labour Act to benefit workers

By IKE MOTSAPI

Sowetan 21/2/91

THE Congress of South African Trade Unions has begun a campaign to persuade homeland governments to accept the revamped Labour Relations Act.

The Act was passed in Parliament last week.

Mr Neil Coleman, information officer of Cosatu, said the acceptance of the Act by homeland governments would enable workers to fight for "their rights without fear of being arrested."

Success

Coleman was outlining the success achieved by the federation during its four-year-long fight to have certain amendments incorporated into the Act.

Cosatu, Nactu, South African Consultative Committe on Labour Affair(Saccola) and the National Manpower Commission met recently to review the Labour Relations Act. The meeting was dubbed "The Laboria Minute".

Coleman said the response from homeland governments had so far been very "favourable"

'Peace plan' for labour

S/Times 10/3/91 (132)

By ADRIAN HERSCH

THE Swedish form of "peace obligation", designed to ensure harmony in labour relations, should be applied to South Africa.

That's the view of National Manpower Commission member Adolf Landman, who has recently returned from a fact-finding trip to Sweden.

Professor Landman said: "It may be desirable in future legislation to provide for a more effective peace obligation."

Under the system in Sweden, industrial action is forbidden for the duration of the agreement entered into by employers and employees, and the ban on strike or lock-out action covers all issues, whether they are in the agreement or not.

In South Africa, under the Labour Relations Act, parties that use its statutory bargaining mechanism are bound to a peace obligation, but only with regard to matters specifically covered in the agreement. These statutory mechanisms include industrial council and conciliation board agreements.

Professor Landman, writing in an Andrew Levy & Associates law journal, says there is nothing to stop the parties in ICs and CBs providing for matters not covered by the agreement also to be regulated by the peace obligation — as occurs in Sweden.

Nervous whites moot super-union

Star 12/3/91 (132)

Faced with growing black unions and changes in National Party politics, white trade unions are concerned about their status and are working towards the possibility of an all-white "super-union." SHAREEN SINGH reports.

THE erosion of job reservation and other protections which white workers have enjoyed since 1948 and have come to see as their right, have evoked angry responses by white unions

In the last issue of Die Mynwerker, the Mine Workers Union (MWU) lashed out at the National Party for betraying their loyal constituency. White workers, had after all, got the NP in power in the first place

A spokesman for the MWU, Flip Buys, said

"Employers are bending over blackwards to meet the demands of black unions and pander to their whims, at the expense of white workers. They integrate facilities without consulting us or considering our feelings."

Another major issue disturbing the white unions, apart from the government's decison to unban political organisations and negotiate with the ANC, is the acceptance of the Saccola/Nactu/Cosatu accord.

The white unions' exclusion from the deliberations on labour amendments has given impetus to their unity drive

But the prospects of the formation and existence of a super white union with the strength and capacity of black unions seem fraught with problems

Although the major unions involved in the unity drive are part of one umbrella organisation, the South African Confederation of Labour (Sacol), divisions exist on the form the new union should take

While MWU is arguing for a confederation along the lines of a general union, Yster and Staal supports the idea of a federation, similar to Cosatu, with a merger of industrial unions

Mr Buys says a federation would not work for white workers because of their smaller numbers. It would divide workers into small, less powerful units

But Nic Cilliers, general secretary of Yster and Staal argues that a federation is a more tightly knit structure, and is the best option, as proved by Cosatu

A super-union would be virtually impossible to effect under current labour legislation because of technicalities relating to the trade unions' scope of registration.

Moves toward regional unity

(132)

By DREW FORREST

THE Congress of South African Trade Unions and the National Council of Trade Unions are to meet unionists from other Frontline states this week at a Harare workshop which will lay the basis for a "regional social charter".

Staged by the Southern African Trade Union Co-ordinating Council (Satucc), a sub-structure of the Organisation of African Trade Union Unity, the workshop follows up Cosatu and Nactu's first encounter with Satucc last November in Arusha, Tanzania. W/Mail 15/3 - 21/3/91

The purpose is to discuss a charter of workers' rights for the region, much like Cosatu's projected Workers' Charter, but local unionists are clearly looking to the organisational leverage of cross-border co-operation.

Debate will cover such issues as migrant labour, South Africa's labour agreements with Frontline states, multinationals and economic co-operation.

Nactu's team includes president James Mndaweni, while Cosatu's delegation is led by assistant general secretary Sydney Mufamadi.

Cosatu general secretary Jay Naidoo said the aim was to use the regional charter to mobilise workers and raise awareness. Cosatu's input would be its own workers' charter campaign

Once drafted, the regional charter would go for endorsement to the Southern African Development Co-ordination Conference (SADCC), with which Satucc had close links.

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Federations to hold a Workers' Summit

W/Week 15/3-21/3/91 132

By DREW FORREST

COSATU and Nactu have agreed on a joint workers' rights campaign involving a Workers' Summit in a move strengthening co-operation between South Africa's key black union bodies.

In talks last week, the federations agreed to set up a joint committee on workers' rights, confirmed Nactu's Cunningham Ngcukana "We have the same concern — to ensure workers' rights are built into a new constitution"

The summit, scheduled for late this year, will also involve non-aligned unions Nactu shunned the last summit, principally on the Labour Relations Act, although some dissident affiliates attended.

And in other moves

- Nactu has decided to enter the National Manpower Commission to participate with Cosatu in restructuring the NMC.
- Cosatu and Nactu last week met Saccola on their "phase two" LRA demands

Ngcukana said Saccola had agreed the LRA should be extended to all homeland workers and that an unfair labour practice code should not be introduced without union and employer consent

Unionists are alarmed by Manpower Department proposals for a code, seeing them as a backdoor bid to reintroduce 1988 LRA amendments

Ngcukana said the unions were pushing for the removal of labour from the jurisdiction of "self-governing" homelands. Joint approaches would be made to TBVC states in a bid to harmonise their labour laws

The unions also complained to Saccola about the "negative attitude" of the South African Agricultural Union, a Saccola affiliate, on the extension of rights to farmworkers

Also debated was the possibility of a national employer-union forum on economic issues, such as retrenchments and work creation. (See lead story)

On Nactu's NMC move, Ngcukana said the federation was working on proposals for restructuring and would probably attend the NMC's full session next month.

Trade unionists join call for constituent assembly

132

Sowetan 20/3/91

By THEMBA MOLEFE

TRADE unionists will lead discussions on why Socialists fight for a constituent assembly in South Africa at meeting to be hosted by The Workers' Organisation for Socialist Action in Johannesburg today.

The meeting begins at 5 45pm at Sached Basement, Allied Building, Bree Street, Corner Rissik Street

A spokesman for Wosa said the organisation put forward the demand for a constituent assembly as it was the most democratic way to decide the country's future

"The current talk of getting rid of apartheid is hot air as long as the Government denies the people the right to put forward their own representatives with their own ideas in the constituent assembly.

Pamphlet

Wosa is the latest voice to join the main liberation groups, Azapo, PAC and ANC, in the campaign for the establishment of a constituent assembly.

Wósa says in a pamphlet it distributed to advertise today's meeting: "The South African Constitution is based on the original drawn up by British colonisers

"Over the years it has been amended by a succession of white minority governments who have used it to divide our country and our people, and deny us the rights or say in the running or control of our country."

The meeting is open to the public.

ANC, unions in Barend's firing line

(132)

Political Staff

CAPE TOWN — Finance Minister Barend du Plessis launched his speech with a fierce attack on the ANC and certain trade unions.

Speaking on the need for stability to promote growth, Du Plessis said government needed the support of certain organisations and movements "that in the name of political, social and economic equity advocate sanctions or are involved in violence and labour unrest".

He said US Congressman Tom Foley had said his recent call for the maintenance of sanctions was made at the behest of the ANC

"Emotional and rabble-rousing statements of leaders over the political spectrum may perhaps sound satisfactory or even favourable to themselves and their followers, but such pronouncements undermine business and investment confidence, to the detriment not only of their opponents but also of their own adherents," said Du Plessis B/Day 21/3/91

Strikes and wage demands that did not keep pace with productivity chased away investors, and with them the possibility of better economic and social opportunities.

Workers' college to improve skills

Sowetan

More to follow UWC example

25/3/91

By IKE MOTSAPI and Sapa

IN a ground-breaking development in trade union education, a "workers' college" is to open its offices at the University of the Western Cape next week

This follows closely on last month's Cosatu Winter School, where delegates attended an intensive six weeks course on labour law at the University of the Witwatersrand

Delegates were trained in skills such as negotiation and bargaining

Leadership

The college in Cape Town is the first of its kind following the Cosatu Winter School. Many are expected to be started countrywide

The aim of starting the college is to build worker leadership in local trade unions through teaching practical skills on labour law and collective bargaining, according to the March edition of *Sactwu News*.

The newsletter, the mouthpiece of the South African Clothing and Textile Workers Union, said theoretical skills would be developed through courses on political economy and international trade unionism.

"A common thread running through the workers' college will be the development of critical thinking, decision-making, problem-solving and other leadership skills," Sactwu Western Cape regional secretary Mr Lionel October was quoted as saying.

The course would be open to all local unionists, who would have to apply through their unions for entrance, college co-ordinator Miss Pregs Govender said.

Diploma

The college was exploring ways of gaining local and international recognition of its courses, enabling those without matric to be awarded a diploma.

Trustees were elected under the directorship of UWC rector Professor Jakes Gerwel.

Academics and trade unionists would teach the course.

The Western Cape college was launched on February 16 at a function attended by delegates from the Congress of South African Trade Unions, National Council of Trade Unions and independent unions.

A similar institution is set to be opened in Natal in May

Major gains for workers from 'destructive' unions

B/Day 26/3/91

(132)

Business Day Reporter

SA LOST more man-days due to industrial action over the last five years than during the previous 75 years, says industrial relations researcher Duncan Innes.

Writing in the Innes Labour Brief, he said this could be interpreted as evidence that unions had played a purely destructive role in SA's economic life.

However, if union actions had damaged the economy, they had also brought considerable financial benefits to black workers. Employment had fallen significantly over the last five years, while 1,4-million new workseekers entered the labour market.

Innes said many commentators had argued that "rising wages place too big a financial burden on companies, which are then forced to retrench".

He said, however, a situation of falling employment was hardly favourable for trade union activity.

Unions functioned best in an expanding economic environment as recessionary conditions generally weakened their bargaining positions.

The continuation and even intensification of conflict in management-union relations could only make an already bad situation worse.

Certain key phases detectable in the evolution of black unionism suggested 1990 could prove to be an important turning point — ushering in a more constructive era in employer-union relations.

Innes said perhaps the most significant indication of this shift emerged out of the struggle waged around the Labour Relations Amendment Act (LRAA).

The unions' dual strategy of rendering aspects of the Act unworkable while simultaneously opening discussions with employers around their grievances eventually produced the agreement now serving as the basis for the forthcoming legislative changes.

The most significant aspect about government's decision to enact new legislation based on this agreement was that it represented "the first real example of a tripartite approach to labour legislation involving all racial groups on a representative basis".

If future political legislation could be based on a similar model of tripartite agreements "we may even be able to express a degree of optimism for the future of our country", Innes said.

SA 'will need more than cheap labour'

B/Day 26/3/91

SOMERSET WEST — SA could not hope to enter the highly competitive world market on the strength of cheap labour alone, an internationally renowned economist said yesterday.

Prof Alice Amsden of the New School of Social Research opened a high-level discussion on pressure groups and policy at the Wits University Economic Initiative on Policy and Development in Sub-Saharan Africa

She and Prof Deepak Lal of University College, London, used the examples of Taiwan, Korea and Japan extensively to illustrate trends in late industrialisation

Amsden said there was no single factor which could be identified as the determinant for more rapid growth in certain countries than in others.

Late industrialisation, however, was an exclusive process of growth through borrowed technology and through learning.

Devaluation

"The real hero of late industrialisation is the production engineer," Amsden said. It was he who knew how borrowed technology worked and how to go about adapting and improving it, and how these aspects affected the real competitive component

Unlimited labour supply and concurrent constant downward pressure on wages was another property of late industrialisation

Japan, Korea and Taiwan were classic examples illustrating that low wages alone could not make them competitive and how, for instance, repeated devaluation of exchange rates were necessary.

What had made them better than other countries, though, was their manner of subsidy allocation which differed markedly from the "give-away" principles applied in India and SA

Subsidies in East Asia were generally given on the principal of reciprocity This demanded substantial performance in exchange, such as high standards of production, training of labour in exchange for low wages, re-investment of profits in production rather than the export of capital or re-investment in real estate, hotels or other non-productive havens.

The result was firm discipline on capital and labour.

Another discernible property of late industrialisation was that there was no distinction to be drawn between import substitution and export growth.

"These two are totally interlinked," Amsden said. "In Korea, a classic example, no foreign cars were seen for 25 years and no Korean cars were seen in foreign countries for 25 years.

"But ultimately you got the exports . ."

On the the question of whether SA could really compete in the world on the basis of market prices, she said: "The answer is: in some (products), but in most, not Too much has been spent on research and production development."

There was no doubt governments played a persuasive role in the East Asian champion economies, mostly controlling all the financial markets, interest rates and prices.

What characterised their success was the seriousness with which development was regarded — the resources committed to gather the necessary intelligence on which was the right industry and what were the optimal world production techniques to be employed in it.

"The world is a tremendously competitive place," she said SA could not think it was able to enter the world market on the strength of cheap labour alone.

It depended largely on the extent to which resources were directed at identifying profitable industry sectors and techniques which would allow a "leapfrog" to the world's technological frontier. — Sapa.

LABOUR

Workers' college for aspirant unionists

W/Mail 28/3-4/4/91

By DREW FORREST

A WORKERS' college — jointly controlled by the Congress of South African Trade Unions (Cosatu), the National Council of Trade Unions (Nactu) and non-aligned unions — has been launched in the Western Cape

At this stage a pilot project for 20 students nominated by the participating unions, the college aims to strengthen the labour movement by offering courses in labour law and collective bargaining, political economy and the international labour movement, the theory of trade unionism and organisational management.

A similar project is close to being launched in Natal.

The board of trustees comprises seven representatives from Cosatu and its affiliates, two from Nactu unions and two from independent unions, but Cosatu's South African Clothing and Textile Union (Sactwu) is known to have played a spearhead role by initiating a feasibility study in August last year.

The feasibility committee included representatives of the University of the Western Cape, and the trustees are negotiating with UWC for the college to be based at the university

For the pilot course, to run from August to November, student bursaries would be raised locally, said Sactwu's Western Cape secretary, Lionel October.

Potential funders had been approached and Sactwu had also provided a small loan.

In the long-term, it was intended that the unions would cover students and that college would be self-sufficient.

Describing the establishment of the college as a "historic development", a statement said it had implications for the "building of a united working class and strong working-class leadership" at a time of political and economic transformation in South Africa.

Grave restraint plea

AN APPEAL for organised labour to show restraint in wage demands was made shortly before his death by chairman of the SA Board for Personnel Practice Garry Whyte.

Mr Whyte, who died this month, said in his annual review presented this week: "We acknowledge that a redistribution of wealth was necessary in our society — and also that this process is by no means complete. But we are witnessing a continued and unrelenting pressure on wages and employee benefits, with nothing substantive offered in return. S/Times 31/3/91

"Our workforce productivity is declining in absolute terms. If we view it relative to wage increases, the state of deterioration can only be described as horrific," said Mr Whyte. (132)

In developed countries labour and management saw themselves as partners in an enterprise.

"This is a learning curve our trade union movement still has to go through."

He said labour and management would have to get together to build a new economic order and to formulate strategies for raising the general quality of life of the workforce.

Mr Whyte criticised the move for ownership of capital to be left in fewer hands. He called it "economic inbreeding".

Union membership triples in decade

B/Day 3/4/91 (132)

VERA VON LIERES

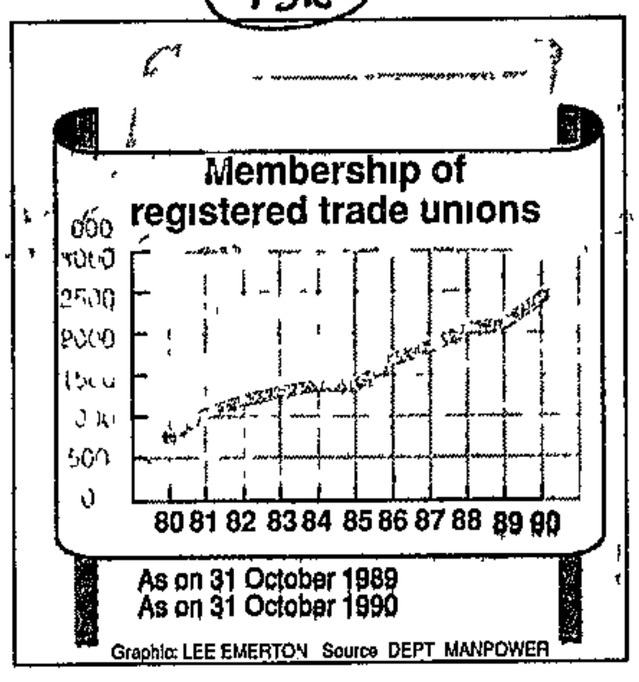
MEMBERSHIP of registered trade unions increased from 808 000 in 1980 to 2,46-million in 1990, the National Manpower Commission said in its 1990 annual report.

The commission said the trend could be linked to factors such as the heightened awareness of political and worker rights, the Wiehahn reforms concerning labour policy, and the registration of trade unions previously unregistered

Membership figures for registered unions rose sharply last year — from 2,13-million in 1989 to 2,46-million in 1990 — representing an increase of 15,4%

The increase was significant against the

☐ To Page 2



Unions

B/Day 3/4/91 (132)

☐ From Page 1

background of increasing unemployment in SA and could probably be attributed to the fact that workers regarded unions as a protection mechanism against economic recession — particularly dismissals and retrenchments.

The report also said the strong racial division that had always characterised trade unions in SA had declined considerably in the past decade

In 1990 more than 73% of all trade union members belonged to unions that made no racial distinction in their constitutions — a sign that racial discrimination in the total labour market was far less important than ten years ago

The importance of the small business sector for economic growth and particularly employment creation could not be over-emphasised This sector was regarded as an important instrument for addressing the problem of poverty in SA

Strike activities for the period November 1989 to October 1990 showed an increase compared with the same period from 1988 to 1989 The number of man-days lost increased from 1,2-million to 3-million and the number of strikes increased from 855 in 1898 to 948 in 1990

Wages and wage-related problems led to almost half (49%) of all strikes This was, however, a narrow interpretation of the reasons for strikes and this could not be separated from economic and political developments, the report said

The year was marked by a record number of man-days lost because of strike action and especially characterised by a drastic increase in industrial conflict in the public sector — which particularly affected hospitals and schools

The small business sector was also seriously affected Other hard hit sectors were the steel and engineering industries, printing, clothing and textiles

Unions continue to grow stronger

132

Sowetan 3/4/91

A QUARTER of South Africa's work force belonged to a trade union and last year took part in 946 strikes, the Department of Manpower said in it's 1990 annual report tabled in Parliament.

The number of registered trade unions had remained constant in recent years and totalled 209 at the end of 1990

The report said the upward trend in trade union membership continued during 1990. The growth rate for 1990 was 4,8 percent, compared with 11 percent for 1989

On October 31 last year, 2 458 712 employees belonged to registered trade unions, and an estimated 352 000 employees were in the 41 unregistered trade unions the Department was aware of.

"There are 2 810 712 trade union members, constituting about 25,7 percent of the total economically active population "

The report said 13 trade unions applied for registration last year. Some of the applications were still pending, and none had been refused

The registration of 12 trade unions was cancelled because they had ceased to function owing to a lack of interest by members or because they had amalgamated with other unions.

Strikes

A total of 948 strikes took place in the 12 months ending October 31 last year, the report said, resulting in a loss of almost 2,97 million man-days

"This is the highest incidence of strikes since 1987 "

Nearly 351 000 workers were involved in the strikes, compared with 178 000 the previous year

In 80 cases more than 1 000 workers took part in strikes The average duration of a strike was 8,5 days.

The Department said 321 strikes lasted for one day or less, while 214 lasted for longer than 14 days The biggest loss in man days - 53 percent - occured in the manufacturing industry

Grievances over wages and related matters caused nearly half of the strikes

Two new employers' organisations were registered last year, while the registration of 17 employers organisations was cancelled because of a lack of interest on the part of members of because they merged with other employers organisations

At the end of 1990 there were 237 registered employers organisations.

At the end of 1990 there were 20 registered federations, 10 for employers and 10 for trade unions - *Sowetan Correspondent*

Star 9/4/91

On slicing up the pie

By JO-ANNE COLLINGE

THE FREQUENCY — and intensity — of strike action and the substantial gains made by trade unions in the last two decades tell us that South Africa has an organised and militant urban working class.

Is it also a working class that sees economic issues in terms of leftist or Marxist constructs?

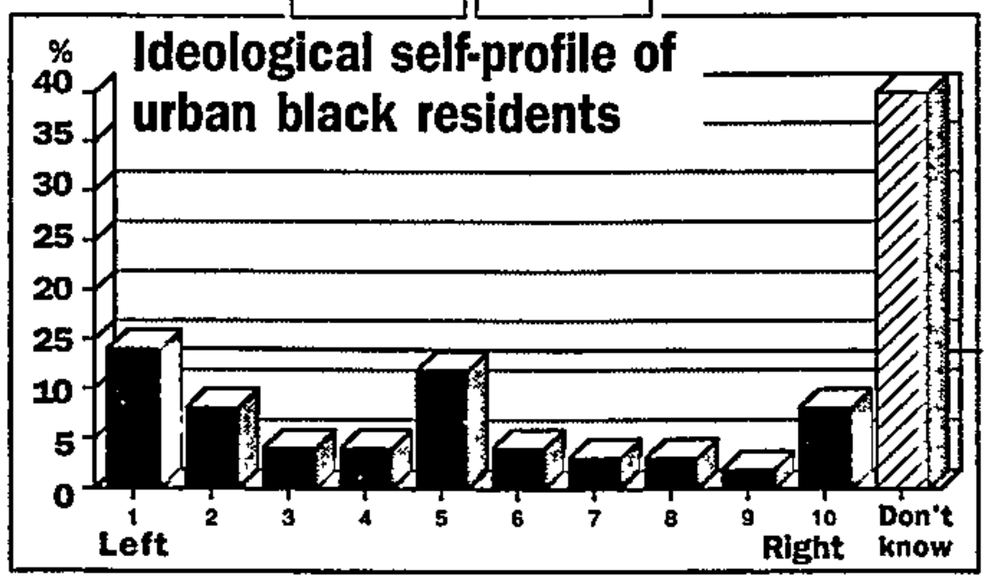
Markinor's survey offers some tentative insights on the question. It must, however, be borne in mind that the subsample on which these are based is small — 600 black residents of Durban, the PWV area and the coastal Cape cities — and that it contains a small proportion who are not workers. Although there is no "working class" sample as such, information about the "black urban" sample suggests that it is composed overwhelmingly of workers or members of their families

For instance, 30 percent of the sample were unemployed, 15 percent were students and 5 percent housewives. But three out of four respondents who had jobs declared that they were artisans or skilled, semi-skilled and unskilled workers.

Household incomes confirmed this. The average household income for this sample was R850, dropping to R616 in the Cape. And fully 35 percent of households — with an average size of 5,6 members — had an income of less than R700

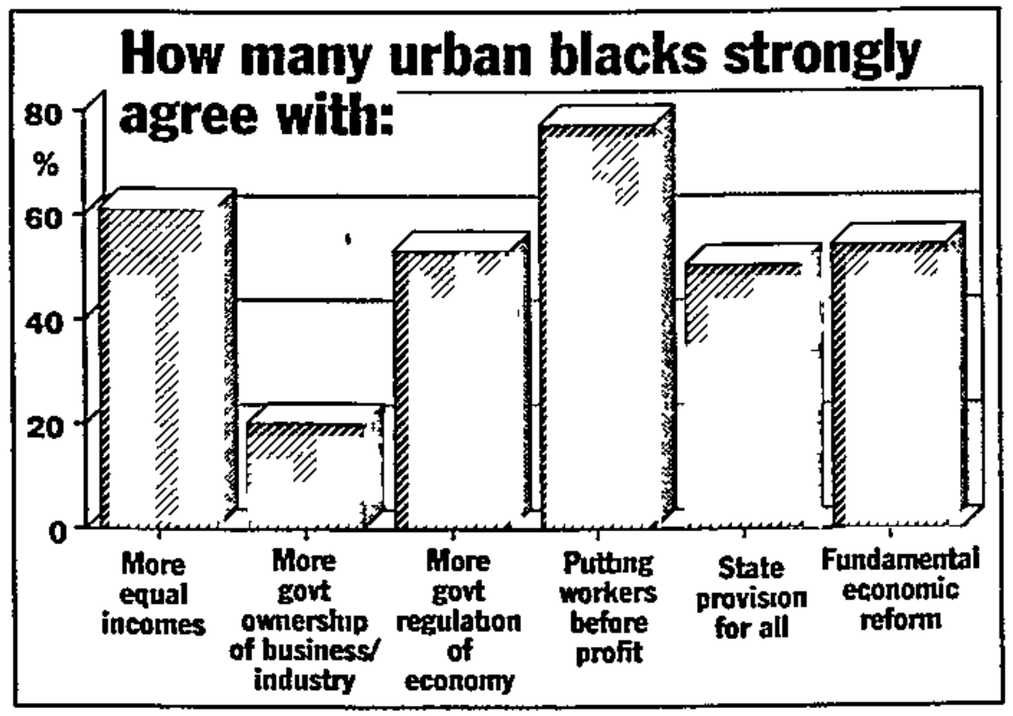
Furthermore, only 16,4 percent had completed school, while 43 percent had some high school education and 42 percent had varying degrees of primary school education or no formal schooling

SA social value study



The World Social Value Study, initiated by the Institute for Social Research at the University of Michigan, spans some 42 countries The South African component used a locally adapted questionnaire. The sample comprised 1 236 whites (rural and urban), 200 coloured residents of Cape Town, 200 Asian residents of Durban and 600 black people in major urban centres. The black, coloured and Asian sample was stratified by city and township.

● More details contact Marketing and Media Research.



Asked to place themselves on a Left-Right ideological continuum, 40 percent of respondents came up with a "don't know" answer Those with little formal education women and old people were particularly reluctant to commit themselves on this question

Among those who did answer, there was a strong preference for the Left. On a 10-point scale, fully 22 percent of the black urban sample placed themselves on the far Left and 42 percent claimed they were somewhere to the Left of centre Only 20 percent claimed to be Right of centre.

Does this mean the majority of workers in South Africa's cities want to see the means of production placed under their control, that they believe that only owners of capital fatten on the efforts of workers and that the State should carry the burden of economic planning and management?

No, says the survey

According to the poll, South African workers certainly want fundamental reform of the economy and a greater share of the pie. They believe the State should play a more assertive role in directing the economy But they do not look to nationalisation of industry nor to worker self-management of factories.

These are some findings

Workers, as represented by the urban black sample, were far more likely to explain poverty in terms of injustice than the more affluent white group Fully 64 percent of the urban black sample blamed poverty on social injustice and only 14 percent felt it was due to the laziness and lack of will of the individual.

Among whites, there was a strong tendency to blame the individual for lack of effort (43 percent of respondents) and only 30 percent felt injustice played a major role.

Despite the prevalence of the notion of injustice, only 10 percent of black urban residents associated themselves strongly with the statement that 'people can only accumulate wealth at the expense of others"

A substantially greater 61 percent agreed strongly with the proposition that "wealth can grow so that there is more for everybody"

It is unlikely, by expressing this view, that respondents were looking to the "hidden hand" of the free market to ensure that all get a better deal from a growing economy Fully 53 percent felt strongly that government regulation of the economy should increase.

In addition, 61 percent expressed strong agreement with the notion that salaries should be made more equal Only 16 percent felt strongly that increased incentives were a better idea than more-equal pay

But relatively few envisaged State ownership of trade and manufacturing. Only one in five respondents agreed strongly that the Government should increase its share of trade and industry Twice as many felt strongly that private ownership of commerce and manufacturing should be increased

Considering jointly the questions of ownership and management, only 10 percent chose the arrangement where the State owned enterprises and appointed managers. Minimal support (8 percent) was forthcoming for the notion that workers themselves should own businesses/factories and choose their own management.

By far the most popular notion was that "owners and employees' should take part in selecting management — the idea was approved by 49 percent of respondents. In addition, 30 percent were prepared to leave the running of the show, including choice of managers to the owners

Despite its nominally leftist character, this sample showed almost equal levels in confidence in the trade union movement and big business The rating of a 'great deal of confidence" was accorded the trade unions by 42 percent of the sample, while 40 percent gave the same rating to major companies.

"Quite a lot" of confidence was granted the trade unions by 34 percent of respondents and major companies won similar support from 35 percent

The existing social security system enjoys a much lesser degree of confidence in the townships This must be seen in a context where 50 percent are emphatic — and not just mildly in agreement — that the State should take the initiative to provide for all.

The survey suggests that urban workers have a keen appreciation that economic growth is vital to their well-being and is a key national goal. □

Unions ponder life without the liberation struggle

B/Day 8/4/91 **GAVIN BROWN** (132)

AFTER a decade of prominence as the most effective internal standard-bearer of the liberation struggle, the SA labour movement is now squaring up to the real prospect of becoming no more than an influential group — representing in turn no more than a privileged and, currently shrinking, elite of South Africans fortunate enough to have jobs.

It is against this background that Cosatu's release last week of its comprehensive document dealing with constitutional matters should be seen

Labour's long alliance with overt political groups during the '80s under the banner of the "mass democratic movement" has proved increasingly anachronistic as a host of differences have emerged over matters of style and substance in the wake of President F W de Klerk's February 1990 reforms

These new realities have spawned intense debate within the labour movement, centred on the best method of projecting its interest in the future political economy and, in particular, on determining a strategy to escape the fate which conventional wisdom ascribes to unions in Africa after political liberation.

The release of the constitutional document and its promise of supportive mass action later in the year signals that some measure of cohesion has now been reached within Cosatu on a strategy to counter the serious political threats it is facing.

This cohesion also represents something of a victory for the SA Clothing and Textile Workers' Union, which has been the moving force for the establishment of a Worker's Charter to be woven into either a future Bill of Rights or at least to become a pillar of labour legislation.

Its supporters hold the political independence of the movement sacrosanct and argue that backing for any political group in the years ahead should be determined solely by labour's self-interest on an issue-by-issue basis

It is also this group which opposes union leaders simultaneously holding office in political parties — the

Such conflicts would not have warranted much attention in the days when the prime objective was to defeat apartheid. Now it signals a deeper recognition that the interests of labour will not necessarily coincide with those of the first post-apartheid government

Another school of thought within the federation, equally fearful of political subjugation, but tactically worlds apart, holds that unions could be left behind by developments if they do not actively re-enter the political arena, directly or by proxy.

It suggests, among other things, a possible takeover of the ideologically vulnerable and organisationally weak SA Communist Party in order to establish at the very least, a strong, politically legitimate "king-making" presence, similar to the role played by many labour and socialist parties in Western Europe. At best, the supporters of this view argue that labour's entry into the overtly political arena holds for its proponents the nirvana of proletarian supremacy.

In both schools of thought nonetheless, respective leaders share a discomfort with many aspects of the political policy and style being displayed, particularly by the ANC, over the last 15 months The louder grumbling about personality cults and autocractic styles of leadership which are evident to labour observ-

of consultation and mandating from the membership, many aspects of the conduct of newly legitimised political leaders have stopped just raising eyebrows and now provoke increasingly open criticism The latest example of this has been the placing of newspaper advertisements condemning the calling of consumer boycotts by local ANC officials without them first having consulted other community organisations

Aside from the political maelstrom, the labour movement also faces threats from other quarters

The level of union membership reached saturation point a year or two back and, in a recessionary climate, membership is probably now in decline, especially in the major Cosatu unions dominating the mining, metal and textile industries

The only remaining potential for membership growth lies in those enterprises within the public and quasi-public sector which have been undergoing effective organisation only for the last 18 months or so

Cosatu's enthusiasm for bringing agricultural workers under the ambit of the Labour Relations Act would be surprising given the many organising difficulties involved. However, no other major political

graphical power base in preparation for a forthcoming political head-counting exercise

But the most pressing concerns for most union members in 1991 centre on the rate at which jobs are being lost

Often of even more urgent concern is the endemic violence having to be faced daily in many black townships, and it is also proving a distraction for union organisation.

Many employers on the Reef believe the seven-month wave of violence has been the single most important factor reducing levels of shopfloor militancy in this period.

With the wage negotiating "season" now in full swing, levels of strike action for the first quarter of the year were the lowest for the same period over the last three years Although a number of important benchmark wage negotiations have yet to be concluded, there are still no indications of the levels of strike propensity which gripped the economy in the same period last year.

Clearly, some other realities have set in

Throughout the last decade and particularly in 1985/6, slackening economic activity continually failed to have any significant effect on levels of union wage militancy In part this may have been a result of the unions still being engaged in a more

major adverse effects on company results or levels of employment

Those were the good old days In 1991, recessionary economic conditions are finally having their classic impact on union power Wage levels have reached a point in many companies where increases ahead of inflation can no longer be commercially sustained. The scale of retrenchments in the last nine months is also beyond the experience of most black unionists

The current rate of job losses is not simply a result of minor adjustments in manning levels. Entire plant closures and visible management retrenchments are just some of the painful items of evidence showing that this time around the recession is serious, and colour blind

The collective impact of these realities is unavoidable. In a charged political environment, job losses are not the weapon for mass mobilisation they were in the '80s — not a reason to stiffen resistance against the regime/system, or to attack employers more resolutely

It appears from the conduct of unionists in the current wage round that the scale of retrenchments is being rightly perceived as a serious national disaster, quite distinguishable from the right to protest or belong to political organisations If no man is an island then similarly neither is his job

Against this background, what role is there for the labour movement? The constitutional campaign launched last week could provide just the right banner under which to marshall a membership weary of all the other onslaughts It defines no clear enemy and cannot be seen as divisive It embodies sound democratic values which are difficult for other groups (even employers) to oppose

Whatever the case, the coming season of union and political congresses (May-July) is sure to be a lively period during which lines will be drawn between erstwhile allies It is also sure to be a period in which organised labour will have to assert its political and economic power in

New deal sought after historic labour laws passed

Hope for farmworkers

Mail 12/4/91

CITY NATIONAL

By SHARON SOROUR
Labour Reporter

132

TRADE union leaders — celebrating the promulgation of the Labour Relations Amendment Act — will now push for labour legislation to be extended to South Africa's 1,3-million farmworkers

Farmworkers, employed on the country's 65 000 farms, are covered only by the Machinery and Occupational Safety Act and the Workmen's Compensation Act and are regarded as being among the most exploited members of the labour force

Legislation to extend the Basic Conditions of Employment Act (BCEA) and the Unemployment Insurance Act (UIA) to agriculture is in the pipeline

Minister of Manpower Mr Eli Louw has indicated that it is likely that the proposed legislation will be dealt with during this year's parliamentary session

Hailed as victory

This follows the promulgation of the Labour Relations Amendment Act of 1991, which was made law by President De Klerk on Wednesday and comes into operation on May 1

The Act contains wide-reaching features and has been hailed as a victory for employers and employees after more than two years of intense negotiations between employer body Saccola, the government and the two union federations, Cosatu and Nactu.

In December the government called for comment on proposals by the National Manpower Commission (NMC) to extend certain legislation to farmworkers, paving the way for significant improvements to their working conditions

The proposals are based on the work of a special technical sub-committee, which included delegates from Cosatu, the South African Agricultural Union (SAAU), the Rural Foundation, the Labour Party, the NMC and two lawyers

According to the labour journal I R Data, it seems that the NMC does not intend extending the legislation to agriculture on a "blanket basis", but to restrict jurisdiction to "agri-business" — the sector where processes are more tertiary like processing, refining or packaging

The logic is that this type of farming operation could be defined as a "factory without a roof"

However, workers in corporate agricultural concerns like forestry and fruit packing have been unionised for some time now with agreements being negotiated to a certain extent

Even though these workers are not covered by the Labour Relations Act and therefore do not have the right to strike legally, there have been strikes in these sectors

"And these have not been dealt with any differently from a strike in industry," I R Data reports

If the Basic Conditions of Employment Act is extended to agricultural labour, there will be important, far-reaching implications for Western Cape and other farmers — even those who have complied with the Labour Relations Act to a certain degree

According to I R Data this is because the Act is, in essence, protective legislation governing matters including hours of work, leave and basic minimum wages

"Hours of work are traditionally difficult to regulate in agriculture because of the seasonal problems such as planting and reaping and the ability to combine these with the right weather

"Livestock, too, cannot be subject to controlled hours due to the unpredictability of illness, lambing, calving and the necessity to move water at short notice," I R Data says

Key recommendations

Some of the key NMC recommendations on the Basic Conditions of Employment Act include·

- Maximum ordinary working hours for farmworkers of 48 hours a week and 9,5 hours a day
- To accommodate the seasonal nature of agriculture, farmers and farmworkers should be able to agree on four hours a week in addition to normal hours for up to three months annually without workers getting overtime pay
- Payments in kind, use of land larger than a certain size, consumer goods, food and accommodation should be included in the calculation of wages A list should be published stating the value of various types of goods and employers should not be allowed to make deductions from workers' wage packages without consent
- Workers doing piece work should be paid a minimum wage equivalent to that of permanent workers doing similar work
- The NMC could not reach consensus on the employment of child labour· in terms of the Basic Conditions of Employment Act, other than on a farm, it is illegal to employ a child under 15 The majority of committee members recommended that farmers be allowed to employ children between 12 and 15 to do light work with provisos, including no work in school hours and registration of child labour with the Department of Manpower

Union fears of 7 million jobless

By Shareen Singh

(132) Star 24/4/91.

May Day this year would not only be a celebration of past victories but would also focus on new challenges facing the labour movement — including up to seven million jobless, Cosatu told a press briefing yesterday

The 38 rallies organised jointly by the South African Communist Party and Cosatu would popularise core economic and political demands that were being debated in the federation, and demands that would be negotiated with the SA Co-ordinating Council on Labour Affairs (Saccola) and the Government

The demand for an interim government and entrenchment of workers' rights in a new constitution would be highlighted

Unions would continue their struggle to upgrade wages but would also fight to defend jobs, which May Day symbolised, Anthony Ruiters of Cosatu's Living Wage Committee pointed out

He said Cosatu estimated that 200 000 miners would lose their jobs this year, as would 35 000 metal workers.

Cosatu held the view that retrenchments were the result of a number of developments, including worldwide recession and an attempt by the State and employers to maintain control of the economy in a post-apartheid SA.

The federation is calling for a moratorium on retrenchments, arguing that by the time Cosatu negotiates with the State and employers on retrenchments, the number of unemployed could exceed 7 million, which would make it impossible to have any real economic growth

The federation said at least 150 000 jobs could be created immediately by proceeding with the electrification of black townships

About 200 000 jobs could be created by starting a mini-boom in the housing industry

Proposals in this regard that would alleviate the problem of job losses in the short term would be discussed when Cosatu met Saccola in June

Longer and medium-term issues dealing with ways of expanding South Africa's manufacturing base, the creation of a retrenchment fund with contributions from big business and the State, and a demand for a living UIF and pension would also be raised in this forum

Great victory for the workers

Sowetan 30/4/91

132

FOR the first time tomorrow, South Africa will be officially joining millions of workers throughout the world in celebrating May Day.

Workers will come together to pledge unity with their counterparts worldwide in rallies which are also referred to as Labour Day celebrations.

The breakthrough follows several years of concerted efforts by South Africa's labour movements to have May 1 declared the International Labour Day The Government finally acceded to the demands when it announced that May Day would from this year fall on May 1.

Mr Neil Coleman, Press officer of the Congress of South African Trade Unions, said although the Government had acknowledged the Workers' Day, it did not want to accede to the demands that it be on May 1 of every year.

Celebrated

"Last year the Government changed Workers' Day to May 1 without really announcing its intentions to do so.

"So I would think that technically this will be the first time that May Day is celebrated officially in South Africa," Coleman said

Mr Johan Muller, liaison officer of the Department of Manpower, acknowledged that South Africans would be officially celebrating May Day for the first time this year.

"What happened is that the Government announced after May 1 1990 that as from this year the Workers Day will be celebrated on May 1 of each year onwards," said Muller

So what is May Day?

"May Day is the day which the majority of people in our land, the working people, can truly call

Focus

By IKE MOTSAPI

their own." So says Mr Jay Naidoo, secretary-general of Cosatu.

An official of the National Council of Trade Unions said May Day was regarded as a symbol of worker solidarity.

It is a day on which workers all over the world examine their problems and commit themselves to the struggle to build their organisations and to fight for workers' rights

Millions of workers all over the world find that they share the same problems

Struggle

Workers have begun to see that they share a common struggle with their counterparts in other countries.

In socialist countries such as the Soviet Union, Cuba and China, workers have won greater power and control over their lives.

This has not been the case in South Africa although May Day was celebrated by white workers for the first time in 1904

The reasons for this are obvious.

Black workers only started organising themselves in the early 1920s The South African Communist Party, together with some unions that organised both black and white workers, started to hold regular meetings on May Day

They organised big multiracial meetings on the Parade in Cape Town and Marshall Square in Johannesburg.

The black trade union movement grew stronger in 1945

By the 1970s the black trade unions had lots of muscle.

After Cosatu was born on May 1 1986, it, together with Nactu, pressurised the Government into accepting May 1 of every year as a paid workers' holiday.

"May 1 1991 sees the labour movement celebrating its victories and planning for the many challenges that lie ahead," says Naidoo.

"Our celebrations this year are located in the context of our struggle to transform apartheid South Africa into a non-racial, democratic and non-sexist society based on respect for fundamental human rights.

Changes

"It is indeed the resistance of working people in South Africa and the international campaign to isolate apartheid that has pressurised the De Klerk Government into making changes announced on February 2 1990.

"However, workers and the vast majority of oppressed people look around in astonishment at claims of fundamental changes supposed to be taking place.

"Do we have the vote? Are all political prisoners released? Are all exiles back home? Have not thousands been murdered in recent months while the police, courts and the Government have protected the perpetrators of this violence and not the victims?" he asked.

Naidoo said what was being

JAY NAIDOO

said about the so-called new South Africa was not what the oppressed expected

He said· "All we see are powerful interests in Government committed to dictating the agenda of change in order to preserve the status quo

"Negotiations over political, economic and social issues will have to recognise that any attempt to marginalise the unions and the democratic movements will have disastrous consequences for all.

"To this end, Cosatu insists that full trade union rights must be extended to all workers, in particular the public sector, farmworkers and domestic workers.

"We in the trade union movements will be using this May Day to spread the message of peace among our people.

"We know that powerful forces in the apartheid system are orchestrating this violence We are calling on our people to avoid being pushed by provocateurs into attacking other members of the oppressed community.

"We have all suffered under apartheid and it is by overcoming the divisions created by that system which will ultimately lead to its downfall "

Political comment in this issue by Aggrey Klaaste and Deon du Plessis Newsbills by Sydney Matlhaku Sub-editing and headlines by Ivan Fynn
All of 61 Commando Road, Industria West, Johannesburg

* Write to the Editor at PO Box 6663, Johannesburg 2000 Nom-de-Plumes can be used, but full names and addresses should be supplied or the letter will not be published.

International unionists scandalised by SA mines

132

W/Mail 3/5-9/5/91.

A delegation of international trade unionists visited South Africa last week as guests of the National Union of Mineworkers They were shocked by the conditions they encountered, reports **JENNIFER POGRUND**

"I HAVEN'T seen that much barbed wire since I served in Vietnam," was the parting salvo of Joe Corcoran, executive assistant to the president of the United Mine Workers of America (UMWA)

Corcoran's incredulous reaction to hostel conditions on South Africa's mines followed tours of a local colliery and a gold mine last week.

It was shared by the entire delegation of high-ranking international trade unionists who visited South Africa for the first time as guests at the National Union of Mineworkers' recent national congress

In the delegation were unionists from Sweden and Britain as well as the United States, to whom the compound system was anathema. "There is nothing comparable in the States," one said. "We've never had hostels — we have this company town system, where people live with their families "

Corcoran, a former miner himself and veteran of bitter industrial disputes in the United States, suggested that the barbed wire which festooned the Blyvooruitzicht gold mine hostel was "perhaps in preparation for a strike, to create formidable barriers and to lock people both in and out".

Said Frank Cave of the British NUM "I asked the mine managers what the fencing was for, and the guards at the gate, and they told us it was to protect the property of the workers living in the hostels When I asked why it was that they didn't put barbed wire around the white workers' houses and property, there was a deep silence."

His colleague, David Guy, who thought "the situation scandalous", felt that "conditions at the hostel are like a prison — we saw four and five people housed in a single room, and heard stories of 12 people sharing a room in other hostels."

Both Corcoran and Guy said worker morale seemed low, attributing this to low wages, bad housing conditions and the separation of migrants from their families

"If industrial relations and production levels on the mines are to improve, you've got to treat people in a proper manner It's very difficult to build trust between workers and management in these conditions," said Guy

The unionists drew a distinction between the collieries — which they said were on a par with mines abroad both technically and in terms of underground conditions — and the gold mines But safety procedures were branded inadequate in both

MIF president Anders Stendalen ... gold mine conditions 'very difficult'
Photo: AFRAPIX

Said Kenneth Zinn, UMWA's special projects co-ordinator "There was no use of eye guards, which is standard practice in American coal mines Steel-toe boots are also standard fare in the US — the mineworkers we saw had rubber gumboots "

Zinn was especially struck by underground conditions at Blyvooruitzicht "Safety conditions and protection were minimal, it was extremely hot and humid, and there was no drinking water at the face Given the heat, I would think drinking water would be critical, and easy to provide "

For Anders Stendalen, president of the Brussels-based Miners International Federation, working conditions on the gold mines were "very difficult", because of their depth and the heat.

They expressed concern at the high accident and fatality rates on South African mines, and the lack of worker representation and participation in decision-making, which they saw as a contributing factor.

Said Zinn: "It's going to take a lot of pressure, and extraordinary action to get rid of the present system " Added Corcoran: "A lot of the fights that the NUM is involved in are fights that we fought 50 years ago."

The delegates were unanimous in their condemnation of wages, particularly for the black workforce "Miners in this country, on average, make in a month what we make in approximately four days," said Zinn, "and the racial divide, in terms of job category and wages is really a gigantic issue. There is no reason why miners cannot be paid decent wages — this is an industrialised country, unlike most of Africa "

Low mine wages in South Africa had profound implications for their own members, the unionists said "We don't mind competing with an Australian or German coal industry that pays its miners a decent wage But we will not stand for competing with a South African or a Colombian coal industry that pays its miners' slave wages.

"From self-interest we have to assist the miners' unions in countries like South Africa to raise their standard of living to our level. That means eliminating apartheid first."

On the retrenchments sweeping the gold mines, the unionists saw education and retraining at company expense as central

The UK unionists believe the answer to job cuts is political: "De Klerk should be moving much quicker," Guy said "Then sanctions would be removed, which would help to regenerate the economy."

Corcoran and Zinn have been key sanctions campaigners in the United States and they and the British unionists are adamant that sanctions should remain in place until the NUM signals otherwise

"There's nothing that I saw in my visit here that would make me change my mind about the lifting of sanctions," Zinn said. "They must remain until change comes."

For the British — accustomed to state ownership of coal mining since 1946 — nationalisation of the South African mines is the key to improved working conditions and worker control.

"Minerals are owned by everyone. The profits accrued from mining must be used for the benefit of the whole country, and not go into private pockets."

BUSINESS

(132)

How many holidays do we need?

WMail 3/5 – 9/5/91

Pressure is mounting in parts of the world for a revision of public holiday systems Opponents claim these have become more of a nuisance than a benefit, reports **NICHOLAS COLE**

ALL the world loves a public holiday, but at least two nations embrace them so enthusiastically that calls are growing for the number to be reduced In Australia politicians and employers say these holidays hit productivity and are adding to the bad effects of recession.

Demands for reduction in public holidays are also being heard in Britain, which has about the same number as Australia, including the unique bank holidays. These were statutorily instituted 120 years ago after the Bank of England led a general move towards brighter working lives

Debate in Britain is less sharply-focused but nonetheless vociferous The bank holiday system "has ceased to be a necessity and become a nuisance", columnist Paul Johnson wrote recently

He reckons "most British workers would prefer to do without statutory holidays — except at Christmas and New Year — and instead have the days credited to their regular holidays "

As people like a "spread" of leisure time, this is highly arguable But if it is what Brits want — and Johnson suggests a voters' referendum to decide the issue — then it would contradict the global trend to more rather than fewer holidays

Nowhere is this trend more evident today than in the post-perestroika Soviet Union, where citizens of several republics, including Russia itself, are demanding Easter be re-introduced to the basic list of seven public holidays a year

Although the United States is more work-minded, it is not averse to supplementing its network of federal legal public holidays, which now extends to 11 days annually and incorporates Martin Luther King Day

Other important holidays, which individual states have the right to ignore, are Independence Day and Thanksgiving (fourth Thursday in November), when the Pilgrim Fathers' first harvest is recalled in family gatherings and turkey dinners It is cherished as the least commercialised public holiday

Contrary to standard practice in most other Christian countries, neither December 26 nor Easter Monday count as official days off

China is likewise frugal with its public holidays There are just four, including May Day and National Day, marking the proclamation of the Communist People's Republic

By contrast, Japan, with 14 public holidays a year, appears almost profligate in the matter of time off granted for political, religious or social reasons — until one remembers that people take only two weeks' annual summer holiday, one-third to a half below the average in other industrialised countries

Major public holidays celebrate everything from the coming of spring and Constitution Memorial Day to Children's Day and the Emperor's birthday While May 1 is not an official holiday, many firms close for the day

In Middle East countries the most significant holiday is the four-day one that customarily follows Ramadan, the month of fasting by day The same applies in parts of North Africa, but most countries within the continent copy Western holiday patterns.

India observes 12 public holidays a year, mainly comprising Buddhist, Hindu, Muslim and Sikh festivals.

Having a secular outlook, Indian people also happily down tools over Christmas and Easter, and they never neglect Independence Day, or Gandhi's anniversary or Republic Day

In the European Community, Portugal enjoys the highest number of public holidays — 14 — yet its business and professional people count among the most conscientious anywhere Many are still in their offices at midnight.

Joint second with 13 public holidays each are Spain and Germany Then come Greece (12) and Denmark (11), singularly including two "afternoon" holidays annually, and hard-working France (also 11)

Belgium awards itself 10 public holidays annually, Italy nine days Holland, another nation of near-workaholics, is content with seven public holidays

The Dutch would probably resist pressure to raise the total as vigorously as more diligent Australians are trying to reduce theirs — Ge-

Provocative anaylsis of anti-apartheid failures

B Day 6/5/91 (132)

BEYOND APARTHEID — LABOUR AND LIBERATION IN SA, by Robert Fine and Dennis Davis (Ravan Press, R39,95)

SUBJECT to close scrutiny, the cracks in the Tripartite Alliance are becoming more apparent each day.

The SA Communist Party — newly converted to what it gingerly labels "multipartyism" — speaks negotiation but its more hot-headed comrades pine for insurrection, the ANC buckles under the centrifugal strains common to alliances, while Cosatu confidently claims for itself the status of a labour aristocracy independent of the new generation of bureaucratic pilferers that will ride in on the back of a future government

Seen in this context, Robert Fine and Dennis Davis have produced a book that illustrates the historical sense of the developments that are reshaping and rationalising the anti-apartheid movement as a whole.

The book deals with politics and labour in the tumultuous formative years that began with the emergence of a modern manufacturing sector and the parallel emergence of black urbanised labour as a social force from 1939, and ended with the triumph of apartheid and defeat of the liberation movement in the '60s

The preferred forms of opposition — and the authors stress the arbitrariness of these forms — were anti-reformist, elitist and infused with a blind faith in the efficacy of boycott politics.

Instead of capitalising on the widespread discontent of African workers in the factories and on the farms after 1948, opposition tended to dissipate itself in romantic and ineffectual strategies that climaxed in the ill-fated turn to armed struggle in 1960.

The authors' central thesis is that the seeds of real liberation lay not in a romantic assault on the state, but in the concrete gains won by the working class in a context of economic growth and social modernisation.

The turn to armed struggle, in particular, demonstrated the degree to which the anti-apartheid movement had travelled down the path of political bankruptcy. "The turn to armed struggle was rooted in a romantic equation of violence and revolution and uprooted from the forms and methods of working class action," they write.

The radicals of the '60s — "rooted in the traditions of liberal nationalism and opportunistic Marxism" — flatly rejected the general strike, economic strikes, legal organisation and reform in favour of armed struggle.

Partly as a result of National Party intransigence to its demands, the left rejected reformism as "ideological subterfuge"

"There is no more common theme on the left than that reform is a 'sham' in the context of apartheid.. for the neo-Marxist left the impossibility of winning genuine democratic reforms has provided the fundamental premise of its strategic thinking and the foundation of its strategic choices. Herein lie the origins of a political culture which (makes) fetishes (of) non-collaboration and boycott," they write.

As opposed to the wildly extravagant left-wing critiques, this book offers an in-depth and consistent analysis of the failure of the anti-apartheid movement to capitalise on moments of upheaval and uncertainty

The authors argue that it was only in the early 1970s with the emergence of a labour strife that the historical reality again dawned that "there was no short cut and no back entrance to liberation".

The dramatic increases in strike activity over the past two decades illustrate the emergence of labour as a powerful force for change That Cosatu is now demanding what amounts to a liberally minded society with a free Press and constitutional guarantees of labour independence, demonstrates the maturity of working class organisation and the hope it provides for a democratic society based on hard-won and real liberties.

The book punctures much of the mythological hot air balloon of the SA left and its self-serving strategies It challenges much of the extant historiography on the SA struggle and is therefore invaluable and provocative.

PATRICK BULGER

Cosatu pushes for 'minute' between NMC and Louw

By DREW FORREST 132

IN A move to give National Manpower Commission recommendations on labour law more teeth, the Congress of South African Trade Unions is to push for a "minute" between the NMC and Manpower Minister Eli Louw.

Cosatu's Geoff Schreiner said Cosatu envisaged a three-phase restructuring of the NMC — entailing changes in its composition, new powers and finally a revamped relationship with Louw. Some changes would be needed to the Labour Relations Act. "We are not looking to replace parliament's lawmaking function," he said. W/Mail 10/5 - 16/5/91

Schreiner said there was already broad NMC agreement that the commission should comprise major labour actors, rather than hand-picked "experts", and "fair consensus" that it should be a negotiating forum on labour law and wider economic questions.

The bottom line for Cosatu was that it should not be purely advisory and that employers and unions should be proportionally represented. Cosatu wanted state and private employers to form a single bloc — a proposal which had hit private sector resistance — and provision for the Manpower Department to express its views while negotiations were under way.

The life of the present NMC — which was due to expire on May 1 — is to be extended to facilitate the restructuring process. Louw is expected to announce this in his budget speech in parliament today. The NMC's proposal, which Cosatu accepts, is for a four-month extension.

The manpower star who the left loves to hate

(132)

W/mail 10/5-16/5/91.

Arch-conservative or neutral technocrat? Enemy of change or chief of the most enlightened state department? **DREW FORREST** interviewed one of the country's most controversial officials, Manpower director-general Joel Fourie

'SUBJECTIVELY, I feel misunderstood" — surprising words for one of the country's most powerful public servants.

Quietly spoken and affable, it is hard to believe that Manpower director-general Joel Fourie is the man the black unions and left-leaning labour lawyers love to hate.

A mere 42, Benoni-born Fourie's comet-like ascent through the ranks of the civil service suggests unusual talents A University of Pretoria law graduate, he lectured at the university and acted as a legal advisor to Iscor before joining the Manpower Department in 1985. Four years later, he was at the top of the greasy pole.

And yet his rise has been dogged by controversy — despite his self-effacing manner, few state officials have been so consistently under the media spotlight He has been variously branded as an arch-conservative, devotee of deregulation, enemy of the industrial council system and saboteur of labour law reform

Employers pay tribute to Fourie's technical skills, but say he is not at home in the new era of hard bargaining over labour law "He is a technocrat, not a negotiator," one commented.

Unions and their partisans are harsher, viewing him as the architect of the 1988 Labour Relations Amendment Act, now consigned to the dustbin of history by a legislative volte-face which followed two general strikes, a consumer boycott and a national overtime ban.

And while the LRA was being rewritten, in arduous union-employer negotiations which ultimately drew in the state, he was accused of blocking change and paying undue heed to minor players on the right of the labour spectrum

He has been misrepresented, Fourie insisted in a rare face-to-face interview in his Pretoria office. "There are too many checks and balances for one person to play such an overriding role." The 1988 Bill underwent 130 amendments when it reached the standing committee of parliament, he pointed out.

He also dismissed suggestions that he was a sort of Svengali manipulating the relatively inexperienced Manpower Minister Eli Louw: "No politician worth his salt will listen to one person." His role in the 1988 unfair labour practice code — a major union bugbear — was no more than to implement National Manpower Commission (NMC) proposals in the light of comment, he stressed He was adamant the department had a neutral role, testing law in the cauldron of broad public opinion and applying purely technical criteria in recommendations to its political bosses.

Misunderstood ... Joel Fourie

It is probably true that the 1988 law was a product of the times rather than the machinations of any one man. "It was drafted in the middle of the emergency; there were all sorts of pressures on government," Fourie remarks And there is undeniable justice in his claim that of all state departments, Manpower has been most open to change.

At the same time, there is clearly a widening conservative-reformist divide within officialdom — specifically between Fourie's department and the NMC, the government's labour law advisor. On the LRA, and more recently the Basic Conditions of Employment Act and proposals for an unfair labour practice code, there are stark differences of approach

The key flashpoint is the lawmaking process, rather than law itself — and opposition to the department appears to extend beyond the unions. Sources speak of tensions between Fourie and NMC chairman Frans Barker, seen as an apostle of co-determination in the labour field.

Cracks first appeared last year, after the cabinet rejected the NMC's redrafted labour Bill based on the Saccola pact In an apparent reference to Fourie, a senior NMC man told a legal conference that certain "advisors to the minister" were thwarting the commission's efforts and usurping its role.

The suggestion was that the department was acting as a reactionary filter between the NMC and the politicians — and it is a complaint which has risen in stridency since the Congress of South African Trade Unions (Cosatu) joined the commission as a full member

In the most recent storm, the federation lashed as "unwarranted interference" Manpower Department proposals for the extension of the Basic Conditions of Employment Act to farmworkers. These largely ignore NMC recommendations forged in arduous bargaining between labour and the South African Agricultural Union.

Underlying Cosatu's diatribe is a novel conception of labour lawmaking, which it is strongly punting in current moves to restructure the NMC. Dismissing the department's "neutrality", the unions want to draw it into NMC negotiations as one special interest among others. They are also seeking a "minute" binding the Manpower Minister to the commission's compromises.

Some sources suggest that the department is stonewalling these changes, seeing in them a threat to its power. Fourie insists that the fate of the NMC is a political decision — "we can only advise" — and that he has not yet come to a view.

"Obviously it's frustrating for the NMC when its compromises are ignored But if it is to be more than advisory, we must look at the legal and moral consequences. In effect, politicians are being asked to delegate their lawmaking prerogatives."

Arguing that organised labour and business make up 30 percent of the labour field, he is also worried that a direct department role in the NMC will undermine its neutral, consensus-seeking role

Fourie believes that the current problems are essentially ones of transition, and that it would be "tragic" if they disrupted the newfound relationship between labour and the state

"We are trying to play the game as closely as possible to the rules," he said. "But there is uncertainty about where we are going. What is our new role, and how should we act in the interim?"

Circular on Labour Act is ignored

Sowetan 16/5/91

(132)

THE South African Chamber of Business (Sacob) has sent out a circular to businessmen on the Labour Relations Amendment Act, which came into effect on May Day

However, major black business organisations such as Nafcoc and Fabcos, whose membership employs thousands of workers in South Africa's townships and many of whom have not been hard hit by labour unrest, have remained silent on the Act.

Sources say that the two organisations have met and discussed a variety of issues with Sacob, although it is still not clear whether the labour relations came under spotlight.

The most important feature of the amendments, which resulted from drawn-out efforts and discussions between Saccola (an employers association) and Nactu and Cosatu, is the replacement of the detailed definition of an unfair labour practice by a much broader definition.

This means that employers and trade unions will have more freedom as to their arguments and actions concerning unfair labour practices which have been very controversial between the parties since the LRA was implemented in 1978

The industrial court will also have wider discretionary powers to determine unfair labour practices.

ARGUS 7/6/91

Unions blamed for poor job scope

132

From SVEN LUNSCHE

JOHANNESBURG — As the economy emerges from its longest post-War recession, there is little scope for higher employment, in spite of prospects of substantially higher investment spending by manufacturing companies

And private sector economists are putting the blame firmly at the door of the trade union movement, "which has outpriced its members in the labour market"

In its monthly *Survey of Confidence Levels* in the Manufacturing Industry, the South African Chamber of Business reported yesterday that many industrialists planned to invest substantially in building new capacity over the next 12 months

According to Sacob, new investment in the form of capital expenditure on new capacity is forecast to rise by just under 20 percent during this period

However, this is not going to be accompanied by job creation, as has been the norm in recent investment booms

Instead, employment of skilled and unskilled labour is expected to fall further from its current dismal levels

Industrialists polled by Sacob said there was little prospect of new opportunities for skilled manpower, and even less in the case of unskilled workers

According to the index, employment of unskilled labour in the manufacturing industry will fall by roughly 5 percent over the next 12 months on top of an 8 percent drop so far this year

Dr Gad Ariovich, economic consultant to Sacob, says unions have to take their share of the blame for the expected retrenchments

"The unions have managed to increase wages and salaries of members beyond their productivity

"The price of unskilled manpower has become too high for many industrialists, particularly since retrenchments always accelerate in times of depressed economic conditions, Dr Ariovich says

He adds, however, that local industrialists tend to follow international trends, which over the past decade have favoured capital investments in new technology

Furthermore, there is some lag time between new investment and employment creation, Dr Ariovich says

In spite of forecasts of a general upswing in industry, the extent of such a recovery will depend mainly on the sector in which companies operate

Sacob says manufacturing companies, which supply essential goods to consumers, have enjoyed strong activity even in the current recession, as is reflected in strong sales and production levels so far this year

"On the other hand, many local industries producing investment and intermediate goods, have been facing tougher local markets for some time"

On balance, though, says Sacob chief economist Dr Ben van Rensburg, the economic outlook seems to have stabilised, which was reflected in May in a percentage point rise in the Business Confidence Index

"The slight increase in the BCI could be the first sign of buoyancy returning to the economy after the drawn-out recession

"Nevertheless, this promising sign might yet be turned into a false start, especially by the number of remaining uncertainties that influence business confidence, particularly the threat political violence holds for the transformation process," Dr van Rensburg cautions

(132)

Trade unions up in arms over tax

Star 10/6/91

Trade unions are up in arms about the implementation of VAT on trade unions' subscriptions which will come into effect later this year.

The Federation of Salaried Staff Association of South Africa (Fedsal) with a predominantly white membership and Cosatu have slammed the imposition of VAT on union subscriptions.

It is believed that VAT would be imposed on unions' subscriptions exceeding R150 000 a year.

Fedsal called for a meeting with Finance Minister Barend du Plessis to discuss the implications of VAT on union subscriptions and to obtain first-hand information on the practical implementation of VAT.

After this meeting Fedsal will call for a trade union summit involving all trade unions to discuss the issue of VAT on unions' subscriptions.

The effect that VAT would have on union members and the working class in general should be addressed in this joint forum, Cosatu said. — Staff Reporter

A labour expert predicts conflict

Sowetan 23/5/91 (132)

A LABOUR expert holds that conflict in South Africa is inevitable and essential and those who believe otherwise are naive.

Professor Nic Wiehahn offered his crystal ball vision of labour relations in the new South Africa at the Public Servants' Union annual general meeting in Durban

He said that conflict was a necessary feature of any heterogeneous society and that it was the only way something new could be born.

South Africa, he said, at the moment represented "a pot pourri of emotions" ranging from fear and uncertainty to great expectations

Wiehahn outlined the role of trade unions in the future, saying that they will have to place great emphasis on job security

'One of the disconcerting developments this year has been the number of retrenchments and redundancies," he said

Retrenched

"Some 80 000 people have been retrenched since the beginning of 1991 Of that 10 000 were white collar workers and of those, 40 percent are from a managerial level," he said

"Trade unions, like any business, depend on employees for money so it is in their interest to protect their members' jobs."

Wiehahn also recommended restructuring the 298 trade unions that currently exist to achieve greater unity.

"This will probably cause a battle for leadership, especially among the older unions but that is to be expected. Some mergers will take longer than others "

He also said unions should press for affirmative action But he emphasised that any such programme would have to retain a merit system

"It is laudable that blacks that I have spoken too don't expect the best jobs just because they are black There is a plea among them for training "

The state of the new South Africa will be less interventionist when it comes to employer/employee relations, Wiehahn predicted This is in line with international labour standards, which he commends

He also predicted a codification of labour laws in line with other African countries and to conform to International Labour Organisation recommendations

"I also envisage some form of sub-Saharan labour law, which might seem to be optimistic but should still be striven for," he said

In addition, Wiehahn called for a rationalisation of labour laws For example he said the Workmen's Compensation Act and the Occupational Saftey act should be rationalised

Employers in the new South Africa will be facing a lot of pressure, he said

"Affirmative action will be on the agenda of many negotiation processes Some companies are dealing with it now "

Employers must further focus on conflict management in the workplace and management must accept the involvement of the trade unions, he said

He called for closer co-operation between employee organisations in the public and the private sector.

His prognosis for the future of the economy was one of guarded optimism He said that value systems, especially those of whites, will change from a European to a more appropriately African outlook

Whites will come to appreciate their jobs more, he said.

Wiehahn also predicted the appearance of a similar trend to that of the 1950s when English-speaking South African headed for the private sector to make way for a predominantly Afrikaans public sector

Now there will be a move by whites in general into the private sector, with black public servants taking the top public positions.

On the down side of the economy, Wiehahn said that unemployment and retrenchment figures will rise in the short term

Instability

And because of political instability, investors will not be moving into the country until they are assured of some measure of stability.

He also predicted a drop in living standards and said that bankruptcies and liquidations will increase in the short-term.

But on the up side, there will be more political, social and economic equality.

"And there will be a restoration of the dignity and respectability in the country among many of its people "

There will be a return of international respectability and support and also a strengthening of ties between South Africa and other African states

His final message was one of hope "South Africa has a reputation for having huge reserves of goodwill and a strong sense of recovery. We have sufficient people with the expertise to get South Africa out of any crisis."

More than 80 000 people have retrenched since the beginning of 19

New union attitudes are stirring optimism

Star 24/6/91 (132)

By Michael Chester

A new spirit of constructive co-operation between trade union leaders and employers has been hailed by the Institute of Personnel Management as a signal of optimism for the post-apartheid era

IPM president Tony Frost said at the weekend that trade unions were tending to abandon militancy for more constructive attitudes

"They are less politicised," he said "In a very short time they have matured to the stage where they are about as professional as any trade union in the world"

Mr Frost, also a member of the South African Board for Personnel Practice, which claims to set standards in human resources management, said that the recent pay-and-productivity pact between the National Union of Mineworkers and Anglo American's Ergo gold recovery operation was a brilliant example of the new maturity in relations

"Both employers and unions are abandoning their old adversarial roles in favour of negotiation and constructive compromise "If one could translate this into political and social terms, you have all the ingredients of a winning nation"

Spadework

Mr Frost attributed much of the new spirit to the success of spadework carried out by professional human resources managers in eliminating distrust and clearing the middle ground between labour and management

But, he added, there were still some major companies that had not responded to the unions' new approach

"They are still living in a fantasy world when it comes to labour relations"

There were also encouraging signs that trade unions were distancing themselves from politics and taking a more independent stand on bread-and-butter issues

"The black unions were highly politicised in the early days of their development — and no wonder After all, the unions were the workers' only legal voice on political issues, their only avenue for political action

"Now that workers have a legal political voice, the unions can concentrate on genuine shop-floor issues

"The unions' learning curve has been short and sharp — but so too has that of management

"I see a strong and healthy movement developing in business that will work to create profitable worker-management partnerships"

Union dues will be caught in VAT net

GILLIAN HAYNE

TRADE unions will have to add VAT to members' dues when the new tax system is implemented on September 30

The Federation of Salaried Staff Associations of SA (Fedsal), which has 250 000 members, has hit out at the taxation of union subscriptions. The organisation is to meet Finance Minister Barend du Plessis on August 13 to discuss the implications of VAT on members' fees and try to get an exemption

Fedsal general secretary Piet Heymans said "Trade union subscriptions are paid with money which has already been taxed, and it will now be subjected to double taxation"

If an exemption was not granted, Fedsal would call for a trade union summit to discuss putting pressure on government to reconsider its ruling, Heymans said.

Cosatu spokesman Neil Coleman said the unions were also very concerned about broader VAT issues, such as its effect on the cost of living

Cosatu had commissioned a study on VAT which showed that each household would have 5% less to spend on essentials after the introduction of VAT

"Although the increase in union membership fees obviously concerns us, at this stage we are more concerned about how VAT will influence the cost of living for the

☐ To Page 2

B/Day 12/6/91

(132)

Union dues

B/Day 12/6/91

(132)

☐ From Page 1

lower income group and the poor," he said

National Union of Mineworkers (NUM) spokesman Martin Nickel said the NUM had not yet decided how to respond to the taxation of union subscription

Arthur Andersen tax manager Shane Ferguson said trade unions, because they provided a service to members, would have to charge VAT.

But the unions themselves would benefit from the introduction of VAT They would have to register as vendors and as such would benefit from being able to claim refunds on their inputs — such as legal expenses, office expenses and the like

Other tax experts said in most cases trade union fees were collected by employers on behalf of unions Unless unions explained to their members why there would be an increase in dues, employers could find themselves "facing the flak" for the increase, they warned.

They said if trade union members became "difficult" because of increased pay deductions, employers could leave VAT collections to the union.

A curious tendency comes out the closet

W/Mail 7/6 - 13/6/91

132

The Marxist Workers Tendency, a secretive far-left grouping operating in the ANC, appears to be emerging from its closet In what may be its first open contact with the press, **DREW FORREST** spoke to one of its adherents

'A NICE guy out to lunch," scoffed a colleague who had eavesdropped on my four-hour part-interview, part-argument with Weizmann Hamilton, member of the Marxist Workers' Tendency of the African National Congress.

For those who can't see that immediate nationalisation of the economy's "commanding heights", worker self-management, "soviets" and an armed populace will magically dispel South Africa's problems, it is a common reaction to Trotskyist certitudes.

Numerically insignificant, incorrigibly sectarian and with little or no support among the working masses they claim to champion, the disciples of Leon Trotsky are a bad joke in the advanced capitalist countries of the West.

But in South Africa it would be a mistake to dismiss them. In many ways, conditions are pre-revolutionary: huge inequalities amid economic decline and surging political hopes are fertile ground for fundamentalist and millennarian ideas of all kinds.

South African Trotskyism is often seen as a foible of coloured and Indian intellectuals — particularly from the Western Cape — but Hamilton insists that most MWT support is to be found in the black townships. "There's a climate of opposition developing in the ANC to the strategies of the leadership," he says. "The rank and file are unable to understand opposition to our ideas."

By submitting to an interview under his own name, Hamilton broke with MWT practice and appeared to signal that the tendency is emerging from the closet.

An "entryist" group working from within to push the ANC leftwards, it is proverbial for its secretiveness This is partly a response to official intolerance: four of its leading lights, including historian Martin Legassick, were expelled from the ANC at a special conference in Zambia six years ago.

With "Stalinist" stifling of dissent now in disfavour on the left, the tendency has new room to manoeuvre.

The MWT's journal, *Congress Militant*, epitomises the paradox of the far left: highbrow and scrupulously researched, it is shot through with a kind of biblical zeal. "What Marx said about minimum wages" trumpets a recent headline, suggesting that the views of this bearded 19th century German sociologist must be the last word on the subject.

Elsewhere, "our science of Marxism" is invoked to attack SA Communist Party general secretary Joe Slovo for daring to suggest that enterprise has a role in wealth-creation. Judged by its predictive powers, Marxism has as much claim to scientific status as I Ching — but it is "our science", a source of certainty for the faithful

The world crisis of socialism, far from spurring self-doubt, is seen as a triumphant vindication of Trotsky. Like free marketeers who hold that South African capitalism is not the real thing, Hamilton argues that failed Eastern European regimes were Stalinist perversions of a true socialism still in the wings.

Indeed, the claim that there has never been a genuine socialist order makes Trotskyists exceedingly slippery customers — debate tends to be conducted at a stratospheric level of abstraction

The result is a programme for a future South Africa resting heavily on a quasi-religious appeal to authority which makes only glancing contact with the real world

Whatever the shape of the future, it is unlikely that political power will be exercised by a network of workers' councils (soviets), that all major industries will be instantly nationalised under worker control, that people's militias will replace the police and army and that to prevent the crystallisation of a bureaucratic elite, official posts will be rotated and state officials paid no more than a skilled worker's wage.

It may also be reasonably doubted that a "class appeal" to white workers will succeed in undermining support for the security forces

The irony is that Hamilton attacks the Congress of South African Trade Unions' moves towards co-operation with business and the state as "utopian". Based on an antagonistic relationship, the pact between labour and capital in the European social democracies is inherently unstable, he argues. "It's a post-war phenomenon — a bat of the eyelid in the context of human history," he says, pointing to Sweden's worsening economic straits.

The fact is that there is no sign of revolutionary ferment in social democratic Europe: the lesson of Thatcher's Britain is that economic difficulties characteristically spark a rightward shift.

Hamilton believes the labour movement has fallen under the baneful influence of "reformist" elements in the ANC and, particularly, the SACP, which he concedes has working class support despite being "indelibly tainted with Stalinism". "The party is the right wing, not the left wing of the ANC," he says. "It provides a justification for reformist policies — this is why De Klerk has no objection to Slovo's involvement in negotiations."

There is no doubting Hamilton's sincerity or intelligence, and he has suffered for his convictions — detained and held in solitary confinement for nine months in 1975, he was banned for five years and has just returned from 15 years in exile. And there are libertarian elements in the MWT's programme it favours free speech and assembly and a multiparty system.

But its drive to convert the ANC into a revolutionary socialist party poses a real threat to the movement's multi-class appeal

In one Johannesburg branch, for example, a hard-line MWT clique, organising around domestic workers' wages, is said to be driving conservative Indians into the arms of the National Party Writ large, this could threaten an ANC majority in a future election.

Hamilton says the MWT favours negotiations with the state "if they can achieve true democracy and address the problems of working people, such as education and unemployment"

But one of its conditions is the dismantling of state forces and the arming of the people — which will clearly not be met. Hamilton also dismisses proposals for the integration of the South African Defence Force and Umkhonto weSizwe as a "reactionary idea".

The risk is that by fuelling millennarian and militarist fantasies in the black townships, the far left may embroil the enormously complex and delicate task of reaching political settlement.

Plea to unions around the world

Sowetan 14/6/91 (132)

THE Brussels-based International Confederation of Free Trade Unions has urged union movements throughout the world to ensure that each day becomes environment day.

Speaking on the United Nations-designated World Environment Day, ICFTU general secretary Mr John Vanderveken said environmental protection could only be achieved with the full participation of workers and trade unions as equal partners with governments and industry

The ICFTU official, in a statement to *Sowetan*, said "The Gulf war showed the environmental consequences of naked military aggression by another dictatorship in the Middle East

"It is no mere coincidence that the countries with least respect for human and trade union rights are overwhelmingly the ones with least concern for the environment," he said.

Vanderveken said trade unions in the frontline and the battle to protect the environment had to be fought all hours throughtout the year - *Sowetan Reporter*

Unions fear businesses will evade labour laws

(132) 16/6/91 S/Times (Bus Times)

By JANE ARBOUS

TRADE unions fear that falling trade barriers will tempt SA businesses to shift operations to other African countries where unions are not as strong as here

Pressure for higher wages is weaker in other African nations

The Congress of SA Trade Unions (Cosatu), the major union federation, and the smaller National Council of Trade Unions (Nactu) attended a conference of the Southern African Trade Union Co-ordinating Council (SATUCC) which drafted a code of worker rights

International relationships and regional links will be discussed at the July congress of Cosatu, which has 1,5-million members

The SADCC Monthly Report a newsletter published by the Cape Town-based International Research and Information Services, says the concept of worker unity has been given impetus by the relaxation of trade barriers against SA

Alan Horwitz, national organiser for the SA Commercial Catering and Allied Workers Union (Saccawu), says the trend is evident in Sun International's wage structure

Forum

Saccawu wants wage negotiations with Sun International to be conducted at one central bargaining forum and has formed alliances with unions in Namibia, Botswana and Swaziland

Mr Horwitz says wages are higher at businesses where Saccawu is organised and were increased unilaterally by management when changes in Transkei and Ciskei allowed the union to organise there Pay is lowest in countries such as Swaziland and Lesotho

He told SADCC Monthly Report that SA business would "try to export exploitation to maintain profits"

Mr Horwitz says union movements outside SA are much weaker and labour ministers have strong powers over the right to strike

Cosatu, in a position paper prepared for pre-congress discussion, proposes that it develop "a much clearer international policy"

On a continental level, it proposes affiliation to the Organisation of African Trade Union Unity (OATUU) At regional level, it proposes membership of SATUCC and the maintenance of bilateral relations with national union federations

The paper recommends that Cosatu remain unaffiliated to any international co-ordinating centre But it calls for participation in the International Confederation of Trad Unions (ICTU) co-ordinatin committee on SA and puts fo ward proposals to restructu the committee

Another proposal is th Cosatu should strengthen i relations with the Commo wealth Trade Union Co gress (CTUC) because "th gives us greater access t meet with many nation centres in the developin world"

Mr Horwitz says unior should form corporate cou cils to seek centralised ba gaining for corporate ope ations in different countrie

This would make it poss ble for industrial action i one country to be exported t others

A draft charter of worke rights, demands that govern ments recognise the right o workers to strike and engag in other forms of effective industrial action, includin solidarity action, withou dismissal

Founder members split from Wosa

By DREW FORREST W/Mail 21/6 - 27/6/91

A YEAR after its formation, the Trotskyist-leaning Workers Organisation for Socialist Action (Wosa) has suffered a split.

About 15 members, half of them founder members, walked out of the recent three-day national conference in Johannesburg and would now form the nucleus of a new Trotskyist organisation called International Socialists of SA (ISSA), said representative Rihad Desai.

He said the walkout had been sparked by a resolution defining a "permanent tendency" and the chairman's refusal to allow debate on the implications of this for his grouping. This, combined with an earlier investigation on whether a faction was operating in the Johannesburg branch, had made it clear that he and others of like mind were not welcome in Wosa.

A Wosa spokesman strongly denied any organised attempt to oust Desai and his group. "All that happened is members confirmed a resolution of our first conference that they don't want cliques. Those who walked out couldn't accept this," he said. 132

At the conference, Wosa rejected calls for an interim government, arguing that this would not be elected but appointed by all classes at the All Party Conference and would therefore serve ruling-class interests. It also rejected a constituent assembly leading to a "bourgeois parliament protecting the rule of capital".

SA 'violates trade union rights'

(132)

Labour Reporter

SOUTH Africa is one of the 10 most dangerous countries for trade unionists, according to the International Confederation of Free Trade Unions

The country is also one of 72 cited in an annual survey by the Brussels-based ICFTU for violating trade union rights

General secretary Mr John Vanderveken said hundreds of labour activists were in prison in many parts of the world

More than 2 400 cases of detentions and arrests between January 1990 and March 1991 are listed in the 58-page survey.

"Columbia, Guatemala, South Africa, El Salvador, Philippines, China, Sudan, Turkey, Ivory Coast and South Korea rate among the most dangerous for trade unionists," he said

ARGUS 24/6/91

Mr Vanderveken said the toll of union-related repression, violence and killings in South Africa "is still shocking"

"A total of 25 unionists have been killed, 778 have been arrested and 6 329 workers have been dismissed for legitimate union activities"

Employees need to be consulted on rationalisation

B/Day 28/6/91

132

MIKE BEAUMONT

STRIKE action related to retrenchments is increasing. Preliminary figures show that retrenchments in the second quarter of this year were an issue in 16% of all strikes compared with a negligible amount last quarter and 2% in the comparable quarter last year.

Reorganisation and retrenchments are complex exercises. They are concerned with job security, continued viability of businesses, endeavours to sustain relationships and ensuring that the processes meet minimum statutory requirements. These goals are at times incompatible and can escalate conflict unless correctly handled

Cosatu is currently preparing an economic policy. Among its tentative proposals are that job losses and job creation should become a national issue, and that Cosatu should be involved in discussions with government and employer federation Saccola on the issue.

Cosatu also contends that retrenchments cannot be seen in isolation of SA's current economic position It is considering suggesting a freeze or moratorium on retrenchments and a halt to privatisation and rationalisation which it believes lead directly to job losses.

Employers have already felt the impact of these draft policies with demands that retrenchment be handled centrally within groups of companies or even at industrial councils There is a prospect of mass action by workers in protest against job losses.

There is also likely to be increased difficulty in achieving consensus on potential retrenchments Severance packages may have to include training and other help to enable retrenched workers to get other jobs.

Employers also face the difficulty of improving their competitiveness in a declining economy, and potential exposure to international competition. They continually have to look at productivity and the quality of products and services, as well as rationalisation of their businesses.

International business trends and the introduction of fair labour practices in SA have resulted in new value systems being adopted which cause businesses to move away from a paternalistic attitude towards employees in favour of seeking to develop employees. Autocratic management styles are giving way to participation and involvement of employees, particularly in decisions which directly affect them When faced with potential retrenchment it is understandable that employees question company values

At the same time economic realities cannot be discounted and difficult decisions about manning levels will need to be addressed Employers should take steps to demonstrate that they have a caring attitude.

This should include continual communication with employees about business developments to help build understanding of the company's economic circumstances, sustained and visible cost-cutting throughout the organisation, including executive positions and costs; and approaching a potential retrenchment on a problem solving basis such as stressing the need to reduce labour costs by a given percentage

Engaging employees about the underlying problem and corporate objectives will give them the feeling that they are potentially able to influence the solutions and not be faced with a predetermined choice of events

Labour law is continually eroding management prerogative regarding reorganisation and retrenchments. Management discretion, by and large, remains intact where this reorganisation is concerned with a change of shareholding.

However, as soon as the reorganisation affects the identity of the employer, and terms, conditions and potential retrenchments, then the employer is generally obliged to engage with the employees or their representatives before decisions are made and implemented

Consultation gives employees the opportunity to explore alternatives and influence the outcome. Where the anticipated change is a permanent alteration, for example in markets, the alternatives will be limited

Where the changes are cyclical or seasonal then the range of alternatives such as short time, lay-offs and job rotation would become more real possibilities. Recently the Industrial Court has confirmed that job-sharing must be considered as an alternative to retrenchment

It is fairly settled law that in most cases retrenched employees will be entitled to severance pay

Preserving corporate culture, satisfying legal norms and maintaining good industrial relations practices obliges the parties to focus on the processes which precede any possible retrenchment The increased interest of trade unions in job losses and job creation represents a potential common ground with employees which can be seen as a way of reducing rather than escalating conflict in the workplace

Retrenchments, particularly where they are perceived to have been imposed, can seriously scar future relationships A problem solving approach can build reciprocity into the relationship

☐ **Beaumont is managing executive, industrial relations at FSA-Contact (Pty) Ltd.**

LETTERS

Unions lead battle for democracy

W/Mail 28/6-4/7/91 (132)

A newly published report throws harsh light on the widespread abuse of trade union rights in black Africa — but also underscores labour's vital role in the continent's fledgling democracy movement.

DREW FORREST reports

"THE shadow cast by apartheid has for too long obscured the international community's perception of the extent of rights abuses in the rest of the African continent."

So comments John Vanderveken, general secretary of the 100-million-member International Confederation of Free Trade Unions, in the preface to the ICFTU's 1991 survey of trade union rights violations

Life is far from easy for South African unionists But the report brings home that their plight is in many respects more bearable than that of African counterparts at the hands of African governments

A vital lesson of the report for the "new South Africa" is the inseparable tie between political democracy and free unionism Because of their professional interest in social justice, and the fact that they wield independent collective power, trade unions are invariably brought to heel by despotic regimes

The ICFTU highlights the growing rebellion in Africa against state domination of the labour movement, and the spearhead role newly assertive unions are playing in the battle for multiparty democracy

By comparison with South America, which the ICFTU identified as the world's most dangerous region for unionists, Africa's record is not too bad. One can only marvel at the tenacity of labour activists in Colombia. 138 were assassinated last year, often by death squads hired by drug barons and landowners

In Africa, the ICFTU says, a key form of labour repression is the severe restriction or outright prohibition of strikes General strike bans are in force in Angola, Equatorial Guinea, Liberia, Libya, Somalia and Sudan, while labyrinthine conciliation procedures in countries like Ivory Coast virtually rule out lawful strike action.

Eight officials of the Nigerian power union NEPU were freed this year after receiving life sentences for their role in a 1988 strike

Bargaining rights are also subject to widespread violation, through demands that agreements meet government-set standards In Zambia, the pending Salaries and Conditions of Service Commission Act requires state approval of agreements in the public and parastatal sectors

Numerous African countries restrict international affiliation — in Nigeria, for example, only one union centre is permitted, and this may join international bodies only with the fiat of the military junta. Similar clamps apply in Swaziland, to ensure unions "do not join undesirable organisations".

In Botswana, often styled "Africa's Switzerland", legislation prohibits elected officials from working full time for unions.

The African country with the worst labour record is Sudan, whose military regime dissolved all unions, confiscated their assets, banned strikes and detained and dismissed many unionists after seizing power in 1989

The ICFTU estimates that up to 300 Sudanese unionists were in detention at the end of last year, many subject to torture and mistreatment in the notorious Shala prison. A member of the Sudan Doctors' Union, Dr Ali Fadul, was tortured to death last April, and another doctor, sentenced to death for his role in organising a strike, was pardoned only after world pressure

The Sudanese government is currently promoting "union preparatory and steering committees", claiming unions are being reactivated These operate under close state control.

In Liberia, unionists have been prominent victims of "massive and appalling" human rights abuses during the civil war, with many killed, missing or dying of hunger The headquarters of the ICFTU-linked national union centre was ransacked and damaged by rocket fire

But the picture is not an unremittingly sombre one. African workers, Vanderveken comments, "have taken a courageous lead in freeing themselves of systems that institutionalise rights violations as a virtue and pre-condition of development, and rejecting the notion that lingers in the deepest recesses of some colonialist mentalities that Africa is not ready for democracy"

Clearly influenced by events in Eastern Europe, national union centres in Algeria, Benin, Congo, Mali and Niger are throwing off state shackles Tanzania's President Ali Hassan Mwinyi has publicly backed the reorganisation of the national union federation as an independent, democratic body without ties to the ruling party

Elsewhere, for example in Mozambique and Zaire, unions have sprung up outside officially approved structures.

Significantly, the battle for union rights has broadened organically into a campaign for political pluralism and representative rule.

Mali's union centre, the UNTM, spearheaded the pro-democracy movement, and in March this year launched a general strike which toppled the 23-year dictatorship of General Moussa Traore In Congo, political parties were legalised after rolling strikes by the formerly state-dominated CSC union grouping

Battle has also been joined in Zambia, where according to the ICFTU the government has reacted to the Zambian Congress of Trade Unions' vanguard role in the campaign for multiparty democracy by tightening the screws on labour

The country's new Industrial Relations Act, it says, interferes in unions' internal affairs, undermines bargaining and strike rights, exposes unions to administrative dissolution and allows for the arrest without warrant of anyone suspected of breaching a ban on essential service strikes.

Particularly offensive, it says, is a provision presuming all unions to have disaffiliated from the ZCTU, and requiring a two thirds majority for any decision to re-affiliate.

Unions see themselves as key actors

B/Day 1/7/91 (132)

VERA VON LIERES

TRADE unions see themselves playing a wider role in political and economic spheres, judging from national congresses of major Cosatu affiliates in the past three weeks

The congresses have included those of the 280 000-member National Union of Metalworkers (Numsa) and the 200 000-strong SA Clothing and Textile Workers' Union (Sactwu)

Cosatu unions have isolated as key challenges their role in economic and industrial restructuring and their role and position in Cosatu's alliance with the ANC and SACP

Strong signals were sent out that union and political party interests were not one and the same thing

Underlying the positions adopted at the various congresses is the unions' view of themselves as powerful social actors in SA's transition.

At its third national congress last week, Numsa resolved to strengthen the alliance and confirmed its acceptance that union officials could hold leadership positions in political organisations — provided this did not affect their union duties But the 1 025 delegates attending the congress reasserted the need for trade union independence and the need for mandates, accountability and mass involvement by alliance partners

At the same time, the 216 delegates to the Chemical Workers' Industrial Union congress in Johannesburg committed themselves strongly to worker control in the union, Cosatu and the alliance.

'Two hats'

However, they took a stronger stand on Numsa towards union independence, passing policy barring union executive members and full-time officials from holding positions in political parties. The CWIU intends to try to have this extended to the whole of Cosatu.

The "two hats" debate is likely to be fiercely contested, but with Numsa and the NUM the two largest affiliates accepting dual leadership subject to efficiency requirements, this view is likely to win.

The 200 000-strong Sactwu resolved that employers be required to restructure the clothing and textile industry to end factory closures and job losses by becoming more export-orientated and through greater beneficiation Sactwu also confirmed its opposition to dual leadership

The Numsa congress resolved to remain committed to nationalisation and sanctions against SA. Delegates called for a "democratically planned socialist economy", which included worker control of factories, farms, and mines and nationalisation of parts of the economy

The CWIU congress resolved that the future economy of SA "have a socialist orientation based on production for the needs of the people, democratic planning and state intervention" It foresaw economic restructuring assisted by nationalisation of conglomerates.

The 100 000-strong SA Commercial, Catering and Allied Workers' Union (Saccawu) agreed that the economy should be controlled by the working class through nationalisation of health facilities, transport and utilities without compensation

Ingredients for labour peace

B/Day 2/7/91 (132)

ANTON ROODT

ACCORDING to labour consultants Andrew Levy and Associates, man-days lost through strikes during the first six months of 1991 are dramatically down to 375 000 from 1,2-million for the comparative period last year.

This encouraging trend towards greater labour stability is more likely the result of a multiple of interlinked processes and events rather than attributable to a single cause.

Clearly the drastic economic downturn with its traumatic loss of employment particularly in the hard-pressed gold mining and manufacturing sectors has had a major impact on security of employment as the dominant trade union concern

A staggering 5-million unemployed — at least in the formal economy — which can grow to a disastrous 8-million by the end of this decade should adequate economic growth not be achieved, has become a distinctive structural feature of the SA labour market.

This should have a serious impact on trade union leverage in the exercise of worker power to the extent that they would wish to avoid accusations of promoting the narrower interests of a trade union "elite" against those of the disadvantaged masses This could be a particularly sensitive issue at a time of having to find employment for thousands of returning exiles

However, the incidence of strike action during the 1980s — the highly charged decade of "the struggle" — does not seem to correlate with economic performance

Sacob in a recent document on industrial policy points out that the growth in new jobs in the crucial manufacturing sector during the past decade was negligible "... with total employment in 1989 only 2,1% higher than in 1980".

Yet it is precisely in this sector representing about 27% of formal, non-agricultural employment where, according to the National Manpower Commission's 1990 report, "the incidence of strike action is higher than in other sectors".

It could therefore be an oversimplification to interpret the current trend towards greater labour peace only in terms of the depressed state of the economy, serious as it obviously is.

There is reason to believe that the process of inclusive consultation and negotiations towards consensus initiated by the Cosatu/Nactu/Saccola Accord on labour legislation and the subsequent tripartite Minute which included the government, has had a material impact on reducing labour conflict

The Laboria Minute contained the following significant agreement: "The parties are committed to dialogue and discussion to resolve conflict wherever it arises. To this end they will exhaust existing avenues and explore new ones with a view to avoiding, whenever possible, the resort to coercive measures and the disruption of the workplace".

Although tenuous at times and subject to all the political and economic stresses and strains of a society in profound transition, these words do capture a new spirit of detente between capital and labour in SA; of shifting from the politics of "the struggle" to the politics of reconstruction

The agreements emerging from the current round of negotiations in the mining industry are in many respects trendsetters on the road towards greater maturity in our labour relations

This change in the labour relations environment is one of the most powerful signals towards encouraging investor confidence in SA without which no truly "new" SA is possible, either politically or economically The lifting of sanctions will by itself not achieve this end

The Laboria Minute also requires that "The parties record their willingness to discuss in an appropriate forum the impact of labour relations issues on the economy".

These talks have just begun There is a long and difficult road ahead towards common ground on a political economy that could address both the imperatives of economic growth and economic equity.

The success in process and substance of the Accord and the Minute is, however, an encouraging model to emulate It needs to be multiplied in other areas of conflict and dispute if we wish to build a politically and economically viable new SA.

Constitutional negotiations and agreements are not by themselves a guarantee for democracy in our land. We need to build a network of interlinked denocratic processes and institutions capable of safeguarding the principles of democracy in our society as a whole.

The Accord is a most encouraging example of a negotiated transaction on the resolution of conflict It has the potential of seting us on the road towards a social compact for a new SA capable of meeing the legitimate and attainable aspirations, political and economic, of all South Africans seeking the well-being of this land and all its people

☐ Roodt is chairman of employer federation Saccola and of the AHI manpower commitee.

LETTERS

Star 2/7/91

Govt, unions and business get together

(132)

By Shareen Singh

At a meeting in Johannesburg yesterday, trade unions and business and Government representatives formed a steering committee to facilitate continuing joint discussions on the economy and labour issues

The meeting focused on the process of talks and defined common objectives It was attended by an employer body — the South African Consultative Committee on Labour Affairs (Saccola) — as well as Cosatu, Nactu, Minister of Manpower Eli Louw and Director-General of Manpower Joel Fourie

Cosatu spokesman Neil Coleman said yesterday's meeting was aimed at getting the ball rolling

In this regard, the parties agreed to set up a joint steering committee, including Geoff Schreiner for Cosatu/Nactu, Anton Roodt of Saccola and Mr Fourie

This committee is expected to meet on July 10 but the next round of tripartite discussions was not expected to commence until late August, Cosatu said

Unions 'fighting to keep jobs'

(132) CT 2/7/91

Own Correspondent

JOHANNESBURG. — Dismissals are being strongly contested as large-scale unemployment and retrenchment loom, Andrew Levy and Associates say in their six-monthly strike report.

The labour consultancy says the number of strikes called in response to dismissals has risen dramatically. In the first half of last year, 1,7% of all strikes were called over to dismissals This year, the figure has risen to 14%.

The rise, combined with a hardening of employer attitudes, has been accompanied by greater employee militancy, the report says.

Wages continue to be the main strike trigger (48,8%), followed by dismissal (14%); grievance and discipline (11,5%), and retrenchment and recognition (7,4%).

The most active unions in terms of man-days lost were Cosatu's National, Education, Health and Allied Workers Union (22,5%), Saccawu (14,7%), and the National Union of Metalworkers of SA (13%).

However, overall strike action dropped in the first half of the year About 375 000 man-days were lost in the first six months of the year, compared with 1,2 million in the same period last year

The reason for this decline, the report says, is that with unemployment reaching alarming levels, unions are concerned about their members' job security and are less inclined to resort to industrial action

Tripartite talks 'successful'

(132) CT 3/7/91

Own Correspondent

JOHANNESBURG — Tripartite talks involving trade unions, the state and employers on the economy and labour relations have resulted in the formation of a steering committee to map out common objectives and facilitate further joint discussions

Employer federation Saccola, Cosatu, Nactu, Manpower Minister Eli Louw and Manpower director general Joel Fourie met in Johannesburg earlier this week to start a process of talks and map out common objectives, Saccola vice-president Bokkie Botha said yesterday

He described the talks as "successful" and said it was the start of a process

He said members of the joint steering committee included representatives from all the parties He but would not give details

No further date has been set for the next round of talks

Labour talks about economy

ONGOING labour talks held this week looked at the impact of labour relations on the economy.

The SA Consultative Committee on Labour Affairs, the National Council of Trade Unions, Congress of SA Trade Unions and the Department of Manpower participated. Sowetan 3/7/91

Saccola chairman Mr Anton Roodt said the meetings were being held in accordance with the Laboria Minute signed by the parties last September.

The meeting on Monday, he said, focused on process issues and defining common objectives. (132)

He said it was decided to form a steering committee to formulate objectives acceptable to the three parties taking part in the talks The committee comprises Roodt, Mr Geoff Schreiner for Cosatu and the Director-General of Manpower, Mr Joel Fourie.

This committee is expected to meet to discuss objectives on July 10.

Roodt said the next tripartite meeting was likely to be held in mid-August. - *Sapa*

More union pragmatism as recession deepens

By DREW FORREST

FALLING pay settlement levels, shorter bargaining and fewer wage strikes signal greater union pragmatism in the face of recession and job insecurity.

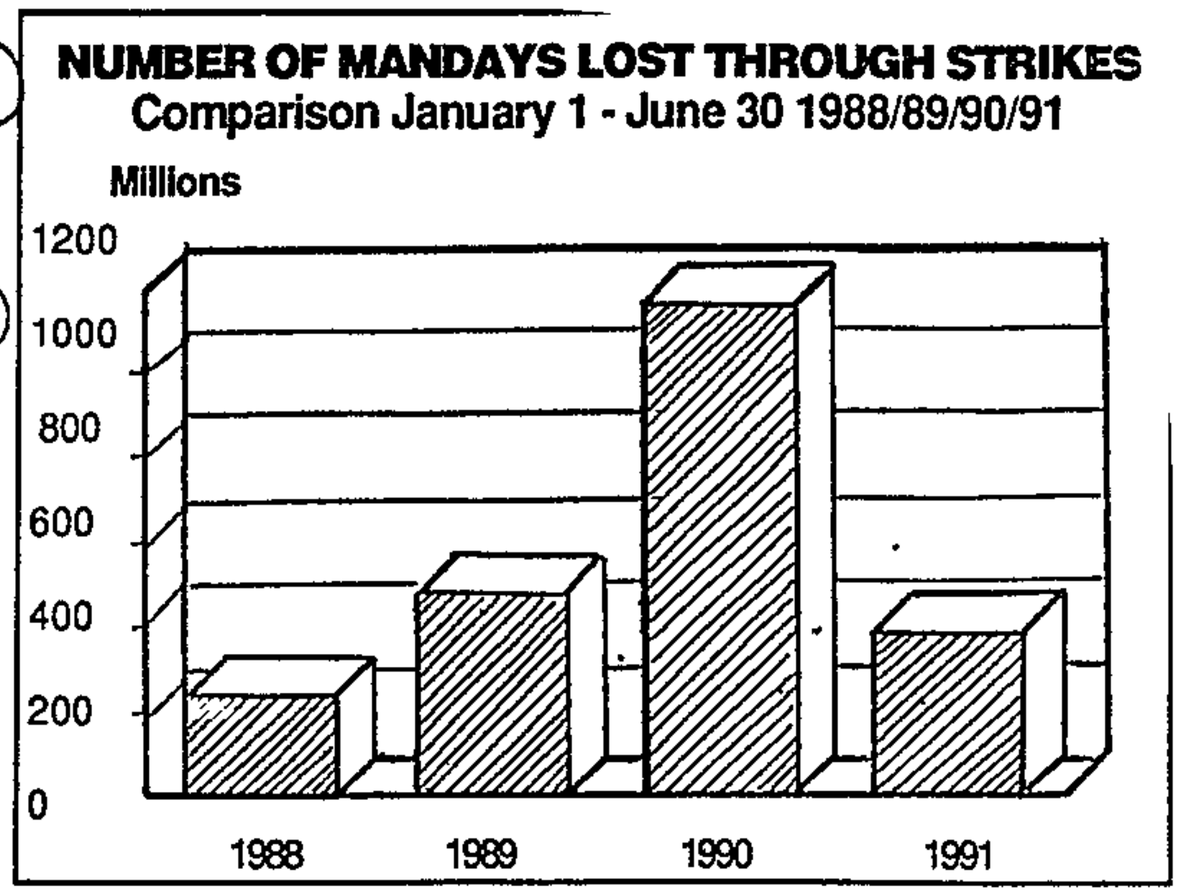
This is the message of Andrew Levy and Associates' latest *Bargainers' Bulletin*, which shows that the average level of settlement between February and June this year was 16,7 percent of payroll The 1990 figure was 17,4 percent and the 1988 figure 17,9 percent.

The consultancy's latest strike report estimates that 375 000 mandays were lost through strikes in the first half of the year, compared with 1,2-million in 1990. The strike toll is also down on 1989. W\Mail 5\7 - 11\7\91

It also reveals that although pay is still the main strike trigger, at 48,8 percent of total, it is less significant than last year, when it accounted for 63 percent of strikes.

Other key pointers in the bulletin that unions are drawing in their horns are:

- Lower settlements in sectors worst hit by recession — between 10 to 14 percent in the banking and financial services sector, for example.
- Lower union pay claims. The average this year has been 43,6 percent (50,9 percent last year and 86,3 percent in 1989).



- A sharp drop in the time required for settlement — 63 days this year (82 days in 1990)
- Less industrial action during pay talks — 43,6 percent this year (52,4 percent in 1990).

The strike report also reveals that job security is a mounting worker concern: 14 percent of strikes in the first half of this year were over dismissals, as against 1,7 percent last year.

The public sector, a Congress of South African Trade Unions organising target, remains highly strike-prone, accounting for 31 percent of mandays lost this year, as compared with only one percent in 1989. Cosatu's health affiliate, the National Health and Allied Workers' Union was involved in most strikes (15,4 percent of total).

NMC seeks its own restructuring

W/Mail 5/7-11/7/91

Far-reaching changes have been recommended to the state's labour advisor, the National Manpower Commission.

By DREW FORREST

IN A key step towards co-determination, the National Manpower Commission has urged its own restructuring to provide for negotiations between business and unions on labour law

The NMC's recommendations on restructuring have already gone to Manpower Minister Eli Louw but were publicised this week.

They follow last year's "Laboria Minute", in which the Congress of South African Trade Unions (Cosatu) and the National Council of Trade Unions (Nactu) agreed to join the commission if it was restructured.

The black unions want to transform the NMC from a body of hand-picked advisors to the minister into a negotiating forum in which major interest groups strike deals on labour law and broader socio-economic policy.

Louw has extended the life of the current NMC until September 31 this year. The NMC recommends that a restructured commission should be appointed no later than October 1.

In its report, the NMC agrees that it should remain an advisor to the Manpower Minister, but the majority view is that it should operate as far as possible on a consensus basis.

"It is unavoidable that negotiation will take place, that compromises will be made and deals will be struck," it says.

"Because compromises will be part of the process, the advice of the NMC must always be considered very seriously by the Minister."

Facilitating negotiations is a proposal that the NMC should comprise employer and employee representatives in equal numbers, with individual experts sitting in limited numbers.

The majority recommendation is 10 members each for employers and employees, and five independents.

The majority view is that representation should be weighted to take account of membership strength and the importance and influence of the organisation, but there is no agreement on how this should be done.

Some members hold that the minister should make appointments roughly using these criteria, while Cosatu argues he should have no discretion. Employers believe employer representation should be settled among themselves.

The NMC recommends that commission members should operate on mandates and enjoy the confidence of their constituencies The minister should appoint whoever has been nominated and should remove members if requested to do so by the relevant organisation.

And to give the body a tripartite character, it also proposes that the Manpower Department should "actively participate" in NMC proceedings — informing the commission of its views at an early stage — but without voting rights.

This is clearly designed to avert recent problems where the department has overriden hard-bargained NMC compromises. "If the department actively participates in NMC proceedings, the NMC will be much clearer on why its recommendations have not been accepted," the report says.

The report also recommends that the state as an employer should be represented, via the Commission for Administration.

The black unions also want to give the NMC more teeth, and the report goes some way towards this.

Members are unanimous that the commission, which is not elected, cannot usurp parliament's prerogatives and that the minister must have the right to frame legislation.

However, the majority view is that no labour law should go to parliament unless the NMC has been allowed to consider and comment on it. It is also recommended that NMC proposals should be submitted to the parliamentary select committee — that is, tabled in parliament — if the Minister rejects them

Most members agree that NMC recommendations enjoying substantial support — no less than 75 percent — should be considered the commission's official position and carry corresponding weight with the minister.

Cosatu's view is that the NMC should be a decision-making body, and it envisages a negotiating relationship between the commission and the minister.

In the past, it has suggested a "minute" to govern the relationship.

Africa lambasted on human rights

B/Day 10/7/91 B/Day

(132)

PATRICK BULGER

GABORONE — An international conference on African trade unions and development heard stinging criticism yesterday of African leaders, and praise for SA's trade union movement.

Observers described the criticism of African governments as among the most trenchant yet delivered in public from an African platform

SA and apartheid did not escape rebuke, but its trade unions were described as the source of hope to other countries.

International Confederation of Free Trade Unions general secretary John van der Veken told the first day of a joint ICFTU/Botswana Federation of Trade Unions conference on democracy, development and trade union rights that the denial of human rights had not been restricted to SA

"In spite of restriction and immense repression, it was the independent trade union movement which brought about real change in SA.

"The trade unions have been the locomotive force of the anti-apartheid movement," he told about 140 delegates from African trade unions, the ILO and a number of European and American trade unions

The confederation — which represents 144 affiliated organisations in 101 countries — maintained its hardline stance on sanctions and vowed to continue supporting the SA trade union movement.

Van der Veken said sanctions would remain in place until trade union bodies Nactu and Cosatu called for their lifting.

The conference is examining and hoping to strengthen the role of trade unions in what delegates have described as Africa's move towards democracy and development

"The denial of human rights . . . has been commonplace in a large part of Africa A whole range of basic rights has been systematically violated The events of 1990 and 1991 show that the people of Africa are now asserting their rights to political choice," he said.

He said basic rights had been overlooked in the days of East/West rivalry "African governments used the excuse of sovereignty and special circumstances"

There could be no development without democracy, he said, and the trade unions played a central role in this democratic process

CT 10/7/91

'Greater pragmatism' from unions, employers

(132)

Own Correspondent

JOHANNESBURG — Average pay settlements declined in the first half of this year from last year as unions and employers displayed greater pragmatism in negotiations, labour consultants Andrew Levy and Associates have found

Their latest edition of Bargainers' Bulletin says the average increase agreed to between February and June this year was 16,7% of payroll This compares with the 1990 figure of 17,4% and 1988's 17,9%

But falling pay settlement levels were not a global phenomenon and industrial sectors which were expanding or individual companies with impressive results would be unlikely to argue about ability to pay with conviction, the bulletin says.

It says lower settlements are being recorded in sectors hardest hit by the recession, including the banking and financial services sector where settlements between 10% and 14% are the norm

In general, unions have made lower pay demands The average this year was 43,6% compared with 50,9% last year and a 1989 figure of 86,3%

The consultants report that wage bargaining so far this year was marked by an apparently greater degree of pragmatism by both parties

The economic climate and financial problems of different sectors and individual concerns were being taken into account While unions were concentrating on winning good settlements in growth sectors and companies, they showed "some restraint" in dealings with less healthy concerns

There was a definite narrowing in the gap between average levels of settlement and the official rate of inflation, although the settlement level was still above the inflation rate The gap between negotiated increases (16,5%) and the official rate of inflation (15%) was narrowing considerably from figures recorded in 1988, when average increases of 17,9% were agreed to, compared to inflation of 13,2%

In its latest strike report, the consultants say strike levels are down from last year About 375 000 man days were lost through strike action in the first half of the year, compared with 1,2-million for the same period in 1990

Although pay was still the main strike trigger (48% of strikes), this was less than the 63% recorded last year

Confederation tells how it nurtured SA unions

B/Day 11/7/91 (132)

PATRICK BULGER in Gaborone

THE International Confederation of Free Trade Unions' (ICFTU's) campaign to end apartheid by building SA labour organisation had inauspicious beginnings in a gift of seven minibuses made to emerging unions in Durban in 1974

Last year ICFTU's co-ordinating committee on southern Africa donated R32m towards SA labour research, union education and organisation, legal assistance and strike relief This year it will channel about R30m to SA's labour movement

In all, the southern Africa committee has channelled more than R100m to the SA trade union movement since 1974 At the same time, the committee has conducted a constant campaign of international anti-apartheid pressure, creating a worldwide sanctions enforcement network to frustrate SA's trading efforts and force multinational companies to recognise SA trade unions and meet their demands

Hitherto the extent of ICFTU material support has been kept largely confidential — due in part to the repressive nature of successive SA governments, but also because of SA union antipathy to ICFTU itself

SA's two largest union federations Cosatu and Nactu are not affiliated to ICFTU, and this is a source of some friction between the federations and many international union officials They prefer — charge some ICFTU sources — to use ICFTU's vast financial resources while privately denigrating the world body as imperialist and beholden to its American and European sponsors

ICFTU's Africa desk head Andrew Kailembo said the southern African committee had never tried to hide its activities — it has simply never been asked much about them. In an interview this week at an ICFTU conference on democracy and trade union rights, Kailembo sketched the committee's contribution towards building SA's trade union movement into a powerful voice

"Our fight is not only on the grounds of material assistance We have assisted the workers of SA in their fight against apartheid and enabled them to step up their mobilisation campaign when it was not possible for the trade unions to get a hearing from employers

"We were the first organisation to come up with a programme during the first textile workers' strikes in Durban in the early 1970s

"Those first seven vehicles we provided played an important role for unionists going through the factories mobilising people," Kailembo said

In 1974 ICFTU set up its southern Africa committee to help mobilise workers, fight the multinationals and tighten the sanctions noose A R20 000 donation helped boost SA black trade union membership to 45 000 workers by the mid-1970s

In 1979 ICFTU began channelling funds to newly formed legal clinics to counter government detention of shop stewards In the same year ICFTU sent R14 000 to assist in the formation of the Federation of SA Trade Unions (Fosatu), one of the forerunners of Cosatu

ICFTU financial assistance was instrumental in helping set up the SA Commercial and Catering Workers' Union, the General Workers' Union, the Post Office and Telecommunications Workers' Association and a number of union advice bodies

At a 1982 meeting in Brussels discussions between fledgling SA trade unionists and the committee led to the formation of the NUM Cosatu itself got off the ground in 1985 with ICFTU affiliates' assistance

The committee — in conjunction with SA trade union personalities — published a list in 1974 of multinational companies that refused to recognise SA trade unions These companies were then targeted for union action in other countries The list was updated in 1981

A formal policy of beating apartheid was adopted at 1974 and 1985 meetings At a 1986 meeting of the committee in Lusaka attended by Oliver Tambo, Cosatu and Nactu, the so-called Lusaka Conclusions undertook to intensify this fight

At a recent Tokyo meeting attended by Cosatu general secretary Jay Naidoo, the committee undertook to maintain its sanctions campaign by petitioning the EC council of ministers not to reverse EC sanctions

In earlier years the committee blew the whistle on clandestine coal shipments being rerouted in European ports It also produced reports designed to refute SA government arguments that sanctions would most hurt workers in other Southern African states

Kailembo stressed that the committee has always worked closely with SA trade unionists whom it meets twice a year The work will continue, he said, until change in SA is irreversible — that is until SA has a constitution which guarantees one person one vote

Privately, however, ICFTU officials say it is becoming increasingly difficult to argue for sanctions among ICFTU affiliates Some officials are pushing for the world body to at least signal to the SA government that they recognise and support positive reforms

Ironically it is the unions they helped nurture that are refusing — in public at least — to back any shift on sanctions

LETTERS

Unions to get R30m in foreign assistance

132 B/Day 11/7/91

PATRICK BULGER

GABORONE — The International Confederation of Free Trade Unions (ICFTU) said yesterday it would channel R30m to SA's labour movement this year

Last year ICFTU's co-ordinating committee on southern Africa and affiliated unions donated R32m towards SA labour research, union education and organisation, legal assistance and strike relief

In all, the southern Africa committee has channelled more than R100m to the SA trade union movement since 1974

Prior to yesterday the extent of ICFTU material support has been kept largely confidential

SA's two largest union federations Cosatu and Nactu are not affiliated to ICFTU, a source of some friction Some ICFTU sources complain the local unions are willing to use the resources while privately denigrating the world body as imperialist.

ICFTU's Africa desk head Andrew Kailembo said ICFTU financial assistance was instrumental in helping set up the National Union of Mineworkers, the SA Commercial and Catering Workers' Union (now Ccawusa), the General Workers' Union (now the Transport and General Workers Union), the Post Office and Telecommunications Workers' Association and a number of union advice bodies

● See Page 6

Trade unions 'ignored request on sanctions'

Bday 12/7/91 PATRICK BULGER (132)

GABORONE — SA trade unionists were told they had one month to help their US counterparts organise opposition to President George Bush's lifting of the CAAA

Africa representative of the American Federation of Labour/Congress of Industrial Organisations (AFLCIO) Barbara Lomax told Cosatu and Nactu delegations at the International Confederation of Trade Unions (ICFTU) conference in Gaborone they must suggest ways in which US workers could help overturn Bush's executive order

Lomax said three weeks ago she prepared papers advising SA unions that Bush was about to lift sanctions, but that she had received no response from the counterparts

The conference yesterday passed the Gaborone Declaration of Basic Rights which seeks to advance democracy in Africa through the trade union movement

The conference concluded that a lack of democracy and human rights had been a major factor in setbacks in African development.

The conference brought together 140 delegates from trade unions, developmental bodies and international finance organisations The Gaborone Declaration acknowledged Africa's "serious violation of human and trade union rights".

The Declaration stated, however, that developments in SA over the past two years gave hope that apartheid would soon be a thing of the past. It said that until a constitution guaranteeing one person one vote was in place, pressure and sanctions must be maintained

It noted that 1990 and 1991 had seen major changes in African countries and said that trade unions had been the leading agents of change in some of these countries.

The conference called for free and regular elections, multi-party political systems, an end to discrimination, independent judiciaries and an adherence to ILO conventions

Trade unions should be strengthened and allowed the right to bargain without government interference. They should be consulted on developmental issues

UNION RIGHTS (132)

A DEADLY CALLING

FM 19/7/91.

Trade unionists in SA have more freedom than their counterparts in most countries in Africa, Asia and Latin America That's according to the world's biggest union grouping, the Belgium-based International Confederation of Free Trade Unions In its annual survey the confederation welcomes steps towards change in SA but says it does not believe they are yet irreversible

There were violent strikes, detentions and assassinations of trade union leaders last year but the survey notes that, overall, trade unionists in SA fared better than some of their African counterparts It says that "a major and widespread problem continues to be the severe restriction or outright prohibition on strikes in a large number of African countries General strike bans are in force in Angola, Equatorial Guinea, Liberia, Libya, Somalia and Sudan

"Elsewhere, extremely complex procedural requirements, imposition of compulsory arbitration and the use of essential service provisions make legal stoppages impossible in practice " In SA, this affects public-sector workers, but emergency regulations in force in Zimbabwe until July last year gave the government power to declare any service essential and to prohibit strikes in that sector In Zambia, the Industrial Relations Act allows employers to cancel union stop-order facilities with a month's notice

"A further cause for serious concern is the restriction on international affiliation by trade unions" in countries such as Cameroon, Ethiopia, Nigeria and Swaziland In Botswana, elected officials may not work full-time for unions

In Nigeria, only one trade union centre is allowed It is allowed to affiliate only to the Organisation of African Trade Union Unity and the Organisation of Trade Unions for West Africa, "or any other international body approved by the military authorities "

Asian countries are loath to recognise more than one (usually State-controlled) union centre or federation "Single trade union centres operate under the control of ruling communist parties in Afghanistan, Kampuchea, Laos, North Korea and Vietnam Similar union subservience to the regimes in power exists in Iraq, Syria and Yemen "

The report notes that in several African countries trade unionists have been killed either in political violence (in Liberia and SA) or as a result of torture (in Sudan) Many have received excessive prison sentences for union activities

Latin America remains the most dangerous place in the world to be a trade unionist "The most alarming acts of anti-union repression occurred in countries with elected governments and in conditions of apparent impunity Hired gunmen, death squads, paramilitary groups, police, army and security personnel have been free to kill and abduct workers because of their trade union activities in the sure knowledge that they are beyond the reach of justice "

Small wonder that many SA unionists are keen to cut their links with political parties (see page 41) ■

Rising labour costs alarming — Stals

(132)

B/Day 24/7/91

GRETA STEYN

RESERVE Bank Governor Chris Stals has isolated rising labour costs as the major economic problem SA faces.

"This is what is pushing our rate of inflation up, this is the malignant disease that erodes our competitiveness vis-a-vis the rest of the world, this is what is closing our marginal gold mines, this is where the origin lies of rising unemployment in SA," he said in Johannesburg yesterday.

He called on trade union leaders and management to work together to reverse "the alarming trends" of the labour market over the past 20 years

Stals described the rates of increase in the labour costs per unit of production as "disturbing" and "alarming"

Unit labour costs rose by 17,2% and 16,3% in 1989 and 1990. The country's "major problem" was reflected in these statistics B/Day 24/7/91

He chided economists who blamed tight monetary policy for rising unemployment, saying they should "rather addess the real basic problem and analyse the reasons for the declining trend in productivity, for excessive increases in wages and salaries and for the rising unit labour cost".

Productivity per worker fell marginally in 1990 after increasing by only 0,8% in 1989 and rising by 2,3% in 1988. At the same time, the average real wage per worker increased at rates of 2,2%, 2,9% and 2% respectively in 1988, 1989 and 1990

Callers divided over union alliances

(132)

Sowetan 24/7/91

SOWETAN RADIO METRO TALKBACK

CALLERS to the *Sowetan*/Radio Metro Talkback Show were divided yesterday over whether labour unions should affiliate to or have alliances with political parties

At issue was the link between the Congress of South African Trade Unions, the ANC and the South African Communist Party

Some callers told Radio Metro DJ Tim Modise that political issues in the labour arena were dividing the workers while others said worker issues could not be divorced from politics

One caller said that during the banning of black political organisations and the detention of leaders, unions played a vital role as the voice of the liberation movements

Vote

This view was supported by Mxolisi of Protea who said the Government had politicised labour through the introduction of legislation such as the Labour Relations Act.

Black people did not have the vote to influence what should be on the Statute Book.

Cosatu and Nactu had their own principles and there was nothing wrong in forming alliances with political organisations

This view was supported by Royal from Soweto

Resign

Veli from Katlehong, however, said he disaproved of such alliances and union leaders who belonged to political parties should resign from unions which were formed to address "bread and butter struggles".

Buti from Tsakane also said the divisions among workers on the shopfloor over which organisations to affiliate to led to intolerance and other undemocratic practices.

FM 26/7/91 (132)

TRADE UNIONS

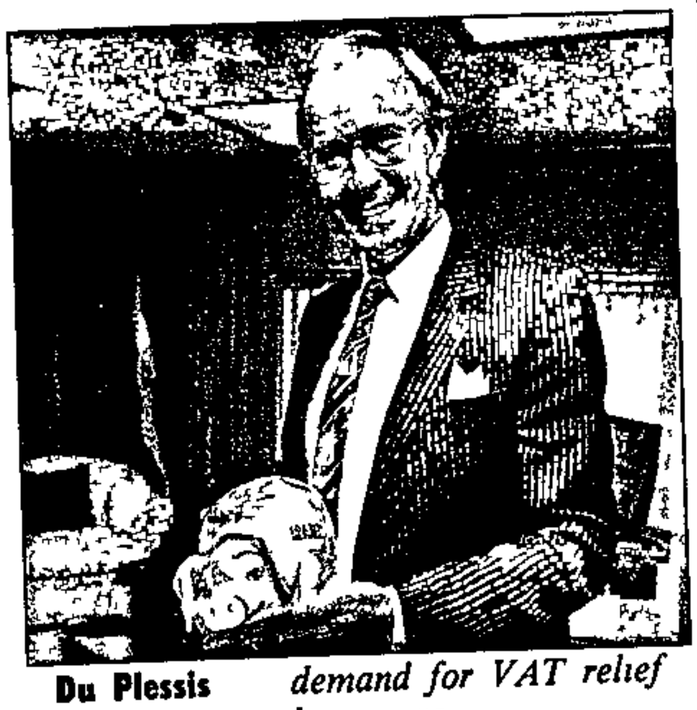
TAXING THE WORKERS

Finance Minister Barend du Plessis has been told by union leaders to expect "stern resistance" by workers "if there is an inadequate process of consultation and the implementation of VAT goes ahead" in October

This emerged from the Minister's meeting last week with a high-powered union delegation to discuss the issue of VAT on union subscriptions, basic foodstuffs and medical supplies and services

The delegation of 13 was jointly led by Cosatu general secretary Jay Naidoo and his Nactu counterpart, Cunningham Ngakula It included NUM deputy chief Marcel Golding, textile union leader Johnny Copelyn, Numsa's Bernie Fanaroff and Cosatu treasurer Ronald Mofokeng

While the unionists reiterated their long-standing opposition to "taxation without representation", they welcomed the meeting with Du Plessis and told him that their



Du Plessis *demand for VAT relief by unions*

present concern was the effect of VAT on their members, low-income groups and economic development in SA

Du Plessis was also informed that a resolution before Cosatu's congress this week calls for unions to demand a 5% wage increase to offset the expected inflationary effects of VAT The unions have already threatened not to pay the new tax on dues

The following demands were presented to Du Plessis.

- ☐ All the food items now exempt from GST should be zero-rated under VAT,
- ☐ Prescribed medicines, medical services, medical aid schemes and sick pay benefits should also be exempt;
- ☐ Any relief programmes that are introduced need to be expanded and negotiated with the union movement and community organisations, and
- ☐ Union subscriptions and federation affiliation fees should be zero-rated

According to the unions, low-income households can expect to pay between R26 and R36 extra a month in tax on purchases if VAT is set at 12%, with only brown bread and mielie meal exempted Only at a rate of 6% would these households be paying the same in VAT as they now pay on GST Without exemptions for food and medical services they will be spending 5% more of their income on tax

Such an income drop for poorer households excludes the possible effect of other VAT-induced price increases, say the unions· "It is widely accepted that the introduction of VAT will have a negative impact on inflation, say 2%, as the tax is applied to services, administration and so on, and the costs are passed on to consumers "

Imposition of VAT on exempted food would defeat the object of the 1984 concession which, it is argued, was mainly to compensate for the increase in GST from 7% to 10% Such a sudden jump in household inflation for their members and poor families, said the delegation, "will leave the trade union movement with no choice but to demand an interim increase of 5% on current wage rates to sustain the real income of our members."

They suggest "it is not a major problem to have certain food items, medicines and medical services taxed at a zero or low rate " Businesses in SA have been able to cope with the existing exemption of foods, they add, and most European countries that apply VAT tax foods at a zero or low rate.

The unions note government's acknowledgment that taxing previously exempted items will mean poor people paying more and that government has promised R220m for targeted poverty relief this year But it has not spelled out how the money will be spent, nor is it clear that this programme will be in operation by October 1.

The allocation is too low anyway, the unions feel With 16,3m people estimated to be living below the minimum living level, according to the report of the VAT Committee last February, the R220m budgeted for poverty relief amounts to R13,50 per person The unions say this should be compared with the R546m that the Labour Research Service has estimated low-income households will be paying in tax in the first six months of VAT.

Cosatu, therefore, told Du Plessis it believes these households will be paying for any poor-relief programme government introduces, plus a "bonus" with which to subsidise business purchases Further, the 1991-1992 Budget allocates R25m less on job creation and R20m less on training for the unemployed than last year

Since SA has no well-developed social security system, zero-rating of basic foodstuffs would be a means of assistance able to reach even those in remote areas, says Cosatu — adding that an expanded relief programme is called for in any case These should be negotiated with the trade unions and community bodies with a long-term government commitment to sufficient funding

Cosatu will be "urgently" submitting further representations to Du Plessis, who it says has agreed to further talks on these and macro-economic issues ■

SACP won't have everything its own way

W/Mail 26/7 – 1/8/91.

(132)

BEYOND APARTHEID. Labour and Liberation in South Africa *by Robert Fine with Dennis Davies* (Ravan, R39,95)

FUNDAMENTAL change faces the nation The shape and content of this change, however, depends on which strategies and politics come to dominate among the working class.

It's a real treat, then, to be able to read a serious study of an earlier period of struggle and crisis for the ruling class which is neither an empty "horrors of apartheid"-type book nor a heroic mythology of the main currents in the anti-apartheid movement.

Beyond Apartheid is an in-depth study of the period which formed modern apartheid — centred on the crucial periods 1939-1948 and 1948-1964

The second half provides a valuable antidote to any idealisation of the African National Congress They are shown tumbling from one tactic to another — pulled along either by resistance from below or out of fear of being outflanked by another political tendency.

It's the first half, however, which is most interesting Along with Baruch Hirson's *Yours for the Union*, this book forms part of a vogue among leftwing historians for the study of 1940s South Africa But Fine studies the 1940s to illuminate two of today's key issues

Firstly, he shows that it's not inevitable that the mainstream ANC/South African Communist Party current will have everything their own way. They have been seriously challenged by other tendencies in the past and the 1940s were particularly embarrassing for a communist party which claimed sole leadership of the working class

As a SACP trade union organiser told the 1940 party conference, the Trotskyists in Johannesburg can call a meeting of 10 000 Africans, but the Party can't. The Party has not the most elementary conception of how to organise trade unions

More centrally Fine wants to give an account of why such an aggressive workers' movement, including a strong current concerned with independent working class organisation, should have been cracked by the ascendant National Party and then subsumed by middle-class-led nationalist organisations in the 1950s and 1960s

To start with, he makes a very useful point in setting perspective During World War II the black working class expanded dramatically So too did the level of struggle, culminating in the defeated 1946 miners' strike But this expansion took place from a very low level

Therefore, while the mobilisation of this period gave rise to semi-permanent union organisation for the first time, it was also still riddled with weaknesses. The latter half of the 1930s and 1940s represented the beginning of the era of modern industry in South Africa and the beginning of the making of the modern black industrial working class The black industrial working class was in its infancy It did not step onto the stage of history, as it were, ready-matured

Aside from objective problems, Fine's key object is to study the political failings of the left, which ceded leadership of the working class to the nationalists He starts correctly by identifying the central role of the SACP in this process

The orthodox nationalist leadership at this time was incapable of misleading, never mind leading, the working class, as it was steeped in a conservative strategy of pleading for concession from above

Meanwhile the SACP was performing a tumbling act with its own strategy — from Popular Front to an anti-war position, in obedience to the Hitler-Stalin pact, and then back to the Popular Front in support of the war effort.

The common thread, however, was to subordinate independent working class struggle and the fight for socialism to the nationalist strategy of fighting apartheid without using the tools of the class struggle

How did the SACP, following the twists and turns dictated from Moscow, manage to build enough respect in the working class movement to carry this out? Fine argues their success lay in the absence of any coherent strategy on the part of the Trotskyists and other leftwing currents

The Trotskyists could very efficiently expose their SACP when it veered to the right, yet they were repeatedly thrown off-balance by the Stalinists' periodic twists to the left.

Fine argues that the Trotskyists failed because they didn't effectively integrate the struggle for socialism with the solution of the national question As a result, the Trotskyists eventually followed the Stalinists into the arms of the nationalists, or abstained from any real struggle They failed, in other words, to take note of Trotsky's general prescription. "The proletarian party can and must solve the national problem by its own methods The historical weapon of national liberation can only be the class struggle "

So far, so good But when Fine tries to argue for policy which could have filled in for the left's failings, he comes unstuck himself

We are treated to an abstract account of white workers' economic struggles, which is supposed to indicate the potential of black and white working class unity But any abstract trade union perspective which seeks to paper over the fundamental rift between black and white is necessarily going to have very little to say about fighting for political rights for blacks

Fine does concede that the few white workers organised in non-racist unions displayed a "schizophrenia" — supporting the union but not its politics But then he says that the failure to break the barriers between black and white in the workplace and thus build a socialist current around working class unity explains the rise of nationalism

This is entirely wrong African nationalism springs from the oppression of blacks, not from their failure to achieve some abstract unity with poor whites

To be fair, Fine does constantly criticise currents on the left, both of today and earlier, which failed to take note of political questions in the name of working class unity Nevertheless, his solution to the problem still veers towards the notion that unity springs spontaneously from workers' joint antagonism to the bosses

These criticisms are called for because *Beyond Apartheid* is a very good book which can be useful in the struggle today And because it is so good, it is also worth criticising the book's failure to argue coherently for a path forward today Fine's only clear call is for the winds of democracy to blow through the movement But who isn't making that call today?

Rehad Desai

Unions are trapped between skilled elite and the underclass

B/Day 2/8/91.

EDDIE WEBSTER

(132)

IN RESPONSE to economic crises worldwide, new forms of production, academically known as post-Fordism or flexible specialisation, began to emerge in advanced industrial countries in the Eighties

This type of work organisation is based on the introduction of new computer-based technology which provides flexibility in the organisation of production

To facilitate this flexibility, it uses various forms of participatory management, especially ideas pioneered in Japan quality circles, just-in-time and green areas These systems all aim to increase productivity and quality by encouraging workers to use their ideas and skills to increase production Post-Fordism rests on the assumption that management needs to secure workers' co-operation to achieve greater productivity

In SA, important studies have been undertaken on skill formation, on shift work, on participatory management, on industrial strategy and on the new production technology Their results suggest that there is a slow and uncoordinated drift towards new technology and new methods of organising work in SA, rather than a rapid and co-ordinated transformation of current work organisation Examination of the labour market points, however, to one important area where restructuring has taken place

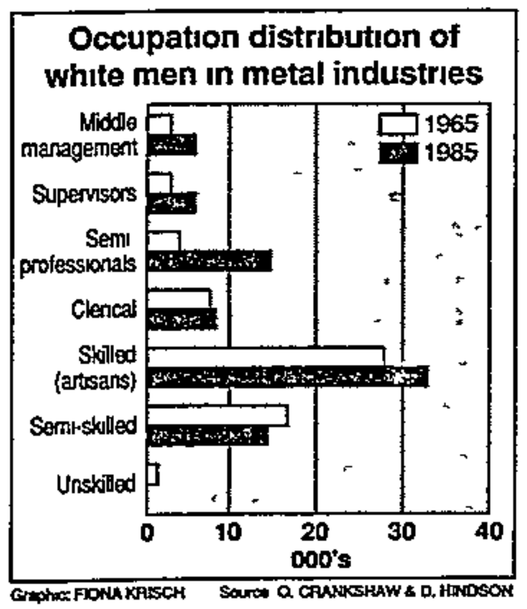
Statistical evidence demonstrates two contradictory trends in the metal industry labour market. First, the number of semi-skilled, skilled, supervisory and white collar jobs among African workers increased between 1965 and 1985 (see graph) This restructuring has deepened divisions within the black labour force between an elite of skilled and privileged workers, and a layer of less skilled, lowly paid workers who have no job security Divisions have also deepened between employed workers and a growing mass of unemployed

Secondly, however, the division between white and African men in the metal industry may have become even more rigid than in the past Although the number of white men in semi-skilled jobs has declined, the number of white men in semi-professional, supervisory and to some extent artisan work has grown

The implications of these changes for the labour movement are far-reaching The unions are now flanked by two large social groups of the non-unionised, the rising middle strata of skilled, supervisory, technical, semi-professional and white collar workers, and a rural underclass consisting of the growing unemployed, the expanding informal sector and an impoverished peasantry

The size of this underclass is difficult to calculate, but there is clear evidence that the capacity of the economy to employ the emerging labour force in the past five years has crumbled Of the 366 000 people that enter the labour market annually, the formal sector has been able to employ only 33 000 or 9% a year over this period (Business Day, June 28) In the 1980s, more than 100 000 jobs were lost in the metal industries alone Many more losses are predicted in the Nineties

How is this restructuring of the labour market affecting union organisation and how are the unions responding to this challenge?



Increasingly, worker leadership is drawn from the better educated and more skilled urban-based stratum of the working class In the early days of the new unions a high proportion of union leadership came from the migrant hostel-dwellers on the East Rand In many respects they built the union movement

"It is unusual," writes Jeremy Baskin in his recently published study of Cosatu, Striking Back, "to find such people (often semi-literate, unskilled labourers) in senior positions within Cosatu and its affiliates today In 1986 and 1987 meetings of Cosatu's CEC were still conducted in a mixture of English, Zulu and Sotho Today English is almost the only language heard at CEC meetings"

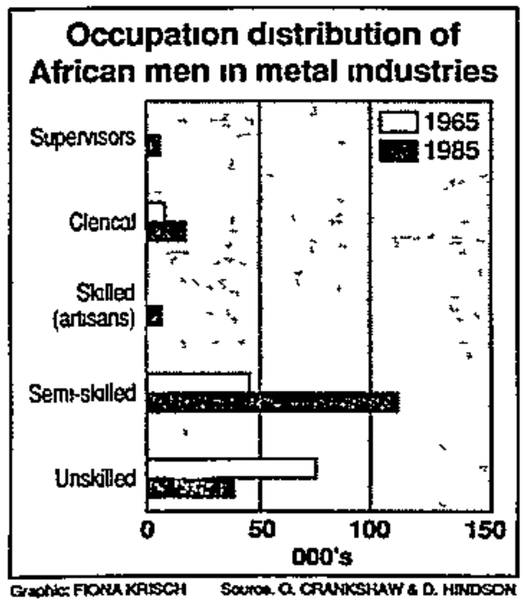
Indeed, the failure of unions to address hostel-dwellers' grievances has contributed to the feeling of alienation among many and made them an ethnic constituency more easily mobilised by Inkatha's labour wing, Uwusa

Any economic growth strategy is likely to rely heavily on the "core group" of skilled workers who are able to use the new technology to increase productivity It is possible, therefore, that the new computer technology and participatory management techniques could increasingly reflect the interests and aspirations of this group, and neglect the interests of the "underclass"

The choice facing the labour movement is whether this restructuring is to take place in a way that increases those divisions Or is it possible for the labour movement to take advantage of the growing skill level of the "core" workforce to influence decision-making in the direction of a more democratic economy; one that concerns itself with the living conditions of the working poor, and growing unemployment?

This gets to the heart of the differences that have divided the labour movement since trade unions first emerged in 19th century Europe

But the choice is more complex If unions go beyond the workplace concerns of their members and extend their solidarity beyond the factory to other working people, as the concept of "social-movement unionism" implies, do unions not run the risk of becoming unaccountable and unresponsive to the representational concerns that "collective bargaining unionism" offers? Indeed there is evidence that union involvement in national politics has led to a decline in shop-floor participation, echoing the kind of oligarchic tendencies identified in Robert Michels' study of the German labour movement



The pressure on unions to identify with the goals of national development, as defined by the new political leaders, will be considerable under a government elected by all South Africans In post-colonial Africa, for example, governments have expected unions to play a dual role, first, that of sacrificing their narrow interests to the overall demands of national development, and second, the representation of the job interests of rank and file members

The need for unions to address these dilemmas has been made urgent, since February 1991, by the possibility of a negotiated restructuring of SA's economic and political institutions The Leninist notion that change will come through revolution no longer seems either feasible or desirable

It now seems possible that the transition from apartheid to non-racial democracy may be affected neither through incremental reform nor by revolution, but rather through a process of conflictual transformation or radical reform Indeed, by treating state structures such as the National Mampower Commission as "negotiating forums" backed up by mass action such as stayaways, the practice of the labour movement has been one of radical reform

Through this process of radical reform, new institutions have emerged that have a high degree of legitimacy The recognition agreement — the embryo of a social accord — is one example The non-violent mediation of conflict is another Particularly important are the procedures within the labour movement that ensure the democratic representation of the interests of ordinary workers

This is the most significant achievement of the labour movement — through the strategic use of collective power it has created a set of procedures and democratic practices that provides SA with a model for a negotiated transition to a new democratic order

☐ Prof Webster is head of Wits University's sociology department. This is an edited extract from his inaugural lecture delivered yesterday.

Use more blacks - Dhlomo

132

Sowetan 2/8/91.

SOWETAN Correspondent

WORKERS will have to be increasingly brought into industrial decision-making in a post-apartheid South Africa to ensure industrial peace, Dr Oscar Dhlomo has said.

Addressing the Johannesburg Afrikaanse Sakekamer last night, Dhlomo, executive chairman of the Institute for a Multiparty Democracy, said industrial relations would be an area where socio-political change would be most profound

"Our failure to successfully manage this change will destroy whatever hope we have of a new South African industrial giant able to hold its own among other industrial and trading nations of the world," said Dhlomo.

Motto

Labour and industry would have to establish a new symbiotic relationship which would be underpinned by the motto that without industry there could be no labour and vice-versa.

Another change in industrial relations would involve the introduction of black managers in most sectors of industry, Dhlomo added.

"If and when a predominantly black government of the future comes to power, it will almost certainly insist that more blacks be brought into management sooner rather than later"

Industries had to begin implementing policies that facilitated the rapid advancement of blacks up the managerial ladder and should not wait for a future government to tell them to do this, Dhlomo said

Labour turns up the heat

(132)

C/Press 4/8/91

By THEMBA KHUMALO

Big deals are struck but the rumbles continue

COUNTRYWIDE strikes by thousands of workers are having a serious effect on the commercial, railway and motor industries

In the past four weeks more than 40 000 workers have resorted to wildcat strikes after disagreement between managements and union delegations over improved working conditions and higher salaries

Agreements

However, several packages have been signed between negotiating parties in various big industries

At present 30 000 workers in the motor industry are on strike countrywide The action started last month at the Toyota assembly plant in Rosslyn near Pretoria over wage increments The strike later spread to Volkswagen in Uitenhage in the Eastern Cape – generally regarded as the stronghold of the National Union of Metalworkers of South Africa (Numsa)

A spokesman for the Rosslyn plant said the strike has cost the company millions in turnover

As the action entered its third week, manufacturers began closing plants and pulling out of negotiations Toyota closed its Prospecton plant, while Samcor and Delta closed their Pretoria plants

Numsa had assured managements that the strikes would end on Monday in a bid to break the negotiations deadlock, but by late this week workers had not returned to work

About 1 000 railway workers – mostly members of the South African Railway and Harbour Workers Union (Sarwu), are striking to demand the reinstatement of colleagues who they say were unfairly dismissed after they had been involved in a fight The strikers are also demanding the reinstatement of Karel Niewoudt, the only white Sarhwu member to be fired – allegedly for smoking dagga while on duty

They were this week joined by 15 000 members of the Transnet Artisan Staff Association following the collapse of negotiations between the artisans and management over wages and retrenchments

In the medical field, at least 8 000 medical research employees and members of the National Education and Health Allied Workers Union (Nehawu), went on strike after wage talks deadlocked

On Thursday they were joined by 300 general workers at GaRankuwa Hospital outside Pretoria over allegations of maladministration

On Tuesday about 350 University of Zululand employees downed tools to demand a 10 percent across-the-board increase

Meanwhile, the two largest South African unions, Numsa and NUM, signed crucial wage agreements in Johannesburg this week

After two months of intensive bargaining, NUM and the Chamber of Mines signed a profit-linked package on Wednesday while Numsa and the Steel and Engineering Industries Federation of South Africa (Seifsa) signed theirs on Tuesday

Standstill

Black education is set to come to a standstill on Wednesday when thousands of members of the South African Democratic Teachers' Union (Sadtu) take to the streets to protest against "the authorities' intransigence" over the black education crisis

Sadtu has appealed to the community not to see their planned action as "another insensitive political gesture" which was a waste of time for the pupils

Finance Minister Barend du Plessis with chairman of German company Carl Zeiss, Horst Skoludek, at the official opening of the new Carl Zeiss headquarters in Randburg yesterday.

Picture CATHERINE ROSS

Barend tells labour to 'play its part'

B/Day 9/8/91 (132)

BRENT VON MELVILLE

FINANCE Minister Barend du Plessis yesterday took SA labour unions to task for not acting in a responsible manner, and warned that present actions could dissuade foreign investment

Speaking at the opening of the R7m headquarters of German company Carl Zeiss in Randburg, Du Plessis said if SA wanted to break the stranglehold of double digit inflation, labour must accept its part of the responsibility.

He said labour must understand that if SA created the impression that it was entering into a dispensation with high tax levels and a labour force that was trying to milk the cow dry, "foreign investment will not be forthcoming"

He said because of the ferocity of foreign competition, it was government's role to address the existing environment of tax, and labour must attempt to increase the value of the cake instead of taking a bigger slice of a shrinking cake

Sapa reports that management board chairman of Carl Zeiss Horst Skoludek said constitutional reform in SA had passed the point of no return and the world was ready to welcome the country back in the international fold

"You have now freed yourselves from your self-inflicted isolation," he said

"The members of the International Olympic Committee are leading the way Nations such as the US, Japan and the EC are following suit."

LABOUR LAW FM 9/8/91 (132)

Important shift

The Labour Appeal Court recently overturned Industrial Court (IC) rulings on three litigious workplace issues — selective re-employment, insubordination and petty theft The judgments, which appear to strengthen the hand of employers, bring greater clarity and set precedents on these matters

Previous understanding of the law on re-employing dismissed workers has been thrown into disarray, say lawyers Webber Shepstone Findlay This follows the case of Borg-Warner SA v National Automobile & Allied Workers Union (now known as Numsa), before the Eastern Cape Division of the Labour Appeal Court

The brief background is that, in terms of a rehiring agreement with the union, the company had undertaken "to consider" retrenched workers for re-employment "as and when the need arises " It was common cause that the company breached the agreement and the union alleged that this was an unfair labour practice In defence, the company held that the IC did not have jurisdiction The IC rejected this and ordered it to comply with the agreement

The company pursued its argument at the Labour Appeal Court, maintaining that the dispute did not concern an "employment relationship because the employees concerned were no longer employees "

Justice Erasmus upheld the company's argument on these grounds

- An ex-employee is not an employee in terms of the Labour Relations Act, except where he would have been employed but for the unfair practice being complained of — if, say, the retrenchment itself had allegedly been unfair;
- There is no common-law basis for an "extended" or "continued employment relationship." An employment relationship can, therefore, exist only in the context of the employment contract,
- There is no clear provision in the Act compelling an employer, where all or part of the workforce has been dismissed, to rehire all if it rehires one;
- The many IC decisions that selective rehiring can be unfair are wrong and the IC's assumption of such jurisdiction has no visible support in the Act; and
- The part of the definition of unfair labour practice dealing with the creation or promotion of labour unrest refers to more than "unhappiness" being created by some act of the employer

Thus, provided the termination of employment itself is not unfair, the decision holds that it would not be unfair to re-employ dismissed workers selectively Employers who wish to re-employ selectively, however, should do so with extreme caution in view of the many decisions to the contrary, the lawyers advise

Clarity over insubordination/insolence and dismissals emerged from the recent Labour Appeal Court judgment (Transvaal Division) in Humphries and Jewell vs Federal Council of Retail & Allied Workers Union, Dave Ramokoka and Elias Mfopa Here the IC had earlier ordered the reinstatement of Mfopa, who had been dismissed for insubordination

Humphries had stated that he noticed Mfopa walking around company premises with his hands in his pockets and his collar turned up, which he regarded as insolent and disrespectful He ordered Mfopa to wear the duty-issue dustcoat and return to work Mfopa allegedly put on the coat, turned up the collar, placed his hands in the pockets, looked at Humphries insolently and walked away An infuriated Humphries next day called Mfopa aside and told him he was being dismissed The latter's silence was taken as acceptance He was paid three weeks' wages and dismissed

The Labour Appeal Court decided "A disregard by an employee of his employer's authority, especially in the presence of other employees, amounts to insubordination and it cannot be expected that an employer should tolerate such conduct " In these circumstances, the relationship of trust and mutual confidence could not continue and the court considered it improper to order reinstatement

It also said that the IC had not borne in mind that the conduct of Mfopu was clearly

Continue -

FM 9/8/91 (132)

a wilful challenge to Humphries' authority and that it occurred in the presence of other employees who watched to see the outcome.

Because the company admitted that the dismissal was *procedurally* unfair, it was ordered to pay Mfopa four weeks' wages.

According to Webber Shepstone Findlay, the Appeal Court's condemnation of Mfopa's conduct as insubordination removes artificial distinctions between that and insolence, which is how the IC had described Mfopa's conduct

The third case deals with petty theft and dismissal

Is it unfair to dismiss an employee for the unauthorised possession of goods worth R45? This was raised in the case of Commercial Catering & Allied Workers' Union and Miriam Miyela vs Central News Agency

The IC did not fault the finding of guilt at a disciplinary inquiry, but found mitigating factors These were that the employee was an elderly widow with five children at school to support, her clean record of service, and the value of the goods taken The lower court found the dismissal unfair, but said the employment relationship had broken down It did not, therefore, order reinstatement but awarded six months' salary

Justice De Klerk at the Appeal Court found that the "mitigating circumstances" were not raised in affidavits nor evidence and that the IC had, therefore, erred in saying these facts weren't properly considered It was a basic and tacit term of employment that an employee would not steal from the employer Even if the mitigating circumstances were taken into account, the dismissal as fair and proper could not be questioned

The court did not find it necessary to distinguish between theft and "trivial pilfering" — which suggests there is no difference, observe the lawyers The decision appears, therefore, to reject the "propensity to steal" argument, which places emphasis on the value of the stolen goods

It is recommended that employers must carefully examine the circumstances of each case, including the amount, before deciding on an appropriate sanction Mechanical application of this case would be unwise ■

Saccola, Cosatu to lobby Cabinet

Rebuff for FW's covert security plan

B/Day 12/8/91

ALAN FINE

A JOINT management/labour initiative has been launched to urge President F W de Klerk to scrap his plans to appoint a private sector committee to advise him on covert security activity.

It was disclosed at the weekend that employer federation Saccola and Cosatu agreed at a meeting on Tuesday to approach Cabinet jointly with a proposal that the committee be replaced by a more broadly based group representing all key sections of civil society, including organised labour.

They are to seek a meeting to discuss the issue with Deputy Constitutional Development Minister Roelf Meyer (soon to become Defence Minister).

The rationale behind approaching Meyer would be that he is government's chief representative in the church/business-initiated peace process The parties hope to arrange a meeting with him this week.

The Saccola/Cosatu scheme — according to sources at the meeting and others briefed on its proceedings — would incorporate the entire issue of covert activity into the church and business-initiated peace summit which has made good progress in drawing up codes of conduct for political parties and the security forces.

Cosatu and the ANC have already stated their opposition to an advisory committee comprising senior businessmen Cosatu has drafted a written proposal for government's consideration

It is understood that the type of people De Klerk plans to appoint to the private-sector committee would be chairmen and chief executives of the country's largest corporations. Initial aproaches have apparently been made already, although identities of those approached could not be ascertained.

The consensus between the union and management groups is that a committee comprising representatives of such groups as business, organised labour, and civic and local government groups should be appointed to examine the covert activity issue.

The most important consideration was that its composition should be broadly acceptable to and inspire confidence among major opposing groups.

Its primary purpose should be to establish guidelines as to when the public interest would be served by covert activities, and to determine what control mechanisms should exist to ensure that these guidelines are adhered to.

An important consideration would be that the guidelines should be made public If details of covert activities were then "leaked" again, it would generally be clear to the public whether the guidelines had been contravened. It was further suggested that these guidelines could also be incorporated into the review of legislation related to covert activities promised by De Klerk for next year.

It is understood that, apart from the Cosatu/Saccola initiative, several businessmen have already asked Cabinet contacts to try to convince De Klerk to drop his private sector committee scheme.

☐ To Page 2

Security

B/Day 12/8/91.

☐ From Page 1

The ANC recently described De Klerk's proposed committee as "a face-saving measure designed to embroil others in dirty tricks to preserve the power of the NP" The ANC appealed to the business community not to permit itself to be drawn into such "dubious schemes"

And a senior business representative, who did not want to be named, said many business leaders opposed the scheme

"The last thing we need is an arrangement which unions would see as confirming their suspicions of a conspiracy between the 'apartheid' government and big business," he said

In his statement on the Inkatha funding scandal on July 30, De Klerk said the committee would be asked to advise him on the requirement that secret funding should not benefit political parties, and to advise on whether continuing secret projects were in the "national interest"

He said the advisory committee, in order to permit it to "restore trust", should comprise well-known personalities accepted as people of integrity

Meyer had no comment to make yesterday

Workers 'must lead'

Sowetan 16/8/91

SOWETAN RADIO METRO

TALKBACK

By KENOSI MODISANE

RACIAL disparity can only be destroyed if workers took control of the economy in South Africa, Dr Neville Alexandra said yesterday

Speaking as guest on the *Sowetan*/Radio Metro Face the Nation show, Alexandra said "Trade unions must first unite and be independent of political parties."

Alexandra, who is chairman of the Workers Organisation for Socialist Action, added "Our purpose is to work for the establishment of a mass socialist movement which will benefit the mass of black workers in a future South Africa

Asked if foreign investors would not be scared off if workers took control of the economy, Alexandra said "The question of foreign investment will always stay in the forefront because of the investors' interest - who are obviously capitalistic

"But we must move away from a system where the key means of controlling the economy and wealth of the country are in the hands of private persons if we wish to achieve equality in South Africa.

"People should decide the kind of system they want to live in"

Alexandra, who has just returned from the United States on fellowship, added "It is not true that the South African Communist Party is the only group representing workers

"We at Wosa are not prepared to tie ourself to any major liberation movement"

Nupen throws down gauntlet

Sowetan 20/8/91

(132)

By ISAAC MOLEDI

TRADE unions and employers have been called on to develop new, healthy and meaningful relationships that would halt shop-floor tension and conflict

Various speakers at a seminar titled "Success stories in industrial relations" at the weekend called on the traditional apartheid relationship characterised by tension and confrontation between workers and employers to be abandoned

Presenting a paper on "Relationship by objectives" the director of Independent Mediation Service of South Africa, Mr Charles Nupen, said a new mechanism of gradual relationships between trade unions and employers should be developed and encouraged

Though encouraged by the increasing development of new understanding between some unions and management this understanding needed to be developed further

Worker and management relationships needed constructive development for parties to reach agreement

This could be achieved by qualified personnel who could commit both parties in debate to reach consensus

However, head of the ANC's manpower department, Mr Mzwai Piliso, told speakers that causes of industrial unrest and tension were as a result of the appalling conditions which most workers were subjected to

He said the rapid changes in industrial relations set the stage for the present political changes.

"As a result we will not see industrial stability and democracy without political rights and participation for all in South Africa"

A social contract can advance the interests of labour

B/Day 21/8/91.

GEOFF SCHREINER (132)

THE debate over the social contract is central to Cosatu's proposals for restructuring the National Manpower Commission (NMC) into a forum for the negotiation of national labour market issues

For some it has become fashionable to argue that the social contract equals wage restraint and no-strike clauses Therefore, it is said, social contracts are bad Therefore the trade union movement should have nothing to do with them

This argument is manipulative and misleading The equivalent of wage restraint and very explicit no-strike agreements are sometimes accepted by unions at plant and company level Why not the same howls of horror? Because all unionists acknowledge that, under certain circumstances such accords, contracts or agreements might be necessary for tactical reasons

And such agreements need not be seen only in negative or defensive terms, as concessions borne out of weakness

One could well postulate a situation where — in exchange for price-fixing and improvements to the social wage (directly benefiting the more marginalised sections of the working class) — the trade union movement agrees to temporary restraints on wage increases and on strike action related to issues contained in that contract

Whether such an agreement works depends essentially on whether trade union members fully understand and endorse the contract in the first place

In the short term, there are no magic recipes regarding what should or should not form the basis of any agreement, be it with a single employer, employers generally, and/or the state But it is critical that decisions regarding what and what not to accept should be informed by a strategic perspective which embodies our aims and objectives as a federation

In short, any agreement should be measured in terms of its value in taking the working class towards its socialist objective

Assuming a case has been made for national negotiations, what forum are we going to use? Cosatu has three options It can fight for a new institutional forum recognised by the state It could opt for a looser, ad hoc forum Or it could choose to resurrect and restructure the NMC

The federation has attempted to keep open all these possibilities Cosatu agreed to proposals by the state and employers in October 1990 to participate in the NMC, provided it was restructured to become a very different institution

At the same time, Cosatu signalled that it would continue with other non-institutionalised negotiations — at least until it was satisfied that the new NMC was established along the lines proposed by the federation

Cosatu, therefore, is conditionally participating in the NMC while simultaneously setting up meetings with national employer organisations and various state departments to begin negotiations around a range of macro-level issues

If the former process flops because the Manpower Minister is unwilling to accept the basic propositions put forward by Cosatu (and endorsed by Nactu), then the federation can leave the NMC and begin a campaign of mass action to force acceptance At the same time, Cosatu can continue engagement, where necessary, through non-institutionalised options

How should we then approach the question of restructuring the NMC?

If the NMC is to become the forum in which we negotiate all macro-level issues, we would have to ensure, in the short term at least, that the scope of the NMC's responsibilities were widely defined

In fact, the current legal definition of the NMC's functions — "to make such investigations as it may consider necessary into, and submit recommendations to the Minister concerning all labour matters, including labour policy" — is already sufficiently wide

Going one step further, however, Cosatu would have to look at the possibility of drawing in existing advisory, policy-making and executive forums under its ambit — such as the National Training Board and the Unemployment Insurance Fund Board

One important merit of a simple (single) forum is that we simply do not have sufficient resources to spread across a broad spectrum of negotiating forums

Secondly, it would facilitate building unity across sectors of the economy including the public sector and farmworkers, for example

This could mark an important political development for the trade union movement in our country, to help us avoid the chauvinist, sectionalist responses of other once-progressive and militant federations in other parts of the world

In these endeavours, Cosatu has to ensure that it retains its independence This means the will, capacity and right to support its demands, where necessary, by mass action, in its engagement with capital and the state at national and other levels

Welding mass action and negotiations into a coherent strategy at national level is a massively difficult project The current negotiations between the ANC and government demonstate this The ANC leadership, which is heading the negotiations, continually underemphasises (and even demobilises) the mass action component. Other sectors of the ANC — the youth for example — continually push militant action without any clear conception of any of the limits and possibilities of the negotiations component

Mass action linked to negotiation does not mean simply that there is negotiation at the same time as there is mass action To get beyond mass action, which is simply about protest, we need to ensure that our action links directly into the negotiation process and is part of a clear sustained campaign

If deadlock is reached, then mass action must follow Our constituency must be clearly appraised of precisely what has caused the deadlock and why they are being called upon to debate, themselves, the issue of taking action

Participation in mass action should not be based simply on an instruction from on high and loyalty to a particular organisation

What new powers does the NMC require? Presently it is merely an advisory body The Minister is entirely at liberty to choose which recommendations of the NMC to endorse and which to reject. This is completely unacceptable

Accordingly, the federation has proposed that no draft legislation related to labour should be put before Parliament unless it has been through the NMC

Further, where there is consensus on proposed legislation within the NMC then, firstly, the NMC should be entitled to draft such legislation and secondly, it should be placed before Parliament in that same form The Minister would be entitled to adopt whatever approach he chose to such draft law

The intention is to prevent NMC recommendations ending up in the Minister's bottom drawer

But the proposals do accept that a democratically elected parliament should have the ultimate right to pronounce on NMC proposals

Parliament would have to weigh up the possible consequences of rejecting or amending NMC proposals

It is also important to open up the NMC to representation by a broader range of actors than employers, trade unions and the state It makes sense, for example, that women's organisations should be invited to make representations on labour market issues This kind of approach which currently pertains in Canada for example, could well have the effect of moderating trade union chauvinism and helping to ensure better representation for the more marginalised groups in society

☐ Schreiner is a Numsa official who also represents Cosatu in national negotiations with employers and government This is an edited extract from an article in the latest edition of the SA Labour Bulletin.

ist 30 to September 5 1991

INCONGRUOUSLY, perhaps, hi-tech abounds side by side with Voortrekker values in the Northern Cape town of Orania, kernel of the putative new Afrikaner state of Orandia.

On Sunday night, folk wander in to into the public dining room of the cafe-cum-guesthouse run by burly "godfather" figure Johan Moolman. They play hymns and Afrikaans *liedjies* on a Yamaha electronic keyboard someone has set up in the cafe's dining room

Even more startlingly, Orania's school relies on sophisticated Amiga computers for its advanced programme of individual tuition for the 35 or so pupils

Those who favour the "Volkstaat", dreamchild of Professor Carel Boshoff, pin their hopes on technology and mechanisation to solve at least in part their biggest problem — labour

In this they are not alone Business in South Africa has also turned on a large scale to capital investment to avoid a politicised and unionised labour force

But how much of a problem labour is was illustrated by a dispute last week in Orania between Moolman and some of the white labourers in the town.

The white workers were much disgruntled about working conditions — and about Moolman giving one of the workers the occasional *"klap"*

The dispute appears to have been settled — but journalists, of whom I was one, visiting the town two weeks ago, found a simmering discontent among the labour force.

The replacement of black labour with white is a big stumbling block. Morgenzon, where Oranjewerkers planned to use only white labour has also flopped, at least in the eyes of the people of Orania, who use it as an example of what they don't aim at

Even the trekkers, after all, relied on black and coloured labour But Volkstaters I spoke to, in theory anyway, believe reliance on black labour is a decadent practice which will bring ruin on the heads of white Azanians, their term for South Africans

In Orania the working hands will have to be lily white Moolman's complaints about labour problems smack uncannily of those in neighbouring Azania Moolman, a teetotaller, complains of getting calls from nearby Hopetown to come and pick up his drunk white labourers

But unlike Azania, the problem is not a living wage, he insists even though labourers get R150 a week, with board and lodging thrown in

"The only labour problems we have in Orania is alcohol and drug abuse"

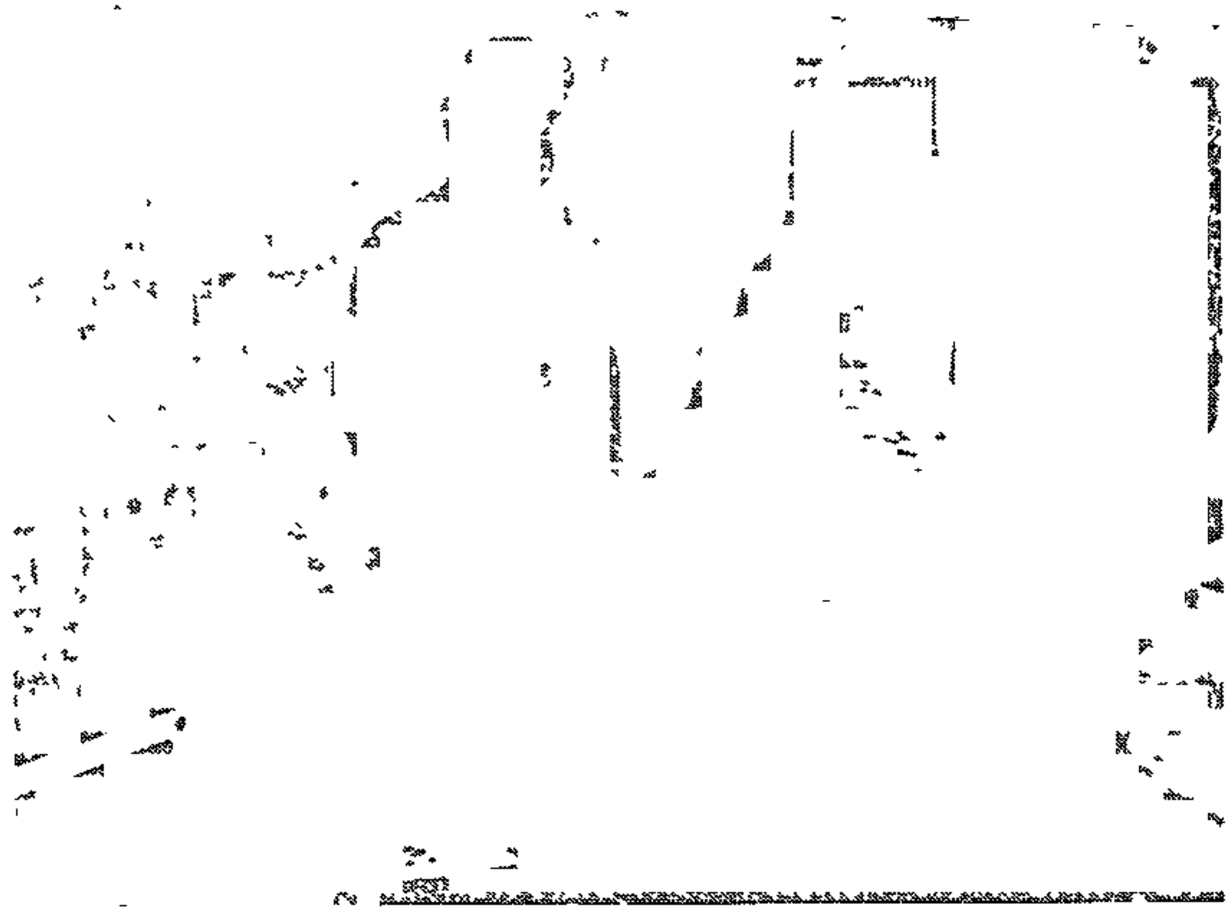
There is an irony in Orania's all-white labour problems The trend in South Africa is for greater co-operation between white and black unions Recently, black South African Railway and Harbour Workers' Union members went on strike on behalf of one of their white members

Die-hard Marxists will take heart at least in some cases class does seem to surpass race in importance

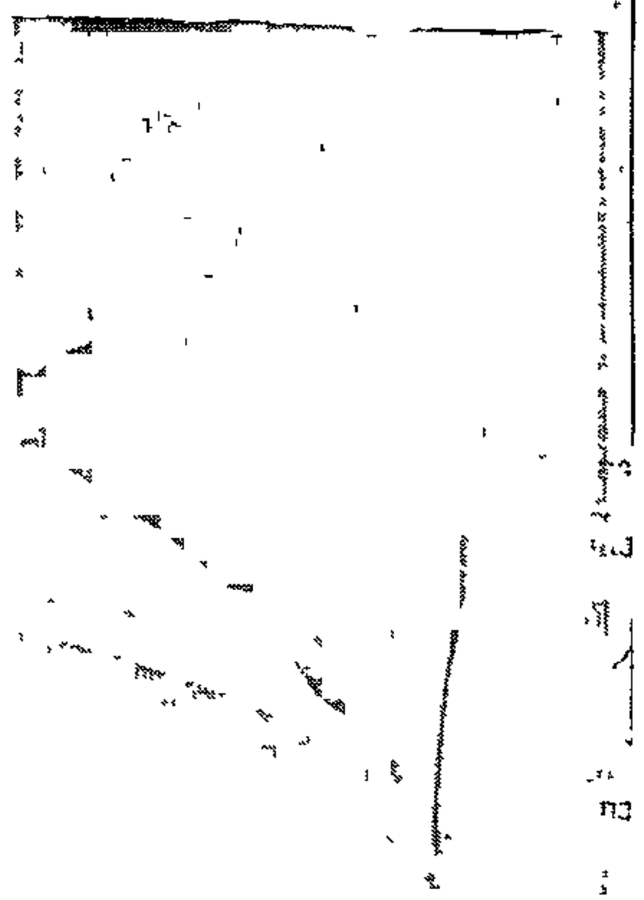
Labour, according to Moolman, will also be the weapon to remove the 265 000 people — most of whom are coloureds and the rest blacks — who live in what will be the Afrikaner Volkstaat, a huge chunk of South Africa stretching from below Kimberley through Beaufort West to the coast.

They simply won't get work, he says Around 250 coloureds were moved from Orania "by negotiation"

Orania, which has the feel of a mining village, was built by the Department of Water Affairs to house workers building canals piping water from the nearby Orange River for irrigation It is around 700km from Pretoria.



Dirtying their hands .. White labourers put a brick 'skin' on a house in Orania



Johan Moolman . . Acused of 'klapping' a worker

Photos REG RUMNEY

W/Mail 30/8 – 5/9/91 (132)

When two hats are better than one

Sowetan 2/9/91

(132)

SHOULD trade union movements officials hold leadership positions in political organisations?

If so, how will they manage to perform their duties in both organisations?

The answers to these questions were provided by two prominent trade union leaders during a debate organised by the South African Institute of Race Relations last week

The debate, titled "Union Officials In Political Office - Cat Among The Pigeons?", produced interesting arguments on the subject.

Mr Moses Mayekiso, general secretary of the National Union of Metalworkers of South Africa, president of the Civic Associations of Southern Transvaal and chairman of the Alexandra Civic Association, and Mr Rob Lagrange, Transvaal regional secretary of the South African Clothing and Textile Workers' Union, shared their experience on the subject with about 200 members of the public who attended the debate

By

IKE MOTSAPI

Oppression

The discussions were mainly focussed on the feasibility of Cosatu officials holding office in political organisations.

This topic has caused much debate within Cosatu circles of late

During Cosatu's national congress, workers gave their leaders the go-ahead to assume leadership positions in political organisations if "that meant working towards the total liberation of blacks"

"This hot and controversial debate has revived the minds of people on what they are fighting for and has made some people reactionary in the analysis of the working class struggle for 'power' for socio-economic and political emancipation from the yoke of oppression and exploitation," Mayekiso argued.

Lagrange kicked off the debate by saying that while the wearing of two hats was discussed at Cosatu's national congress the "talks were rooted in recent historic developments and would have seemed irrelevant two years ago"

He said "When I was approached a couple of months ago to present this view on the two hats debate there was a lot more life in the issue than there may be now.

"But we believe the issue is not yet 'old hat' and is likely to develop new life as the political terrain continues

"In practice it would appear this principle will increasingly be implemented.

"We have seen the recent resignations of comrades Cyril Ramaphosa and Sydney Mafumadi to take up full-time positions in the ANC.

Problems

"Certainly in relation to holding dual senior positions in the ANC and Cosatu, policy is likely to be strengthened

"It remains to be seen what will happen when elections are held at the SACP conference in December

"With practical examples of the difficulties of wearing two hats in senior positions before us, the debate was removed from the realm of abstraction and now rooted in reality

"This argument confounds the question of dual leadership with the issue of dual membership of organisations," he said.

Lagrange said it was only at the level of prominent leadership positions where problems of dual accountability "arise in a very public manner that one leadership hat should be chosen"

Racism

He said no restriction on individual's choice of political affiliations was suggested.

"What is particularly disappointing about the progress in the two hat debate is that the practical implications of acknowledging the structural independence of the alliance partners have not been followed through in addressing the dual leadership issue

"The two issues are really part and parcel of the same debate," Lagrange added.

Mayekiso said "Firstly we must be reminded of the fact that in this struggle for power to fight for a united, non-racial, non-sexist, democratic South Africa, which will get rid of racism and apartheid, we are all fighting from the premise that all should have food, shelter, protection and freedom through organs such as trade unions, civic organisations, political organisations and other political organisations which I regard as organs of civil society and of social movement"

He said because of that conviction he believed that those who are given the task of serving in leadership of many organisations that are working towards the same goal, should avail themselves and serve in them "as long as it is not double or multiple fulltime positions".

"As long as when carrying out the work of say Cosatu or representing Cosatu or any other organ mentioned, one's work is within the mandate of the body one is representing and the work is performed well there is no problem," Mayekiso added.

He said. "This approach is further encouraged by the fact that the trade unions, especially in South Africa at this stage, are the most experienced leadership of the liberation movement in the terrain of negotiations.

"The other important notion is that since there is an overlap of membership and since the leaders, vice versa, believe that the programmes and policies of all these organisations are the ones which will liberate the masses, it is difficult then to put up artificial blocks.

"We believe the ANC must be biased to the majority of people, the working class, the poor and must carry out programmes and policies to fulfil the aspirations and needs mandated by them from the grassroots levels.

"The ANC can do this if it has the majority of its leadership from the working leaders," he argued

Mayekiso warned people not to confuse trade unions with political parties

"The absurd notion come from people who think that the trade unions can be unions and also be political parties and liberate South Africa

"This is fallaciously dangerous and misleading because it is a dream that will never be fulfilled," he said

The discussions were mainly focussed on the feasibility of Cosatu officials holding office in political organisations. This topic has caused much debate within Cosatu circles of late.

"As long as when carrying out the work of say Cosatu or representing Cosatu or any other organ mentioned, one's work is within the mandate of the body one is representing and the work is performed well there is no problem."

Racial mistrust a bar to change

132

Sowetan 3/9/91

By ISAAC MOLEDI

MISTRUST between black and white workers has been singled out as the most significant obstacle in the way of meaningful change in South Africa.

Speaking at a seminar on Equal Opportunities in Johannesburg, the managing director of Labour Link, Mr Ian Fuhr, said for meaningful change to be introduced there was a need that organisations create a culture of trust between their black and white employees.

"Whites tend to believe that blacks cannot be trusted because they are too violent, too stupid, more inclined to criminal behaviour, too socialistic, incapable of holding positions of authority and generally of a lower cultural and moral fibre," Fuhr said

Equally, he said, blacks tended to believe that whites could not be trusted because they were too violent, too racist, too capitalist, bent on maintaining power, wealth and control

Blacks also believed whites were concerned with "keeping them in their place and too determined to impose upon them their western ideologies"

Speaking on the importance of introducing affirmative action by a future democratic government, Gilbeys industrial relations manager Mr Letsatsi Mosala said the "net effect" of the policy of white supremacy had created not only a racial problem but also a problem of impoverishing those it intended to discriminate against.

Mosala called for a coercive legislation to force perpetrators of white supremacy and practice to abandon these activities.

He said he doubted whether those who "managed capital" in the country had the will to move ahead without coercive legislation to force them to do so

ILO happy with our progress, says Louw

Star 25/11/91

132

By Peter Fabricius
Political Correspondent

The International Labour Organisation (ILO) is impressed with South Africa's progress in the labour field and is considering offering technical advice and information to the country, according to Manpower Minister Eli Louw.

Mr Louw returned yesterday after a six-day visit to Britain, the Netherlands, Germany and Switzerland where he held 28 meetings with a broad range of labour politicians and officials

He said he made several breakthroughs, becoming the first South African Manpower Minister to meet the British Trade Union Congress and the Socio-economic Advisory Council in the Netherlands.

He also met his counterparts in Britain, the Netherlands and Germany and German Minister of Labour and Welfare, Norbert Blum, accepted an invitation to visit South Africa next year.

"In Geneva, discussions were held for the first time with international trade union secretariats during which it was clear that South African labour legislation compares favourably with that of the rest of the world," he said

Mr Louw said he told ILO secretary-general Michel Hansenne that he would recommend to the Government that the coming ILO fact-finding mission to South Africa — to investigate Cosatu complaints — should get a broader mandate to consult with all interested parties on labour affairs and should publish a report on its findings

He had stressed that South Africa would not be on trial and told Mr Hansenne that the Cosatu complaint which prompted the ILO fact-finding mission had already been dealt with through amendments to the Labour Relations Act earlier this year.

Mr Louw said he had discussed the Government's constitutional plan at his meetings and it had found wide understanding — if not approval, especially because of the failures of centralised political and economic planning in Africa, eastern Europe and the Soviet Union.

9714/FO 2883/E

ILO 'impressed' by labour developments

B/Day 25/9/91

VERA VON LIERES

THE International Labour Organisation (ILO) was "impressed" by developments in the SA labour field over the past year and was considering giving SA technical co-operation, Manpower Minister Eli Louw said yesterday

Louw was addressing a news briefing in Pretoria after a six-day visit to Western Europe and the UK The aim was to maintain contact with the ILO and to establish contact with tripartite bodies representing employers, the state and unions in the UK, the Netherlands, Germany and Switzerland.

He said the ILO was considering using its experience and information resources in guiding SA labour relations from abroad At the moment, membership of the ILO was not a high priority, he said

Louw is the first SA Manpower Minister to have met the British Trades Union Congress and the tripartite Netherland's Socio-Economic Advisory Council The Dutch body impressed him and confirmed "the need for all major players in the labour field to act in unison"

In Geneva, Louw had talks with international trade union secretariats where, he said, it became clear that SA labour legislation compared favourably with the rest of the world

The political and economic failures of Africa, Eastern Europe and the Soviet Union had generated understanding for the NP's constitutional and economic proposals, he concluded during the visit One of the main criticisms of the proposals — levelled by trade unions — was that they did not meet the approval of the ANC

SA could learn from Germany's current success in the upgrading of industries and skills in East Germany, Louw said

Bakers warn of rise in bread price

GERALD REILLY

PRETORIA — A "substantial" bread price increase had become unavoidable later this year because of soaring input costs, SA Chamber of Baking president Fanie Ferreira said yesterday

His announcement follows the chamber's annual investigation into costs incurred by 57 bakeries across SA An industry source said an immediate price increase could be justified B/Day

The source said further rises this year could not be ruled out 25/9/91.

However, there was concern in the industry about consumer resistance to rising prices In the past eight months bread sales had fallen 5% and further rises could accelerate this trend

The source said a major swing away from white to brown bread was expected when VAT was introduced on Monday Unless a last-minute concession is made, white bread will be subject to VAT

There could also be a wheat price rise in November, after a Wheat Board meeting next month to decide on a price recommendation

Unless there are good rains the current crop could fall below the 2 2-million tons needed for local consumption and wheat imports may be needed

'Dirty tricks' revelation angers ANC, Cosatu

Police admit slush project

132

By Esmaré van der Merwe
Political Reporter

Star 27/9/91

Law and Order Minister Hernus Kriel yesterday confirmed that the security police had funded a Johannesburg-based labour relations firm — which involved prominent Afrikaner academics — to "counter labour unrest and promote sound labour relations"

Mr Kriel said "this involvement" with Liaison Bureau for Labour Relations Services CC had started in 1989 and had been terminated in July this year "with the exception of still-to-be-finalised individual contractual obligations"

The Financial Mail (FM) this week revealed that security policeman Major Derrick Botha, who had handled the R1,5 million slush fund payment to Inkatha's trade union, Uwusa was the connection between the Security Branch and Liaison Bureau, headed by Rand Afrikaans University labour relations academic Professor Kobus Slabbert.

The FM said the firm had been set up and funded by the security police to influence labour relations to the detriment of the ANC and its aligned trade union federation, Cosatu

Interference

The ANC and Cosatu yesterday responded angrily to Mr Kriel's acknowledgement, condemning the State's undercover interference in labour relations and politics and expressing doubts about President de Klerk's assurance that all secret funding projects had been halted.

In a statement, Mr Kriel said "at no stage whatsoever" were the activities of

On fire . Professor John Cartwright, dean of the faculty of arts at Cape Town University, runs from a burning barricade after trying to extinguish it yesterday Students set up barricades and disrupted lectures in a show of solidarity with striking workers at the university. ● See Page 3 Picture: Associated Press

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In a statement, Mr Kriel said "at no stage whatsoever" were the activities of Liaison Bureau, a close corporation involved in training employers in "reasonable" labour relations, aimed at disrupting the normal activities of unions.

The aim was to promote healthy interaction betweeen employees and employers at a time when widespread labour unrest had led to work disruptions and substantial economic losses.

The "valuable contribution" of the firm towards improving labour relations had been borne out by "the great interest shown by employers in the advice offered by the bureau"

Mr Kriel said details of the project had been submitted to the Advice Committee on Special Secret Projects appointed by Mr de Klerk last month

He added that the Security Branch had not been involved in the activities of

● To Page 3

P.T.O.

Kriel: Police funded bureau

CT 27/9/91

Own Correspondent

JOHANNESBURG — Law and Order Minister Mr Hernus Kriel yesterday admitted that police covertly funded a labour relations bureau headed by a prominent Rand Afrikaans University academic

Mr Kriel said the security branch began its involvement in secret funding in 1989 and ended it in July 1991 "with the exception of still to be finalised individual contractual obligations"

The funding of the Liaison Bureau for Labour Relations Services cc, headed by Professor Kobus Slabbert, was exposed in the latest issue of the Financial Mail.

The report in the Financial Mail said Professor Slabbert set up his labour consultancy with the help of the security police to "depoliticise" labour relations He received up to R50 000 a month to sponsor the bureau's activities

Mr Kriel said "The security branch attempted through the Liaison Bureau for Labour Relations Services cc to counter labour unrest and promote sound labour relations"

WAGE SETTLEMENTS

Cutting the coat

FM 27/9/91

Greater awareness of the context of profitability is apparent

As various sober settlements in the year's big negotiations show, industrial relations have apparently gained a new maturity This has been the pattern in mining and metal — and even the motor sector, admittedly after a costly strike On closer inspection, the picture is mixed

"We began by accepting the political realities, now we are coming to terms with economic realities," observes Kate Jowell of Cape Town's Graduate School of Business "No-one is going to invest in SA without seeing stability Gold is not going to bail us out again The Gulf War and the Soviet coup (attempt) provided two perfect tests which it flunked And while we have theoretical debates about economic models for profit maximisation or job creation, industries are having to focus on survival "

This fact, spread by fears of lay-offs (and declining pressure on unions to act as the political vanguard) no doubt has much to do with a sense of maturer collective bargaining Though this has for the moment been largely confined to the big players in key industrial sectors, the point is that they set the precedent This is reflected not only in the narrowing gap between unions' opening wage demands and the final settlement, or lower rates of wage increase (see graphs), but in the mining industry *par excellence*, where it was led by Cosatu's flagship union

However, indications are that wage restraint in both the private and government sectors remains elusive In the first quarter, observes Andrew Levy & Associates, the number of workers employed in the private sector increased by a mere 0,2% over the same period last year, whereas the total wage bill in this sector rose by 15,1%, according to Central Statistical Service data By the same token, government employees have enjoyed higher increases In the first quarter of fiscal 1991/1992 government spending on remuneration rose by 28,4% — an average increase of 23,5% in salaries as 5,2% more workers were employed

In an historic first, the Chamber of Mines and National Union of Mineworkers (under the leadership of Cyril Ramaphosa) formally linked their August wage agreement (a 6% increase plus profit-linked bonus) to the parlous market conditions of gold mining

The complexity of this agreement came in very special circumstances as many mines faced closure because of the low gold price Nor was it seen as something that could easily be replicated across industry As Pat Stone of Andrew Levy notes, if protection is lifted some industries might find that they could not afford productivity-related schemes — assuming they entered into them

Yet the nature of the mining settlement will be good for concentrating the minds of labour and management on precisely what does improve output

Though the metal workers (Numsa) and employers (Seifsa) conducted strike and lock out ballots during this year's extremely difficult negotiations — over four months, with nine days of mediation — they clinched a rational, just-below inflation deal with increases of 12% 15% without resorting to either

Of course, the motor industry wage negotiations were settled, through mediation, only after a costly R800m loss by assemblers and a two-week strike at a time when the industry is wallowing in deep recession Some employers suspected the strike was a carefully timed muscle flexing exercise by the union following its success in achieving centralised bargaining But, as Jowell notes, cost to companies is notoriously difficult to assess in a soft market and the industry's National Bargaining Forum is relatively new — Delta was the last to join it in May

Mercedes Benz workers at East London refused to join the strike — either because they were still smarting from the wounds of last year's wildcat strike, or because of the special programme of mediation both management and employees have been engaged in for several years

An important feature of the motor sector agreement not widely reported is that the moratorium on industry lay-offs comes, as Cosatu acknowledges, "with all kinds of strings ' This quite sensibly means that the moratorium can be scrapped if "unprocedural industrial action" leads to repeated failure to meet production targets, and also that workers may be put on short time or temporarily laid off to avoid the bigger threat of retrenchment

For the rest, there was great diversity in wage agreements, reflecting the difficulty of striking deals to both parties' satisfaction in a tough economic climate According to the settlements tracked in a survey by Andrew Levy, unions have apparently targeted those sectors or specific companies which have recorded good financial results as being able to pay "reasonable increases " In sectors where results have been poor or increased competition from companies threatens profitability, and therefore jobs, unions have been prepared to settle at lower rates

In the food and retail sectors, for example, "expectations and settlement levels have been, in some cases justifiably, high " By contrast, automobile manufacturing, which has the highest minimum wage at R7,75 an hour, saw a protracted strike

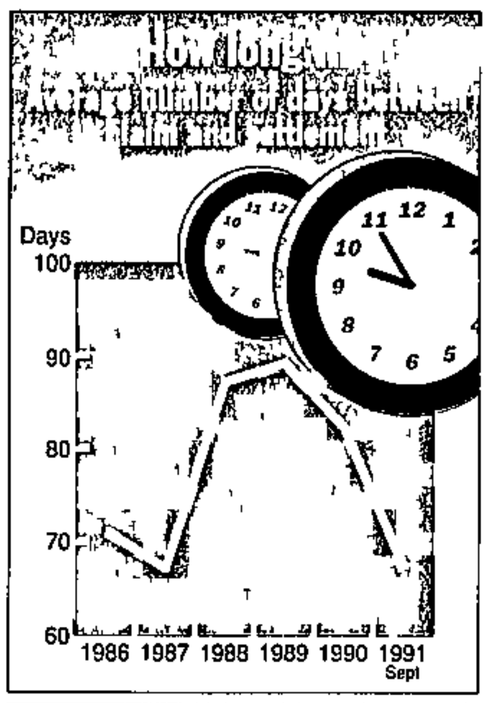
An interesting development this year has, in sharp contrast to previous years, been the high level of settlements in February, averaging 17,2% Since then they have dropped to a more realistic 16,7% Levy predicts the year's average level of settlement will remain between 16% and 16,5%, around inflation

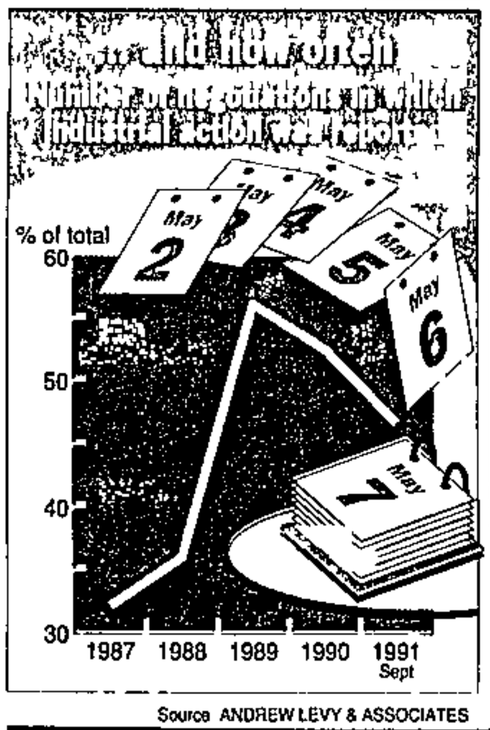
While the average level of union claims is about 50%, it has dropped appreciably in certain sectors The chemical workers (CWIU), for instance, have pegged theirs to about 20% yet settled for just under 17% However, the union called for strike action at BP, Caltex and Total and failed to make any gains on the issues of centralised bargaining and retrenchments

The time taken to settle has reached 1987 levels but negotiations still take about 67 days to resolve Industrial action occurred in almost half the negotiations tracked, with an increase in strike activity being notched up since June Since then about 600 000 man days have been lost, and there are two strikes on the go at Edgars and Pep stores

No doubt reflecting tougher economic conditions, the unions appear also to be shifting emphasis to nonwage issues Thus, aside from lay offs and centralised bargaining, education and training and economic policy issues are being taken up by Cosatu It is in this vein that it has taken issue over VAT — the unaltered implementation of which could, it has threatened, lead to a general strike

Pragmatism around the wage bargaining table is, however, the growing trend Limited financial disclosure is assisting in formulating positions from which rational agreements can flow Once employers have managed to establish an accurate means of measuring the effects of inflation and unemployment on lower income groups, it will become easier to reach agreement The effects could show up next year ■





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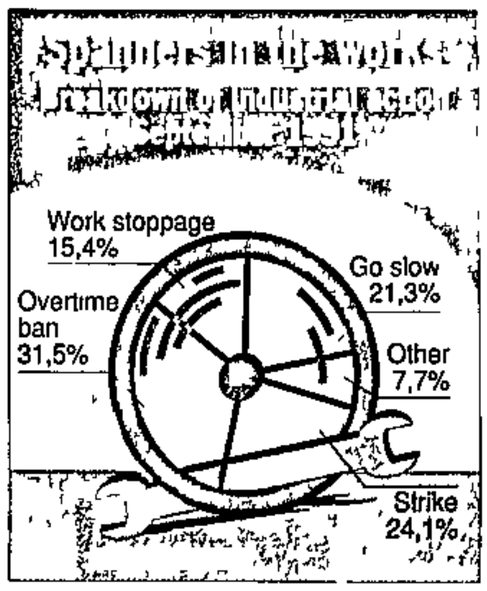

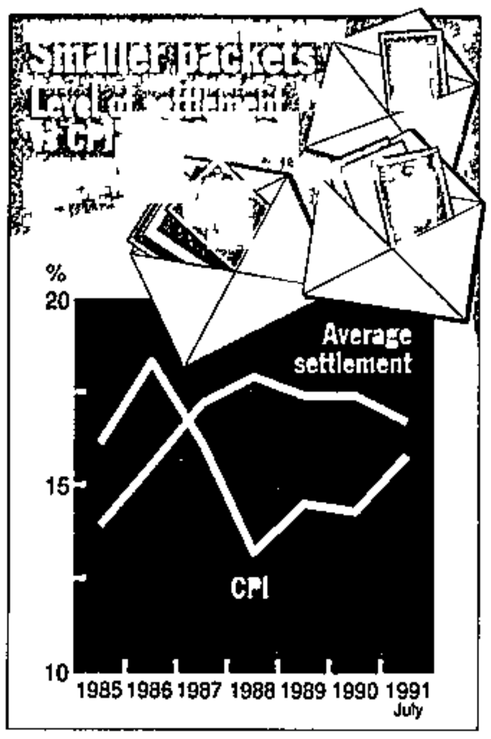

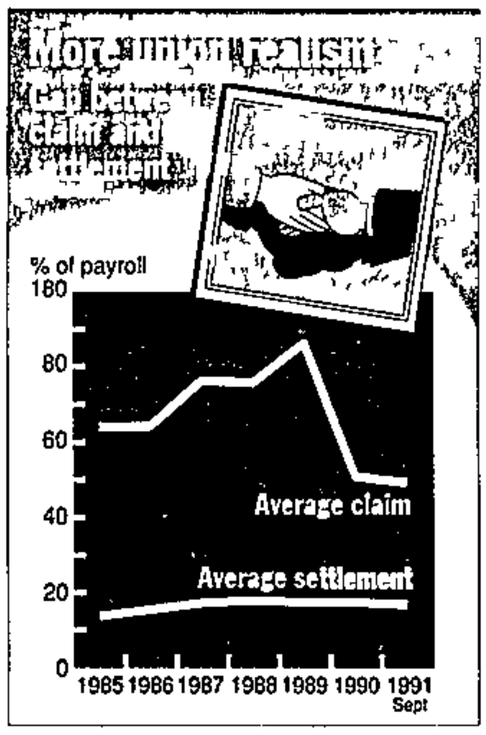

Labour told it has key to employment

B/Day 1/10/91

SHARON WOOD

THE problem of high unemployment would only be solved if labour made realistic wage demands, Reserve Bank Deputy Governor Jaap Meijer said yesterday. 132

Meijer added that the problem with the trend towards higher capital intensity projects in preference to labour-type projects would only be solved by increasing the cost of capital and reducing the cost of labour.

Speaking at a seminar hosted by the SA Institute of International Affairs, Sacob and the Economic Society in Johannesburg, Meijer said existing high interest rates and high real wages were not the answer, because they would send companies into bankruptcy.

Redistribution was urgently needed, but it had to be done in the right way, he said. A "caring society" was needed to supplement realistic wages.

Redistribution based on unrealistic wages would either not succeed or would be inflationary.

Meijer criticised the Columbus stainless steel project, saying it was extremely capital intensive and "capital wasteful" and other labour intensive projects would be preferred.

JCI economist Ronnie Bethlehem said the First World sector should be given the inducement to save, rather than punished for 40 years of spending.

"But if redistribution is left up to the market place, it will judge labour very severely and inequality and poverty may be aggravated rather than alleviated."

Meijer said the first thing needed to get the economy on track was to reduce inflation, which would encourage financial planning and saving.

"We are getting the better of inflation, if we can believe the latest producer price index," he said.

Deeply rooted inflationary expectations had to be uprooted.

Argus 3/10/91

Government accused of back-tracking on earlier agreement

Cosatu shuns labour

MICHAEL MORRIS, Political Correspondent

SOUTH AFRICA'S largest union federation, Cosatu, is digging in its heels over its withdrawal from the National Manpower Commission (NMC), insisting it will not rejoin the labour relations forum unless its demands are met

Cosatu wants the NMC to be restructured so that it is more representative and to be given greater authority to mandate the Minister of Manpower, rather than merely to advise him

Cosatu's information spokesman, Mr Neil Coleman, said restructuring along these lines had been agreed with the government and the employer federation, Saccola, earlier this year, but the government had since back-tracked

"The NMC as it stands now is an apartheid institution, which is unacceptable to us We are not opposed in principle to an NMC, but we will definitely not rejoin the present toothless structure It must be a negotiating forum that accurately reflects the main parties in industrial relations"

The government has argued that the restructuring process should be on the agenda of national political negotiations

Cosatu's withdrawal from the commission has cost the advisory body much of its legitimacy

This has been acknowledged by NMC officials, who indicated that informal approaches would be made soon to try to find a compromise solution

The director of the NMC, Mr Abe Bardine, said the federation's withdrawal was "regretted", but that past experience indicated there was a "reasonable chance" that a satisfactory compromise could be reached

"These things happen in labour relations The process of restructuring the NMC is continuing and all interested, including Cosatu, are welcome to contribute to that"

Mr Bardine added "Hopefully talks will continue We will await further developments"

Trade unions reach out

Sowetan 9/10/91

By IKE MOTSAPI

THE United People's Unions of South Africa has invited top officials of other trade union associations to address its sixth annual congress at the weekend in Durban

The body has invited top officials of both the National Council of Trade Unions and the Congress of South African Trade Unions

Nactu's Mr Cunningham Ngxukana is the only official who has so far accepted the invitation, according to Upusa assistant general-secretary Mr Lucky Hlongwa

In a Press statement, Hlongwa said "It will be the first time since the formation of the independent trade union that progressive organisations in the struggle for liberation have been invited "

Also invited is Dr Bernie Fanaroff of the National Union of Mineworkers of South Africa

Hlongwa said his organisation was exploring ways of "merging with Nactu and Cosatu "

"We believe that, once the political situation has been properly addressed, it would then be appropriate for all trade unions of South Africa to sit around one table to iron out their differences and form one giant federation for the country," he said

132

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LABOUR (132) FM 11/10/91

Horror story

Closely tied to any prospects for growth and stability is the size and make-up of its labour force Employers will be especially interested in the changes expected in labour supply and demand over the next decade — some of which are quite startling, according to a report by economist and demographer Prof Jan Sadie, just published by Unisa's Bureau of Market Research.

Among the most important findings are:

☐ The labour force (13,4m in 1990) is expected to total 20,2m in 2005, and from 1990 to 2005 an average of 450 000 people will enter the labour market annually, rising to 510 000 in the last five years of this period This should be seen in relation to only 31 000 jobs a year having been created in the formal sector in the last five years of the Eighties — 95% of which came from the public sector;

☐ The labour force grew by 2,8% a year from 1960 and this rate is expected to be maintained until 2005 From 1960 to 1990 the female component rose by 4,3% a year compared to 2,2% for males It is expected that the number of working women will increase by 3,4% (men 2,4%) over the next 14 years, which means that women will then make up nearly 40% of the labour force, compared to 23% in 1960;

☐ Between 2000 and 2005, 91% of the net addition to the labour force will be black, with whites representing only 1,7% — compared to nearly 22% between 1960 and 1970, when blacks made up 65% Comparable figures for coloureds are 5,5% (10%) and Indians 1,5% (3,6%);

☐ As a result the composition of the labour market will change considerably, with whites' share plummeting to just under 13% from 20% in 1960, and blacks' rising from 67% to 76%;

☐ A sharp drop in the growth rate of the white male labour force will be the main reason for this change. In the past 30 years

continued

FM 11/10/91 (132)

its annual growth rate stood at 1,7% (blacks 2,3%), and between 1990 and 2005 it will be as low as 0,4% a year compared to blacks' 2,8%, coloureds' 1,9% and Indian males' 1,6%;

☐ These growth rates have major implications for job-creation and unemployment. Where the labour corps grew by about three blacks for each white in the decade from 1960, from 1985 the ratio has risen to nearly 1.10 and is expected to reach 1 53. As whites and Asians are responsible for 97% of job-creation in the formal sector, this dramatic change in the white.black worker ratio will make it increasingly difficult to provide jobs;

☐ Excluding migration, the shortage of executive and skilled workers is expected to reach 921 000 by the year 2005 In contrast there will be no jobs in the formal sector for 7,3m semi-skilled and unskilled workers; and

☐ Assuming that the employment of executives and skilled workers is a prerequisite for job-creation, and that it will not be possible to fill the 921 000 top vacancies, the surplus of semi-skilled and unskilled workers will rise to 11,6m

This implies that 57% of the labour force will either have to earn a living in the informal sector or be unemployed — with worrying social implications.

Among other far-reaching changes are that black and white men are now economically active for roughly the same number of years (46 and 45,4 years respectively), mainly because blacks are now studying longer and retiring earlier

Though white males' life expectancy (67 years) is still much better than black males' (55), at age 60 the difference becomes negligible Therefore, they will spend about the same time in retirement (about eight years), which "refutes the idea that membership of a pension fund is more advantageous to whites " The general increase in life expectancy has of course lengthened the time spent in retirement This has increased by three years for white men and nearly four years for blacks between 1969 and 1985

More significant is the number of years men will spend outside the labour force from age 15 to the end of their lives In 1960 the figure for whites was 21% and blacks 9,5%. By 2005 these will rise to 42% and 37%, which means that white males will have to earn enough during their 39 years in work to provide for the 16 years they will not be earning ■

Awesome shift in unions' role

Sowetan 11/10/91 (132)

SOUTH African trade unions face tough new challenges.

Their job is to defend workers' rights, and so far they've done a pretty good job

But new realities are likely to cut their membership in the years ahead And the harder they struggle for their members, the more jobs will be lost

Several forces are at work in international business that are changing the role of unions, what they stand for and the way they operate.

These new conditions are affecting workers in every country But their impact will be especially serious here

The South African work force is too unskilled to attract high-tech jobs and too expensive for low-tech industries

Competition

Technology has made the world a global village, so our workers are now in competition with workers everywhere

Because it's easy to fax instructions to Barbados, Calcutta or Hong Kong, companies now go "body shopping" for labour, buying it wherever it's cheaper and most productive

And since about four billion of the world's five billion people live in conditions of poverty, there are plenty of hungry foreigners who don't care about our "living wage" They snap up jobs at virtually any wage

Here, the average black factory worker earns around R1 250 a month In Taiwan, that worker gets R50 But Taiwan is currently exporting factories at a furious rate

FOCUS

Tough challenges wait in the future

By TONY MANNING (author and business consultant)

because there's cheaper labour elsewhere

In Malaysia, for example, the same job commands about R3,50 a month, including an allowance for travel and food And in Shanghai, it's worth just R1,20 a day - and only 10 percent of the population earn that much

These are the facts, and we'd better face them For too long we've buried our heads in the sand Now, for the first time, we face the chill winds of global competition - in a time of unprecedented global change

Black unions have played a transforming role in South African politics They did a lot to force a quiet revolution from within commerce and industry, mining and construction, when other movements were banned

But from now on, with apartheid dying and with a new black government likely in a very short time, the focus of the workers' struggle will shift more and more from politics to economics

Unfortunately the very success of union actions so far could frustrate their efforts to get a better deal for their members

Escalating wage demands with little improvement in productivity have helped to keep the economy in recession and made South African companies uncompetitive in world terms

The result has been tougher bargaining by bosses and tens of thousands of lay-offs

Companies are now extremely careful about who they hire, the contracts they sign and what benefits they offer

Today, 43 percent of the formal work force is unemployed Only about 12 of every 100 work seekers can find a job There is no reason to believe that this tragic situation will improve any time in the foreseeable future, with the population growing about three times faster than the economy

Violence

Criminal violence is thus likely to rise to horrific levels in the next few years That, in turn, will confirm the view of many foreign investors that South Africa's risks outweigh its possible rewards Instead of putting their money, their skills and their technology into this country, they'll simply go elsewhere

The worldwide recession has forced businessmen to watch their pennies South Africa is a small target of opportunity The big attractions are Europe the Americas and the Pacific Rim

If once we could expect easy handouts from the world's do-gooders, that time is now past

The new South Africa is not an attractive moral issue What's more, aid to almost all African countries is now under review, and almost all of it comes with strings attached

Failed

If once we could rely on gold to save our hides, that day is also past In the past year, a major international war and a revolution in the Soviet Union have both failed to push its price up

Nor are our other natural resources - for so long our great source of pride and hope - of much use right now

Commodity prices are depressed everywhere Any they're unlikely to rise much for some years, and then only too slowly to give us the urgent boost we need

If we want to share wealth, we have to start by creating wealth And the only way to transform this economy is by making our workforce world class in terms of both quality and cost

In this new climate, organised labour has an awesome responsibility Quite simply, it can encourage business and help attract investment, or it can guarantee that the new South Africa will never feed and clothe and house the millions of people who've suffered so terribly, who've struggled so long and hard, and who now expect so much

Labour is showing a spirit of consultation

DEVELOPMENTS on the labour scene during the past year have seen dynamic changes, Sacob says in its annual report released this week.

"The adverserial climate has abated and there is a new spirit of consultation arising out of the successful conclusion of the Saccola-/Cosatu/Nactu accord of last year, which culminated in the Labour Relations Act of May, 1991

"The past year has seen a continuation of the trend for social policy issues to become part of the relationship between employees and employers.

"This has led to the addressing of issues such as AIDS, a new strategy for urbanisation, health care and social responsibility.

"The supply of skilled manpower to meet the challenge of SA's need for economic growth continues to be cause for concern," Sacob says.

"Changes to manpower policy on a broad front will be to address this problem.

"Sacob is also strongly promoting the closer integration of education, training and career guidance.

"As it is unlikely, however, that a restructured education and training system will meet certain immediate manpower needs, Sacob has proposed changes to current immigration policy designed to encourage those immigrants with qualifications, skills and capital that are needed to come to SA."

LABOUR

Pay settlements reflect economic decline

W/Mail 18/10-24/10/91 - (132)

By DREW FORREST

SOUTH AFRICA'S deteriorating bargaining environment is brought into sharp focus by the latest *Bargainers' Bulletin* of industrial relations consultancy Andrew Levy and Associates.

Although the bulletin stresses the wide variation in negotiated wage levels, it gives the average level of settlement this year as 16,1 percent — sharply down on the 17,4 percent recorded last February.

The decline has been even more marked in recent months. From June to October the average settlement was a well-below-inflation 15,3 percent, as against 16,9 percent for the same period last year, signalling that "the economic pinch is being passed on to workers".

Wages triggered more than 60 percent of industrial action in the first nine months of the year, but few strikes were successful, the bulletin says. It cites lengthy strikes by cleaners at the University of Cape Town and at Pep-Ackermans, where workers went back to work after the union accepted management's offer.

No less than 52 percent of settlements were marked by some form of industrial action. Strikes erupted in 37 percent of cases, but unions favoured other softening-up tactics, including overtime bans (31,7 percent), go-slows (21,9 percent) and work stoppages (nine percent).

Negotiations took an average of two months to settle and there was an average of 70 days between the opening union statement of demands and the signing of the wage agreement — "a long period during which management is susceptible to worker pressure".

Pay talks, the bulletin points out, are taking place against the background of continuing double-digit inflation — averaging 15 percent between January and August — and declining private consumption, which fell in the second quarter of the 1991 fiscal year for the first time since 1986.

August's consumer price index is a full two percentage points higher than last year, and food and transport costs, weighing most heavily on lower-income groups, are the main contributors to the high inflation rate.

"Conventional wisdom tells us the rate is likely to rise dramatically over the next few months because VAT reimbursements have not been felt," the bulletin says Other worrying trends isolated include:

- Surging redundancies in the metal industries, largely because of the winding down of Mossgas. In July 6 916 metalworkers were retrenched The monthly toll early in the year was 2 000. The industry shed 20 295 jobs in the first seven months of the year, as against 26 647 for the whole of last year.
- About 60 000 new applications for unemployment benefits this year, as compared with about 40 000 in 1990.
- Continuing high levels of state spending — running 16 percent over budget — a swollen civil service and state pay settlements which in the last two years had risen more rapidly than those in the private sector.

"It would seem that the Reserve Bank governor is not in a strong position to point a finger a private sector employment practices," the bulletin archly comments.

Early warning on labour trouble

Star 20/10/91 (132)

THE industrial relations function within organisations needs to become proactive in order to deal more effectively with South Africa's changing labour market, says Graham Bath, managing director of Educos HR Systems

Mr Bath says IR managers are usually forced to react to industrial action which appears to come without warning.

"However, when the conflict is traced back to its source, it's often revealed that industrial action had been looming for some time," he said.

He notes that small warnings of industrial action often go unheeded because they are seen in isolation rather than as a trend

"To address this problem, Educos has developed a Human Resources System which assists IR managers to identify potential flashpoints in the organisation, thus allowing them to take preventive action"

Approved by the CSIR, Educos was developed over nine years at a cost of several million rand.

"Records of disciplinary actions taken against any employee can be noted, ranging from warnings for being late to complaints against a superior regarding racism or sexism Recurrent problems within a department or concerning an individual employee can thus be identified by the software," he said

The system highlights problems within departments such as high staff turnover and absenteeism and also pinpoints high amounts of sick leave taken within one region, division or department

Educos enables the IR or personnel manager to identify problems, and places them in a position to look for a solution

SA trade unions face cash crisis as donors vanish

S/Times 27/10/91 By KURT SWART (132)

AN independent report has disclosed that the South African trade union movement is facing a crisis because foreign funding is drying up

Entitled *Crisis Upon Crisis — an Examination of the South African Labour Movement*, the 100-page report was produced by IRIS (International Research and Information Services), a Cape Town-based political and business information company. "While the liberation movements were banned, trade unions were one of the few anti-apartheid organisations legitimised by mass support and legally entitled to operate inside South Africa," the report said

"But as politics became normalised, funds which were contributed by the outside world to bolster trade unionism began drying up."

IRIS said substantial overseas support, mostly in the form of direct assistance from foreign union and worker federations, was dwindling, creating serious financial problems for trade unions

It was estimated that 80 percent of Cosatu's budget came from external sources.

According to a report from the recent Cosatu congress, affiliation fees covered only 28 percent of the operating budget

Options

Cosatu had doubled the affiliation fee to 10 cents per member per month, but as the congress report stated "Even if all the affiliates were paid up, Cosatu would only be able to cover 35 percent of its expenses.

"The new international climate has substantially reduced the funding available for trade union running costs

"Also, politically it is critical that we move to self-sufficiency in the immediate future

"The choice that faces us is either the collapse of Cosatu as a result of lack of commitment from affiliates, or that we have to move decisively forward as a strongly-organised independent organisation"

Possible options suggested to combat the crisis were a special levy on all members which would make Cosatu 50 percent self-sufficient, negotiations with the state to make available funds for union activities like education and training, and a solidarity fund from sympathetic donors, fund-raising activities and subscriptions.

NEWS IN BRIEF

Focus on building trust

THE challenge of building trust will be discussed by leading labour relations and human resources specialists at a two-day conference starting in Sandown, Johannesburg today.

Speakers include Innes Labour Brief publisher Duncan Innes, Chamber of Mines training and development specialist Guy Charlton, SA Breweries human resources director Rob Childs and Azapo national executive member Lybon Mabasa.

Ian Fuhr, MD of conference organisers, Labour Link, says mistrust is probably the most formidable obstacle in the way of meaningful change

Are unions striving for reconciliation?

(132)

By Aaron Makhari Star 31/10/91

Many organisations including the trade union movement have declared their total commitment to peace

Stories are related how leading unionists played instrumental behind-the-scenes roles to help the signing of the National Peace Accord

Without casting doubts on the unions' commitment, I wonder how much they are doing on the ground to implement their work in this direction

Therefore I recently decided to test the waters and see whether union members were practising the spirit of tolerance and accommodation of dissenting views

The best way to go about it was to approach a shop where a strike was under way, pretending I was coming to pay my instalments.

There have been strikes at Ellerines furniture stores, and I went to Ellerines in Pretoria and Johannesburg

I was told in no uncertain terms that I was not at liberty to take my business to Ellerines until the company had met workers' demands

I said the matter was an issue between Ellerines and the workers. My concern was only to "pay my instalments, which are long overdue".

The answer was clear and threatening "If you insist on entering the shop you had better stay in there forever or else your family will refer to you in the past tense."

For me it was a test, but how many customers have been intimidated and threatened with death?

In this fashion, trade unions — or their members, at least — are not encouraging peace

● *Aaron Makhari is a businessman and freelance journalist*

More and more in common

FM 1/11/91

Gary Taylor is director of human resources at Medscheme.

The seeds of an interim "government" have already germinated in a number of areas within the SA society, but in a form not necessarily envisaged by the various players

The model might not involve the United Nations (as happened in Namibia), nor a committee of Wise Men comprising politically neutral but widely credible referees If certain current trends develop we might well see a "second tier" of policy-makers emerging in all major areas, which in effect runs the country by democratically devising policy on key issues They could well go further by having a say in budgetary reallocation during this interim phase

These committees would exist in each of the major functional groupings of government — security, finance, manpower, health, housing and so on, and would involve the major stakeholders in that particular field, not just the politicians

The groupings, though cumbersome at first because of their size and the need for effective mandating, will form more democratic and acceptable forms of interim structures than any externally imposed caretaker government could Parliamentary power would diminish considerably, as the legislature would be effectively rubber-stamping budgets and policies emanating from committee level

There are some areas where such multilateral efforts are successfully under way and such initiatives could serve as models for other interim structures

The labour relations field is perhaps the most developed of these, where the latest amendments (and proposed future changes) to the Labour Relations Act have been dubbed "the first post-apartheid legislation"

To summarise the process, the major stakeholders in the labour arena got together to produce an accord which finally resulted in legislation being generated through the National Manpower Commission (NMC) for mere enactment by parliament. Despite the recent tactical withdrawal from the NMC by Cosatu in order to ensure that it becomes more democratic and powerfully reconstituted, the body is certain to continue to drive policy and not the Department of Manpower

Leading labour lawyer Halton Cheadle articulated the vision recently by stating that "the thinking is that the NMC ought to have a special relationship to parliament as a policy body, that laws relating to labour and the labour market must proceed through, before they are tabled in parliament Though it will not usurp the sovereignty of parliament, it will play a policy formation role "

On the economic front, a number of moves have been made — again with organised labour and business deciding that this country's future economic survival, let alone growth, should not be left solely to politicians.

Recent press reports of behind-the-scenes working parties reflect high-level involvement through the Consultative Business Movement, Cosatu and others in creating an interim forum for economic policy The prevailing thinking is that the economy cannot wait for a referendum, a new constitution or an all-party election

The shift by Finance Minister Barend du Plessis, as hinted at the IMF conference, shows some evidence of government's readiness to consider a new approach A new structure might by now have been established if the consultations with the VAT delegation had yielded a more widely acceptable compromise

Even with VAT we saw a structure emerging, in which labour, consumer and even medical stakeholders formed a grouping to challenge old-style decision-making. Cosatu's Jay Naidoo has confirmed that the planned mass action is to support the "issue of process" rather than VAT per se It has been proposed that the unions want these interim structures in place *before* a new government is elected to ensure their future survival and influence

In health care, similar moves are under way The unpopular amendments proposed to the outdated Medical Schemes Act are bound to be scuttled as the Minister gets buffeted by vested interests

Recent calls by the Medical Association for the Bill to be referred to "a joint consensus forum which enjoys representation by all role-players in the health environment" will stand a better chance of achieving an acceptable redistribution of health

Though security issues would originally have seemed to defy consensus, we have already seen some interim structures emerging in an attempt to combat violence

Clearly, peace is the most elusive of goals at present, but the joint efforts of stakeholders, including church leaders, in the Peace Accord have given some direction. It is worth noting that acceptance was gained for the principle that the police owe allegiance to higher values than traditional line authority

Peace initiatives at community level have enjoyed lower profile, but facilitating bodies have been achieving meaningful results in some areas.

The conclusions which could be drawn from the above examples — and there are several other working groups already in place, including on local government and telecommunications — is that we are already evolving an "interim government" within the present legislative framework The National Party has already demonstrated a willingness to accommodate such initiatives and seems likely to be supportive of informal interim structures

There are several major advantages to informal forums which harness the energies of vested interests, expert opinion, idealism and experience They tap into democratic processes during the interim phase while the constitutional scene is still developing This could relieve the politicians of some of the work and deter government from ruling by decree — both now and in the future. ■

Tight-rope balance

S/Times (Buss) 17/11/91

By ADRIAN HERSCH

LABOUR law proposals on the closed-shop agreement — membership of a trade union becomes a conditon of employment — are akin to a tight-rope act

The National Manpower Commission's draft for a consolidated Labour Relations Act offers a delicately balanced freedom of association and "freedom of dissociation" mix

It is proposed that all workers belong to a particular trade union if two-thirds, voting by secret ballot, are in favour

But the agreement can be terminated if more than 50% of workers — again voting by secret ballot — are against it

To hold the ballot, 10% of workers would have to petition the Industrial Registrar

Several closed-shop agreements are in operation and have been negotiated through industrial councils

The moderate Trade Union Council of SA (Tucsa), now defunct, comprised many unions involved in these agreements

Cosatu unions, often vying for membership with their Tucsa counterparts, saw the closed-shop as an obstacle

But matters have changed

Cosatu's 186 000 member SA Clothing and Textile Workers Union (Sactwu) endorsed the closed-shop principle at its congress this year

Two former Tucsa affiliates, now part of Sactwu, had closed-shop agreements with industrial councils in the Cape and Natal

Sactwu has kept the closed-shop agreements going

Car makers face radical shifts in labour relations

B/Day 20/11/91

PARIS — The 22-day strike which crippled Renault last month cost the company an estimated Ff1,4bn.

"We have a huge amount of change to make in our working systems, and we don't have much time," says union leader Bernard Espel, who heads the Mining and Metals Federation at the confederation Francaise Democratique du Travail

Renault is not the only company running out of time, and its strike offers some painful lessons for car manufacturers and other industries across Europe To survive Japanese competition, many have begun radically changing production systems What they have taken longer to understand is that the new systems will not work without an equally radical shift in labour relations

"This is the challenge of the 1990s," says Karl Ludvigsen, a London-based consultant "It is the biggest, most difficult issue facing the motor industry in Europe."

But simply, the problem is that Japanese-style production systems — with gimmicky names like "just in time" and "total quality" — are highly complex and fragile. They can yield huge productivity and profit gains, but they demand close employee co-operation

A strike, or even a big dispute, threatens the whole system

One example Just-in-time production dictates that parts be delivered to a factory at the last minute, slashing inventories and finance costs It can also help give a single assembly line the flexibility to produce different products, but it does away with stocks If one plant stops producing an essential part, other plants in the manufacturing process must shut down

Prof Garel Rhys, of the Cardiff Business School in Wales, says that while France's performance on this score has been particularly bad, the problem is one that faces all of Europe, even Germany

Strategy

Since the Second World War union representatives have had seats on the boards of big German companies, fostering Germany's strong labour-management co-operation But even companies such as Volkswagen have not gone far enough to change work practices, Rhys says, and Daimler-Benz is just starting to face the issue VW, which in recent years has bought labour peace with 6% annual pay increases, is not boosting productivity fast enough to justify such steep wage increases, he maintains.

The labour-management changes being considered are profound In the past, industrial employees were often trained to do monotonous jobs Today, with so-called "lean manufacturing" and automation, workers need to learn many jobs, solving problems and working in less predictable ways

Japanese car makers in Britain have won virtual no-strike contracts from their unions, says academic Chris Brewster In exchange, they offer unions far more access to financial and marketing information than other European countries Industry sources say employee turnover in some Japanese factories has been higher than expected

To get co-operative employees, many companies, notably Japanese car makers, hire workers only after extensive qualifying programmes

Many countries have legal limits on weekly work hours, compulsory overtime or flexible schedules That makes it harder to change labour practices in countries such as France and is one reason why Britain is blocking French proposals for EC-wide labour rules

Fiat has tried to deal with the labour issue by getting rid of labour "Fiat more or less says they will never get the Italians to work like the Japanese,' says Rhys "So their strategy is to become even more automated than they are"

Of major European countries, Italy loses by far the most days to strikes — as much as 1 000 times the number of days lost in Germany, according to the ILO But labour experts say that just as important is whether strikes lead to sit-ins and severe disruptions — as often is the case in France — and whether workers co-operate when working — AP-DJ

Labour: Courts or constitution?

W/Mail 29/11/-5/12/91. (132)

By DREW FORREST

AT a glance, the 12-article section on worker rights in the African National Congress' draft Bill of Rights seems absurdly detailed

The right to form unions, bargain collectively and strike — fair enough But is there really a need to protect the right to picket, to "reasonable" union access to company premises and to the deduction of union dues "where appropriate"?

Shouldn't such relative minutiae, evidently included at the behest of the ANC's labour ally, the Congress of South African Trade Unions, be dealt with in statute law or collective agreements?

Also enshrined in section 6 of the ANC's Rights Bill — which covers workers and unions — are union rights to participate in lawful political activities and to form national federations and join international federations, the principles of equal pay for equal work and equal access to employment, and rights to state-provided pension, unemployment and workplace injury benefits.

Internationally respected labour law expert Bob Hepple, of the University College of London, certainly believes ANC proposals to be off-mark. He has written to the ANC arguing that section 6 should be largely enacted in ordinary labour law, rather than in the constitution

Hepple is vitally concerned that the nurture of progressive labour legislation in South Africa requires "an autonomous labour court .. administering a self-contained system of labour law"

If article 6 is dropped holus-bolus into the constitution, he argues, the Constitutional Court, whose officials may know nothing of labour law, may have to determine fundamental labour law issues

Hepple believes no more is needed than constitutionally guaranteed rights to freedom of association, to form and join unions, to bargain collectively and to strike, subject to certain limitations

Legal advisor to Cosatu Halton Cheadle concedes the danger, but argues that a balance has to be struck between giving labour too little protection and putting too much in the hands of an unspecialised court

"Consider what happened under (former British premier) Margaret Thatcher there was no British court to strike down laws which substantially undermined trade union rights and were severely criticised by the International Labour Organisation."

A possible compromise, he said, would be to second an officer of the Labour Appeal Court as an ex officio member of the Constitutional Court when labour matters were at issue

Cheadle defends section 6 by arguing that the job of a democratic constitution must be to protect and foster collective bargaining within a common law system which is fundamentally hostile to it

"The law must provide a protective arena in which unions and employers can both exercise power, and in that context negotiate with each other," he said

Unlicensed picketing, for example, had been typically prosecuted in South Africa as a form of illegal advertising

Property and privacy rights preclude automatic union access to companies and to the disclosure of "such information as may be reasonably necessary", another right enshrined by section 6

What of the "left" argument that by encouraging too much reliance on the constitution, one may indirectly sap the labour movement's organisational vitality? Isn't the ultimate guarantee of rights the collective power of "civil society"?

"We've had 50 years of the all-powerful state, and we've seen what that has done," Cheadle said.

"In South Africa, civil society consists of a couple of struggle organisations.

"I accept that you need people to insist on and defend constitutional rights At the same time, you've got to entrench freedom of association, to protect associations from the state You've got to have a framework within which civil society can thrive "

Mike Siluma reflects on the SACP conference which ended yesterday

STAR 9/12/91

Who speaks for SA's workers?

132

THE weekend conference of the SACP once more brought into focus the need for the unions to carve a niche for themselves. The need was first articulated after the ANC conference, and again recently when Cosatu demanded representation at the multiparty talks

After nearly 40 years as an underground party, the SACP formally re-launched itself into a South Africa where its mantle as the defender of the interests of the working class has, in practice, been usurped by the union movement, primarily Cosatu

While SACP membership currently stands at a claimed 25 000, its ideological allies, the unions, command far greater visible support among workers Cosatu, for instance, claims a membership of more than a million, while the National Council of Trade Unions boasts more than 300 000.

In addition, a new survey of the political views of Cosatu shop stewards has shown that if an election were called today, an overwhelming 94 percent would vote for the ANC A paltry three percent would vote for the SACP.

The survey, commissioned by Cosatu and carried out in September by the Community Agency for Social Enquiry (CASE), also showed that of the 860 shop-stewards interviewed, 70 percent believed Cosatu was the body best able to represent workers' interests during the constitutional negotiations, against nine percent for the SACP and 21 percent for the ANC.

Senior CASE researcher Sipho Pityana, who co-ordinated the survey, ascribed the low support for the SACP to two main factors — the party's lack of an independent political profile as a result of its participation in the ANC/Cosatu alliance, and Cosatu's prominent political role in recent years

"Until the unbanning of . the ANC and SACP, Cosatu played the role of representing workers' interests both politically and on the shopfloor, and won the workers' confidence."

SACP executive member Charles Nqakula was dismissive of the findings "We do not place a lot of emphasis on such surveys. The fact that our membership has grown from 5 000 at the beginning of the year to 25 000 shows that there is a lot of interest among the working masses in the SACP."

He points out that many Cosatu shop stewards are also active as party activists at branch level. Also, key Cosatu leaders hold party executive posts

"The party is the political home of the working class The labour movement largely concerns itself with the situation at the factory floor. The main objective of the party in the short term is to work with the ANC to achieve national liberation for all our people In the longer term our aim is to introduce socialism in SA "

But what common ground is there between Mr Nqakula's views and those of union leaders?

Plenty, it seems, in the case of Nactu assistant general secretary Mahlomola Skhosana "We see the SACP as an important organisation We believe that a strong communist party in SA can help to fight the economic imbalances in the country

"Unions are reformist by the nature of their work, whereas the party is a revolutionary body which is a necessary complement to the unions' struggle "

Cosatu general secretary Jay Naidoo agreed there was a convergence of objectives in as far the party and Cosatu wanted "a democratic socialist SA", but added that, while Cosatu's primary role was to look after workers' interests such as wages, employment and economic issues in general, the federation remained a major political player □

Grim outlook for wages in '92 – experts

(132)

STAR 19/12/91

By Shareen Singh

If wage increases this year were disappointing, next year would be worse, according to labour experts.

Brian Allen, director of Andrew Levy and Associates, said he could not see the recession lifting before the completion of the traditional wage round for 1992. Wage negotiations would be as intense, if not worse

Wage increases below the inflation rate were possible next year, he added

The commercial sectors and the motor industry would be hardest hit as a result of the recession. Low wage increases could also be expected in the public sector, he said.

In the mining industry, the shared-responsibility bargaining, which resulted in productivity and profit-linked wage increases, had to a large degree set a base for next year Mr Allen said

A similar pattern would follow unless major unforeseen problems arose in the administration and application of those agreements.

He dismissed the possibility of wage freezes, saying he could not see unions accepting this.

PE Corporate Services managing consultant Naomi Brehm said many companies were looking at the possibility of productivity bargaining and that this could become a trend next year. Most wage increases were expected to be between 3 and 5 percent below the inflation rate, she said

Labour consultant Theo Hefer said the current trend of lower increases would continue next year, but increasing pressure would come from workers at the lower levels to get higher percentage increases

"It would be necessary for lower-paid workers to get higher percentage increases than white-collar workers in order to narrow the wage curve, which is abnormally steep in most companies," he said

Many companies had recognised the importance of more equitable wealth distribution, and a trend in this direction could be seen next year, Mr Hefer added

It would be unfair and wrong to expect lower-paid workers to absorb the pain of recession, he said.

Michael Sparks looks at a report on the likely direction of the union movement during this decade

The 'megatrends' in SA's labour relations

STAR 17/12/'91

(132)

SOUTH Africa's re-entry into the economic markets of the world has made it necessary to plan for the future in order to take advantage of opportunities as they arise

This has created a need for information and has made scenario planning a growth industry Many people are familiar with Clem Sunter's book "The World and South Africa in the 1990s", and the more recent Nedcor/Old Mutual economic scenario

In the current issue of the Innes Labour Brief, Duncan Innes identifies a number of what he describes as "megatrends" which he believes will affect the course of labour relations until the year 2000

He describes scenario forecasting as trying to create a view of what form a society will take in a given period, while creating megatrends is an attempt to identify the movement of key trends and to assess their impact

Mr Innes divides countries into the standard First, Second and Third Worlds, calling them more developed capitalist countries (MDCs), state socialist countries (SSCs) and less developed capitalist countries (LDCs)

While all LDCs share the characteristic of having a high level of poverty, they also share a high level of dependence on MDCs He believes that with the collapse of communism in the Soviet Union and eastern Europe, the SSCs will disappear and join either of the other two categories

The less developed countries are further divided into those, like South Africa, India, Brazil, Mexico, Turkey and Portugal, that have resources or some form of industrial base to form what he describes as semi-peripheral countries These countries have the potential to develop as regional powerhouses within the global economic system

One of the ways Mr Innes believes this development will take place is through the relocation of labour-intensive and skilled manufacturing industry away from the more developed countries, where labour costs particularly are far higher than at home

He points out that countries like South Korea and Taiwan have been able to take advantage of this, while South Africa, because apartheid led to sanctions, has missed out on the opportunities

He adds it is not too late for the country to cash in on such opportunities, but "so long as violence and political immaturity blight this land, this . is likely to go on passing us by"

The first megatrend Mr Innes identifies is the move by black trade unions away from their state socialist ideology, since the Soviet Union and its satellite eastern European countries have collapsed and are abandoning socialism

He adds that "this does not necessarily mean that black unions, like so many of their white counterparts, will become 'sweetheart' unions — though some of the weaker ones undoubtedly will"

The second megatrend he identifies is the growth of South African business and trade union power as major forces in the region As political co-operation develops in the region, business and trade union interests are unlikely to be far behind

"There is simply no way that South Africa's black unions will sit back and allow business and the state to create regional structures that allow greater freedom of movement for capital and goods without taking steps to protect themselves," he writes

There would be a move by the unions to prevent capital going to other countries in the region, where unions are less powerful, undermining the power base of unions at home

As production and manufacturing are transferred to semi-peripheral countries, the next megatrend he identifies is the growth of industry in South Africa, with a corresponding growth of unions

"Unlike the situation in other African countries, where trade unionism declined after political liberation was achieved, post-apartheid industrialisation will enable South Africa's already strong and independent trade union movement to expand," Mr Innes says

This leads into the next trend, closely linked with the former, which is that the kind of industry to be transferred to the semi-periphery is based on assembly line production, which lends itself particularly well to strong unions.

Mr Innes points out that "while union membership in the core MDCs (with the exception of Australia and Germany) has been consistently declining over the past two decades, trade union membership in South Africa has risen dramatically. South Africa today stands as one of the most highly unionised countries in the Western world"

The fifth megatrend deals with the growing rate of unemployment and what strategies unions will need to adopt to face this challenge over the next decade

An economic growth rate of between 5 percent and 8 percent over a period of a decade is necessary to remove unemployment, which currently stands at 5 million people These are growth rates that have not been experienced in this country in decades

Since a large pool of unemployed can undermine the bargaining strength of the unions, Mr Innes points out that "if international experience is anything to go by, unions ultimately seek to organise themselves against the unemployed by means of securing the right to picket at strikes" He adds, however, that this sets the unions and unemployed against each other and leads to conflict

The final megatrend he identifies is closely linked to his first, which is that as unions move away from Marxist socialism, they will come to embrace social democracy as an ideology

"In practice, this will mean a greater willingness to work with — as opposed to against — business to secure advantages for themselves," he says.

He adds this is a tendency that has already emerged within the union movement, as unions demand joint control of provident funds, agreements to share in company profits and the setting up of jointly managed training schemes

Mr Innes, in trying to assess the impact of these trends, believes one of the results will be a single large union federation which will dominate industrial relations in the region

Mr Innes sees the unions that form this federation as likely to become more like their western European counterparts, though affirmative action and joint decision-making with management are likely to be high on their agenda □

INDUSTRIAL RELATIONS - GENERAL

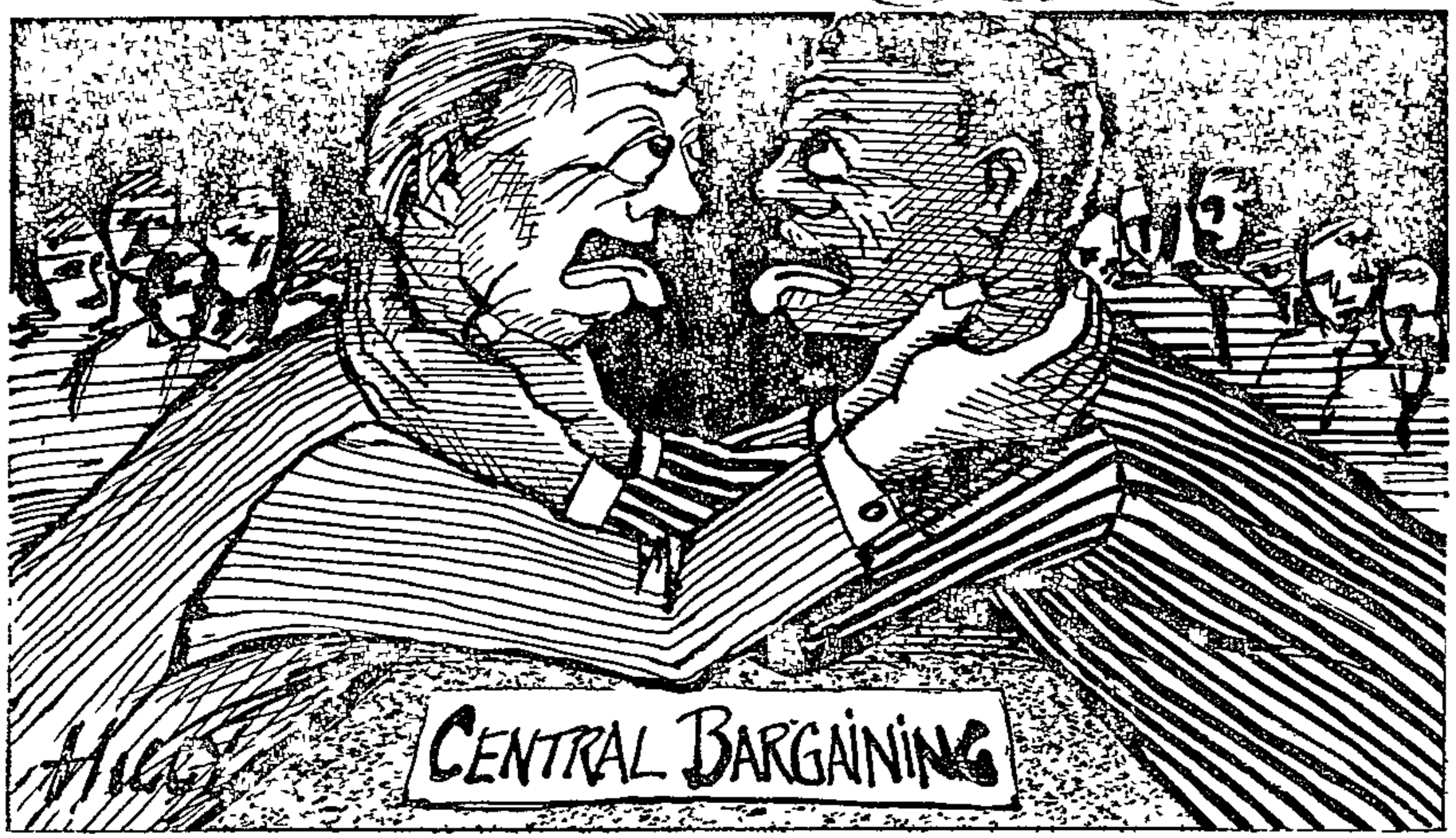
1992

Labour issues move to centre stage

W/Mail 3/1/-9/1/92. (132)

1992 promises to bring in some dramatic changes on the labour front.

FERIAL HAFFAJEE *looks at the prospects for the year*



THE new year is set to herald exciting developments for the labour movement internationally, nationally and on the shopfloor

The Congress of South African Trade Unions' call for a macro-economic negotiating forum will become more urgent this year and planning meetings will take place in the new year, according to Erica Jancowitz of the Andrew Levy and Associates management consultancy

The demand gained ground during last year's union-led anti-Value-Added Tax campaign, when Cosatu warned the government to not undertake any restructuring exercises without first consulting all major players

With the plans for the new forum, the year is also likely to sound the deathknell for the National Manpower Commission in its present form, especially after Cosatu's widely publicised walk-out from the body last year

Instead it is likely to be replaced by a more representative body with the power to implement its decisions and able to deliberate on national issues like economic restructuring

In another measure to maximise union influence nationally, unity between Cosatu and the National Council of Trade Unions could develop further this year Last year, Nactu general secretary Cunningham Ngcukana delivered a keynote address at Cosatu's national congress reflecting on all that the two federations had in common

Internationally, it is also likely to be an exciting year for labour with a high-powered commission from the International Labour Organisation (ILO) planning a visit to South Africa next month.

Cosatu is also forging a leading role in southern Africa through its work in the Southern African Trade Union Co-ordinating Committee The federation played a key part in the drafting of a social charter for the region by Satucc earlier last year

And through its work in Satucc, Cosatu is also likely to exert influence throughout the continent through the Organisation of African Trade Union Unity.

Meanwhile, the shopfloor will feature both new and old demands from management and trade unions in 1992

Job security will still feature prominently, according to Jancowitz With the recession unlikely to let up for at least four months and the call for a moratorium on retrenchments not very successful last year, the new year is likely to find the trade union movement grappling with new ideas on job security

Productivity deals like the one concluded between the National Union of Mineworkers and the Chamber of Mines last year will gain more prominence, believes Jancowitz

And in industries where productivity is difficult to measure, wastage and shrinkage could become the determining features

"Reductions in both these areas can lead to significant savings and increased profitability, which in turn can be shared with the workforce," according to Jancowitz

Centralised bargaining, a demand ratified by the Cosatu congress last year, is likely to feature prominently in the trade union movement this year. Centralisation of benefits schemes like provident funds and medical aid schemes is also on the cards

Campaigns for harmonisation of working conditions to line up working conditions for production and administration workers will get off the ground this year, believes Jancowitz She says "This often entails the reduction of working hours in the production facility, introducing the same provident/pension and medical schemes and paying similar bonuses"

The affirmative action campaign is also likely to increase in prominence The ILO has commissioned a study on affirmative action in South Africa and already many companies are promoting blacks from within into management positions

But unions will push for a collective form of affirmative action encompassing training for all workers so that all are able to be promoted along clear career paths

From the management corner, Jancowitz believes more companies will move away from across-the-board increases to merit increases She also notes an increased move toward linking bonus payments to attendance — unauthorised absence being debited against the full sum of the bonus.

Bosses, workers plan a Codesa clone

S/Times 19/1/92

By CHARLENE SMITH

TOP businessmen and unionists are proceeding with plans to set up an economic equivalent to Codesa in time for the second round of constitutional talks in March

Representatives of both groups meet on Tuesday to set the plans in motion

Codesa working groups, meanwhile, will be meeting tomorrow to consider how both sectors can be drawn into it

The mustering of workers and bosses reflects the fears of both that constitutional and political negotiations are leaping ahead of the debate on economic issues

Delegates at Tuesday's summit in Johannesburg include the Steel and Engineering Industries Federation of SA, the SA Chamber of Business, the Chamber of Mines, the National African Federated Chamber of Commerce, the Federation of African Business and Consumer Services and the SA Employers' Consultative Committee on Labour Affairs

Permanent

Ten union delegates — each from Cosatu, Nactu and the public sector Federation of Salaried Staff Associations — will also be present

The government will not be represented at the meeting, although it is sympathetic to the cause of both groups

The forum is envisaged as a permanent body to resolve disputes, plan economic policy, advise the government and regenerate growth It will function parallel to Codesa with some sources saying it might even be absorbed into it

The first meeting of Codesa's five working groups will consider accepting submissions from employers and employees on economic aspects of a draft bill of rights and on transitional arrangements affecting control of the Budget

Decide

Saccola chairman Anton Roodt said this week that "a constitution could be written in a week, but to agree on a political economy will be a long, hard struggle

"How, in the domain of public policy, will we decide on the proper allocation of resources to stimulate the necessary economic growth and tangibly remove wealth disparities?"

One leading businessman observed "We need to move incredibly fast We have already paid the costs of not having such a body, with the VAT stayaway of November 4 and 5 last year"

● See Page 4

Exploratory agenda for meeting

Business and labour set to finalise forum

(132)

B/Day 20/1/92.

DIRK HARTFORD

ORGANISED business and labour will meet at the Premier Group headquarters in Johannesburg tomorrow to thrash out the mechanisms for the establishment of a national economic negotiating forum.

The meeting results from several months of informal discussions between union and employer groups.

A South African Chamber of Business (Sacob) spokesman said the meeting, which has been convened by the Consultative Business Movement (CBM), would be "exploratory" and would aim at agreement on the structure, tasks and methods of an economic forum. Several employer organisations supported this view

The meeting is expected to discuss and, where possible, take decisions on

- ☐ The aims, objectives and terms of reference of the economic forum,
- ☐ Whether the forum should attempt to establish a social accord and/or negotiate economic policy or guidelines,
- ☐ Who should participate, in particular whether the forum should include representatives of government and political parties,
- ☐ The forum's structure and financing;
- ☐ The forum's relationship with Codesa and other transitional structures, and
- ☐ How agreements would be implemented and a time frame for them

The CBM confirmed it was convening the meeting It drafted the agenda in consultation with the principal parties.

Employer groups scheduled to attend include the Afrikaanse Handelsinstituut, the Chamber of Mines, Fabcos, Nafcoc, Saccola, Sacob and Seifsa They will each have between two and five delegates

On the labour side Cosatu, Nactu and the Federation of Staff Associations will have 10 delegates each.

The question of government and party political participation in the forum has been a matter of intense informal debate in recent months There are influential leaders in organised business and labour who argue that policies should be negotiated and agreed between themselves alone and then, where necessary, put before government for implementation

Both parties fear that, were the forum to fall under Codesa, critical economic policy issues might be sacrificed in the horse-trading of broader constitutional and political negotiations.

Others in the unions argue, however, that once the ANC is in government the organisation could be a useful ally in economic negotiations

Other groups argue that political parties should be involved as organised business and labour represent only the elite in the economy, while political parties can claim to represent a broader spectrum

Cosatu assistant general secretary Sam Shilowa said he hoped the meeting signalled the beginning of formal negotiations at national level, but said the unions had to decide on the aims and scope of the forum and whether they were aiming for a social contract or an agreement

He said Cosatu expected employers to use the forum to convince unions to accept wage restraint Cosatu opposed this

He said the unions would demand a mor-

☐ To Page 2

Forum

B/Day 20/1/92

(132)

☐ From Page 1

atorium on retrenchments Other issues Cosatu would seek to place on the agenda were VAT, housing, pensions and labour legislation affecting farm, domestic, public sector and homeland workers

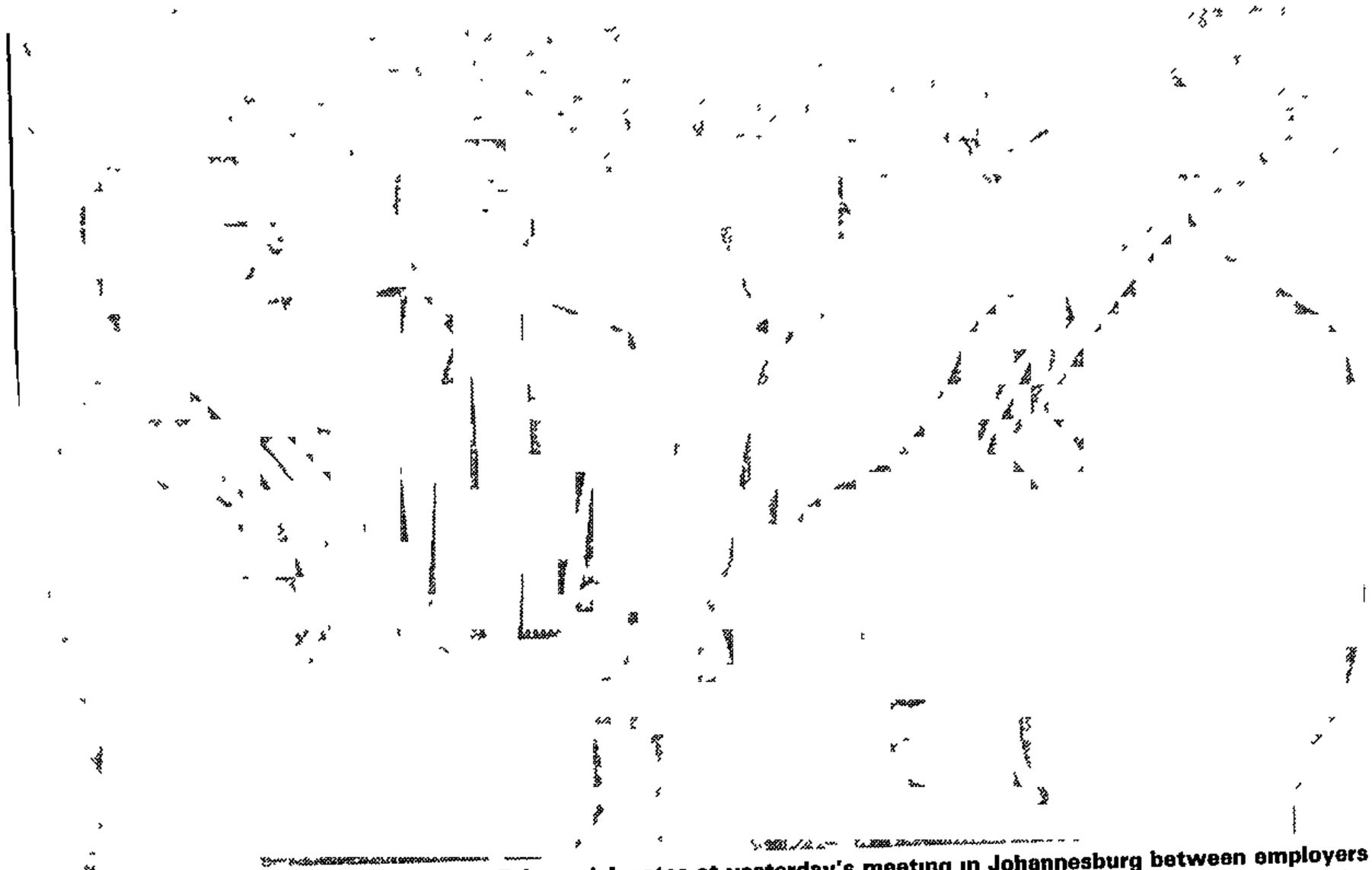
Shilowa said Cosatu wanted to participate in Codesa if it was open to non-political organisations

Nactu assistant general secretary Mahlomola Skosana said the federation wanted a tripartite structure involving government, business and labour to be set up

He said the CBM had already convened a series of meetings between parties to the talks and "while it was nice drinking tea" it was urgent to get "a properly constituted tripartite structure off the ground"

He said the union movement did not want an economic forum to be a "junior partner" to Codesa Nactu believes the forum must be "democratic and accountable" if it is "to take the workers with it"

Nactu's general secretary Cunningham Ngcukana, speaking last week at Cosatu's summer school, urged unions to play a "pro-active role" and said the forum should address all the macro-economic issues facing SA He cited investment, taxation, economic restructuring, trade and GATT as examples.



Sacob president John Hall, right, greets Fabcos delegates at yesterday's meeting in Johannesburg between employers and trade unionists to discuss convening an economic summit later this year. The Fabcos delegates are, from left, Jabu Mabuza, Joas Mogale and Mike Ntlatleng. Picture ROBERT BOTHA

Bosses, labour call for forum

B/Day 22/1/92 (132)

DIRK HARTFORD

MORE than 60 delegates from organised business and labour yesterday agreed on "the urgent need to set up an economic forum", said the meeting's facilitator, the Consultative Business Movement (CBM)

The CBM said a working group had been set up and would report back in March It would approach government to take part in the forum

Representatives of Cosatu, Nactu and Fedsal, and Sacob, the AHI, Fabcos, Nafcoc, Seifsa, Saccola and the Chamber of Mines attended the meeting.

Sacob director-general Raymond Parsons said the working group would examine whether the forum should make an input at Codesa. In an Agenda TV discussion he said he was "very positive" about the meeting

Cosatu assistant general secretary Sam Shilowa said during the Agenda programme Cosatu was not contemplating an alternative "Budget".

Labour, business take initiative

W/Mail 24/1 - 30/1/92 (132)

By DREW FORREST

IN A giant stride towards co-determination, business leaders this week signalled their clear backing for macro-economic negotiations with the labour movement.

At a heavyweight meeting convened by the Consultative Business Movement in Johannesburg, both sides agreed to set up a working group with 50/50 representation within two weeks which will debate the aims, scope, powers and composition of an economic forum, as well as urgent issues such as its relationship with the Convention for a Democratic South Africa (Codesa)

The plenary will reconvene within weeks and sources were confident a forum would be in place by mid-year

Speaking for labour were the Congress of South African Trade Unions, the National Council of Trade Unions (Nactu) and the largest representative of organised white workers, the Federation of Salaried Staff Associations

On the employer side of the table were the South African Chamber of Business, the South African Co-ordinating Committee on Labour Affairs (Saccola), the Afrikaner Handelsinstituut, the Steel and Engineering Industries Federation, the Chamber of Mines, Federation of African Business and Consumer Organisations (Fabcos) and National African Federated Chambers of Business and Industry (Nafcoc)

Business has been equivocal about the forum concept, mooted last year by Cosatu As long ago as last July, a meeting between Cosatu, Saccola and the government yielded a draft agreement on a procedure for establishing a forum, which business and the state subsequently failed to endorse

"The dominant employer view is that this must be pursued," said a business source. "Other business organisations will come in as the process develops"

A potential stumbling-block is the issue of state involvement Influenced by its experience of the National Manpower Commission — where employer-union compromise proposals were regularly overriden last year — Cosatu insists that the government must participate directly in the forum as a negotiator

The government's view is unclear, but the dominant view appears to be that the forum should be a bilateral affair with advisory powers. Unionists see Finance Minister Barend du Plessis and Law and Order Minister Hernus Kriel as key obstacles

Business sources contacted this week were confident that once a forum was in place, government would find pressure to join it irresistible — as happened with the "Saccola Accord" on the Labour Relations Act

On the forum's scope and powers, there are differences of emphasis between employers and unions. Cosatu is looking in the long-term for negotiations on economic policy, but its immediate goal is to agree "transitional economic arrangements", including immediate, concrete measures to stem job cuts and create employment and an end to "unilateral restructuring" by business and the state

Employers are more cautious: some appear to see the forum as a way of setting principles and guidelines rather than policy.

It is likely that the parties will agree to draw a range of political players into the process, including the African National Congress and civic organisations, but as junior partners

"If we're discussing transitional measures, major political groupings must be included," said Cosatu spokesman Neil Coleman "Agreements on job creation schemes, for example, must involve the ANC as a potential future ruling party"

Although it is misleading to describe the forum as the "economic Codesa" — economic talks will focus on substantive issues and solutions, while Codesa is concerned with principles and procedures — the relationship between the two will have to be defined.

One approach mooted at this week's meeting was the creation of a constitutional committee under the forum, with formal links to Codesa, which would make an input on economic matters

Some Cosatu unionists fear employers' primary interest in the forum will be to win union undertakings on pay restraint and industrial stability

Employer sources deny this "We're looking for an institutional structure in which the partners can play their proper role in society — the question of strikes and wages belong at a lower level of negotiation," one commented

Australian model of pay restraint is ideal to fight SA inflation

SIMON WILLSON

B/Day 23/1/92

RESERVE Bank Governor Chris Stals's call for a social accord to combat inflation will be brought into sharp focus next week by the release of a normally humdrum southern hemisphere statistic.

The figure, scheduled for publication next Wednesday, is the rate of inflation in Australia in the year to the fourth quarter of 1991 (the Australians measure inflation only by the calendar quarter, not month by month).

Until recently, the Australian inflation rate was just one more erratic number from a primary product-based economy going through the throes of restructuring Suddenly, however, Australian inflation has locked into a pattern. Next Wednesday's figure is likely to be one that astonishes not only comparable, competitor economies such as SA's but also the developed Western industrial economies

Australia is about to announce an annual inflation rate of about 1,5%

This will mean that Australian inflation is lower than Japan's, lower than Switzerland's, lower than Germany's — lower than in all the economies famed for their thrift and abstemiousness. For at least the first quarter of this year, Australia's inflation rate is likely to be the lowest of all those reported to the 24-nation Organisation for Economic Co-operation and Development (OECD) — the grouping of advanced Western industrial economies.

Australia with the OECD's lowest inflation rate? How can this be?

Is this the same Australia as the one that has been living way beyond its means for nearly two decades, the country whose sustained import binge has chalked up an unbroken current account deficit since the mid-'70s? Yes

It is the same Australia as the one which has splurged fantastic sums on grandiose domestic projects, in the process ballooning its gross foreign debt from a mere $US15bn in 1980 to more than $120bn last year

It is the country that, for most of the '80s, has been governed by a trade union-friendly Labor government Moreover, the Labor prime minister for all but the past two months of this period was previously a hard-drinking, womanising trade union boss It is a nation of instinctively militant organised labour, whose miners and transport workers are famous for their rapid deployment of the strike weapon

How, it may reasonably be asked, can a free spending, import loving, strike happy, debt ridden economy such as Australia's have an inflation rate that puts to shame other OECD economies of legendary parsimony and self denial?

The answer to this perplexing question provides the link with Stals's social accord prescription for combating inflation The main reason Australia's inflation rate has fallen so consistently and is now so low is that Australia has the industrial world's longest lasting, most successful and least publicised incomes policy

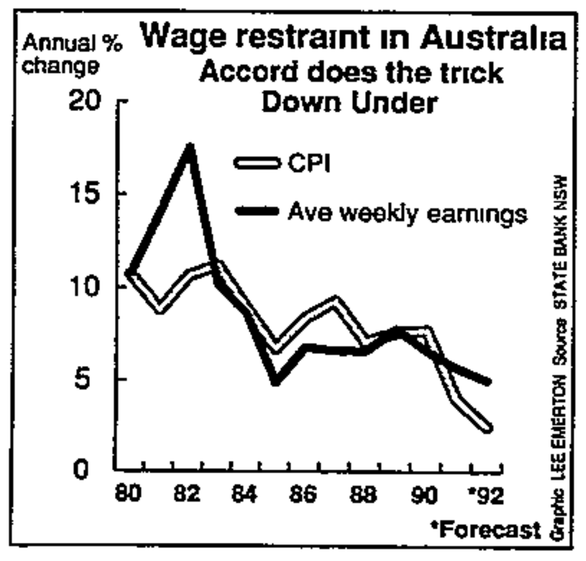
Recession has only helped disinflate the Australian economy since the end of 1990, Australian economic growth tanked ahead during the '80s — at more than 5% in 1985 and by more than 4% in 1987 and 1989 — while inflation was slowing

The incomes accord between the federal government and the Australian Council of Trade Unions (ACTU) was instituted in 1983 and has been renewed every year since The accord involves government and unions agreeing on a maximum limit for pay increases in the year ahead, and sticking to it

The government has used the accord to cut real wages — pay levels adjusted for inflation — with the co-operation of national trade union representatives There have been disagreements, when the government's offer and ACTU's claim were referred to arbitration But, as the chart shows, the results in terms of inflation have been spectacular There has been an incontrovertible correlation between the decline in inflation rate and pay restraint

How has the Australian government managed to sweep the ACTU militants along with an incomes policy that ostensibly undercuts the trade union function by eroding the real pay levels of ACTU members?

The Labor government did, it is true, start out with an advantage in that it was an avowedly socialist party when it was elected in 1983, headed by a former ACTU boss in Bob Hawke But the government also needed a carrot to give some incentive to ACTU to go along with the accord, and cannily used tax reform as that carrot



The government, elected on a platform of restructuring the Australian economy, was planning anyway to follow the Thatcherite/Reaganite formula of cutting direct taxation and loading up indirect taxation as the main federal revenue-generator

In the early days of the accord, Hawke made personal tax cuts conditional on acceptance of statutory pay limits. His argument, which proved quite persuasive when the nascent accord was at its most vulnerable, was that ACTU members would be no worse off in disposable income terms if they accepted a cut in real wages that was offset by lower direct tax takes from their wage packets

It worked like a charm The accord was accepted at the outset and had a chance to operate. Australian real wages began to fall, with all the favourable knock-on effects on export competitiveness and on inflationary expectations. By the time the tax incentive part of the package was delivered, there was real evidence of lower inflation to support the extension of the accord. The Hawke government won four consecutive elections.

Australian inflation, which was well into double digits and close to SA levels 10 years ago, is about to become the lowest in the industrialised West Wednesday's figures will show that Australian prices take a year to rise by as much as SA prices often do in a month

Stals's advocacy of a social accord in SA to tackle structural inflation and inflationary expectations is, whether intended as such or not, an endorsement of Hawke's accord model and a recommendation that it be emulated, at least in part, in SA without delay And why not? When there are two large land mass, southern-hemisphere primary product exporters with competitiveness and productivity problems among their militant labour forces, and one has an inflation rate of more than 15% and the other one of less than 2%, there must be something the first can learn from the second

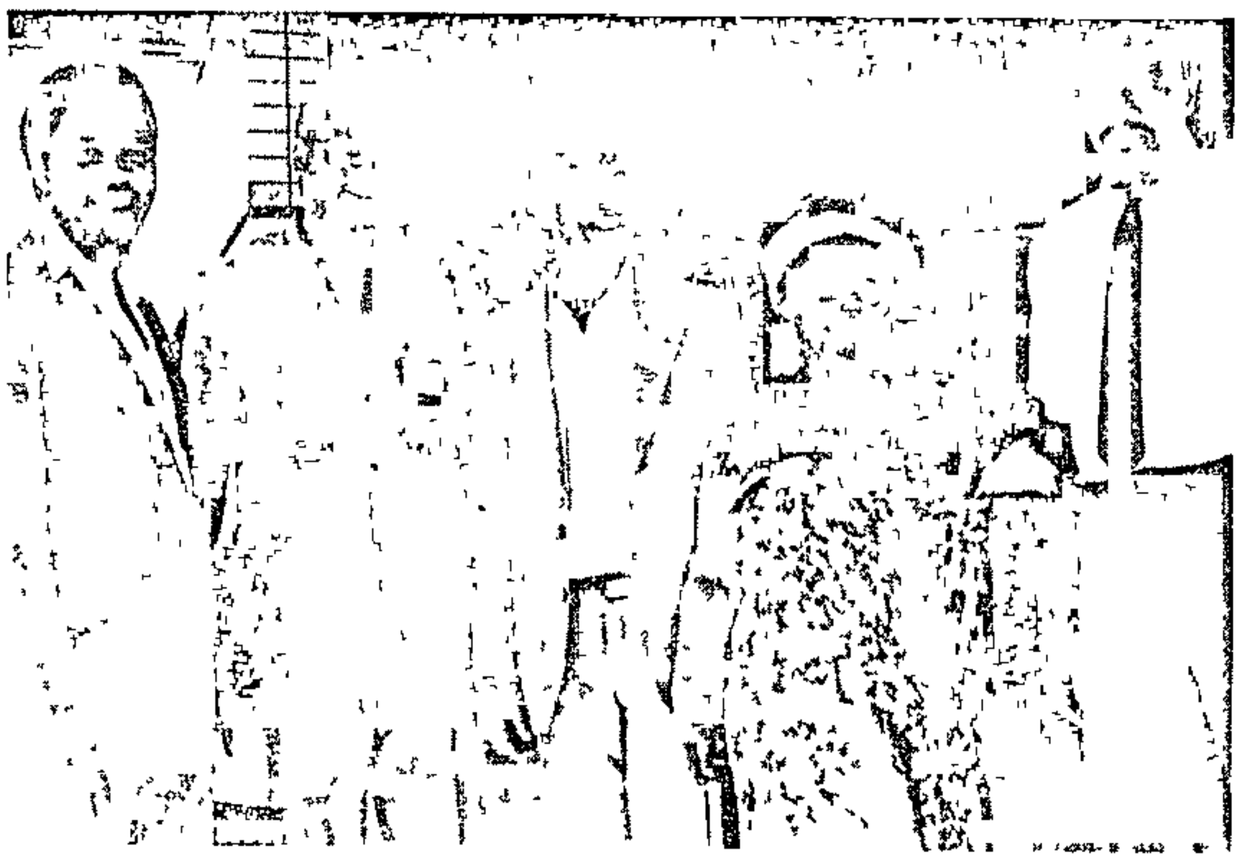
Given the Australian precedent, Stals's point about a social accord attacking structural inflation and inflationary expectations is well made What better time to approach SA organised labour with a plan to start agreeing pay limits for a year or so ahead than when government, business and labour are all sitting around tables anyway?

In forums such as Codesa and gatherings convened by the Consultative Business Movement, collective action in the national interest is already being discussed in the constitutional, political and social fields It is a relatively small step to accommodate pay bargaining among other such weighty topics

It is not only the SA unions that would have to be persuaded to accept the concept of an accord The government has been unusually proscriptive about regulating national pay levels, as this statement last year by the Finance Minister's special economic adviser Japie Jacobs shows " government has no intention of intervening in wage negotiating procedures Government has no wish to cross swords with organised labour It has no intention of even considering the implementation of an incomes policy "

A figure due out in the early hours, SA time, of next Wednesday morning should change the preconceptions of Jacobs and a great many others

SOWETAN BUSINESS



The National Council of Trade Unions was represented by Mr Mahlomola Skhosana, Mr James Mndaweni, Mr Joseph Maqhekeni, Mrs Agnes Molefe and Mr Tommy Oilphant

Unions gear to shape up SA's future

(132)

Sowetan 27/1/92

Last Tuesday organised labour and big business met at the headquarters of the Premier Milling Group in Johannesburg to look at future economic and business policy Sowetan reporter JOE MDHLELA (right) was on the sidelines and reports

BY A strange twist of fate, last Tuesday's historic meeting between organised labour and big business took place at the same building that used to house the executive suite of the company's former managing director Mr Tony Bloom.

It was Bloom who in 1985 was in a delegation of white South African businessmen which met the African National Congress in Lusaka at a time when public contact with the then outlawed organisation was taboo

The Lusaka meeting was later denounced and described as unpatriotic by the National Party Government then under president Mr PW Botha

Destiny

Last Tuesday, it was the same businessmen who were meeting with black leaders, some of whom are members of the ANC

This time the Government was cheering from the sidelines

It was a pity that Bloom who has since left the country was not at this meeting

One thing emerged at the forum the labour movement will play an important role in shaping the political destiny of South Africa

Predictably the meeting was conciliatory perhaps a harbinger of the stormy sessions still to come For, it is this forum that will deal with the bread and butter issues of change in South Africa

One obesrver said Given the volatile political climate it was a miracle that these people reached agreement within hours

Although political parties were not represented, the forum resolved that the Government be invited

It is logical to assume that the presence of the Government in the forum will imply that other political players should form part of the economic process

But it will also be realistic to imagine that trade unions will use the forum to articulate their displeasures about, for example the Government s unilateral implementation of the Value Added Tax

The unions will also have the opportunity to warn the Government that it would be walking on live landmines if it were to increase VAT

The Congress of South African Trade Unions is clearly sympathetic to the cause of ANC while big business element which is in favour of negotiations would also be comfortable with the idea of Codesa being handled about

If that happens distinct battle lines will be drawn, with the National Council of Trade Unions known to be uncomfortable with Codesa showing dissent

The more than 60 delegates were drawn from Cosatu Nactu, the South African Chamber of Commerce the Afrikaanse Handels Instituut, Fabcos, Nafcoc, Steel and Engineering Industry Federation of South Africa and the Chamber of Mines

They agreed that while politicians were busy with shaping a political programme for a new society the forum should look at economic problems

But it also emerged that without the Government's input into the economic debate the forum would remain an exercise in futility hence the decision to invite it

What also became clear was that Nactu did not want the forum to be an extension or be a sub committee of Codesa

Mr Cunningham Ngcukana Nactu's general secretary said the forum was in fact an answer to the feelings expressed during the Laboria Minute in 1990 where Nactu and Cosatu sought a fair deal for black workers

"The forum will have to address itself to job creation and other schemes that will improve the lot of black working class ' Ngcukana said

Movement

Chief economist of Nafcoc Mr Vincent Phaahla said an increasing number of blacks would need to become employers, thereby expanding the employment base

' Black employers will help a lot towards increasing the employment base and thereby contributing in job creation he said

Chief executive of Barlow Rand Mr John Hall said the fact that the labour movement and big business were ready to co-operate was indicative that the parties were keen to help solve the economic crisis

He said the move should not be seen as an attempt by big business to bludgeon unions into co operation so as to minimise industrial action in the work place

Business, labour try for forum

Own Correspondent

JOHANNESBURG — More than 60 delegates representing organised business and labour yesterday agreed "on the urgent need to set up an economic forum", according to the facilitators of the meeting, the Consultative Business Movement (CBM)

The CBM said a working group, consisting of equal representation from business and labour, had been set up. It would approach the government to become part of the economic forum, and would identify options or areas of consensus on (132)

Who should participate, aims, objectives and scope, the forum's structure and funding, its process and time frames, and its relationship with transitional bodies CT 22/1/92

Labour organisations present were Cosatu, Nactu and Fedsal

Employers were represented by Sacob, the Afrikaanse Handelsinstituut, Fabcos, Nafcoc, Seifsa, Saccola, the CBM and the Chamber of Mines

Union boss on SA visit

(132)

Sowetan 20/1/92

BRITISH union leader Mr Arthur Scargill has arrived in South Africa to show solidarity and share experiences with union chiefs here

Scargill jetted into Johannesburg's Jan Smuts Airport yesterday at the invitation of South Africa's National Union of Mineworkers

The fiery Welshman is president of the British NUM, which boasted a membership of 152 000 until former prime minister Mrs Margaret Thatcher broke the power of the unions in a showdown in the 1980s

Scargill, with fellow British unionist Ken Gill, will represent the UK at international union talks to be held in South Africa this week

Worker representatives from Australia, the United States, Germany and Southern Africa are also due to fly in for the meeting, the first of which was held in Geneva.

Scargill will meet various people on his visit, including Government and Chamber of Mines delegations - *SA Press Association*

Mediation to the fore

S/Times (Buss) 19/1/92 (132)

By ADRIAN HERSCH

MORE than a million workers were affected by private mediations in industrial relations last year — an all-time record

One of the key benefits of mediation is that it reduces red tape

Its growing popularity will add weight to calls by the National Manpower Commission (NMC) that "private conciliation centres be officially recognised"

The Independent Mediation Service of SA (Imsa) conducted 621 mediations and 432 arbitrations last year

This compares with 580 and 344 in 1990 respectively

Imsa director Charles Nupen says over 80% of mediations related to wages and the others included retrenchment and collective dismissal disputes

Most mediations are carried out between July and October because most pay talks come to a head at this time

Two major pay disputes settled by mediation were in the national metal industrial council and the motor component industry

These settlements affected nearly 500 000 workers

Mediation in the national strike in the auto-assembly industry led to a settlement which included a retrenchment moratorium — provided production targets are met

Mr Nupen sees this type of deal as significant for the bargaining climate this year

But Mr Nupen warns that forces outside the workplace, such as developments in constitutional negotiations and the inflation rate, will play a significant role in bargaining

Dismissals

Most of the 432 arbitration cases last year related to disciplinary and dismissal disputes

There was a large increase in the number of mediations in the Western Cape and in arbitration in the Eastern Cape and Free State

Imasa is likely to set up permanent offices in the Eastern and Western Cape in 1992

Besides industrial relations the organisation is involved in mediating disputes in the community

Costly labour harms SA's potential, says analyst

B/Day 14/1/92

132

LINDA ENSOR

CAPE TOWN — Escalating labour costs and low productivity made SA an unattractive investment proposition for foreign companies, London-based James Capel analyst Fiona Halse said yesterday

Halse, who has worked as a senior analyst on the JSE and as a financial analyst with the Financial Mail, heads a research team that reports on conglomerates for stockbroking firm James Capel

National Productivity Institute (NPI) figures show the SA manufacturing sector registered the lowest labour productivity growth in the period 1975-1990 when compared with Taiwan, Japan, UK, US and Germany On the other hand, the increase in wage rates was one of the highest, second only to Taiwan

The NPI said unit labour costs far outstripped the increase in unit labour costs in other countries, with severe adverse effects on the competitiveness of SA manufactured products in local and international markets

Halse said productivity returns from labour in SA were falling and companies invested in the country were not putting more money in

"As companies move towards globalisation, SA will become less attractive because labour costs are not as cheap as they used to be"

Labour instability, strikes and the number of man hours lost annually also received prominent media coverage, Halse said

"At the moment fund managers are basically waiting to see what happens The things that concern them are the changing view on nationalisation, the violence and the fear that once black rule materialises there will be tribal conflict"

Halse said international fund managers were more interested in investing in established economies such as the US, UK and Europe If they wanted development markets in their portfolios they would choose markets such as Mexico, which offered returns of about 40% to 50%

SA's gold mining industry was not much of a drawcard because the industry was seen to be shrinking

● HALSE

"The consensus is that the price of gold is not going to rise very high Gold does not react to crises in the same way it did in the past.

"One of the reasons for the lack of excitement about gold is the international drive to stamp out inflation Governments overseas are extremely committed to bringing down inflation, and with financial markets offering some exciting returns, people are not being forced into hard assets"

ILO commission to probe SA labour laws

THE International Labour Organisation's Fact Finding and Conciliation Commission visits SA from February 6 to 23 to investigate if the country's labour laws conform with international standards.

The commission could lay the basis for the country's return to the membership of the ILO which it quit in 1966.

The three-member ILO delegation comprises the High Commissioner for Barbados in London, Sir William Douglas, Mr Justice Kirby of New South Wales in Australia, and Mr Justice Lallah, the Chief Justice of Mauritius.

The delegation will also investigate complaints lodged by Cosatu with the ILO after the 1988 Labour Relations Act amendments which sparked mass protest and work stayaways in this country. This preceded an historic agreement between Cosatu, Nactu and the SA Employers Co-ordinating Committee on Labour Affairs which was translated into legislation in 1991.

B/Day 29/1/92

At a Press briefing in Johannesburg yesterday, Cosatu officials said that through the commission it hoped to secure certain public commitments from government, including a timeframe for their implementation — Sapa.

No room for labour monolith

B/Day 29/1/92 (132)

PETER DODDS

B/Day 29/1/92

THE author of a recent article in the Industrial Law Journal advocated a common labour law system for southern Africa (Business Day, January 9). The same article referred to an SA trade union engaging in regional wage bargaining and forming alliances with unions in Namibia, Botswana and Swaziland

The implication is that a common labour law system and regional union activities are one and the same thing, which they are not. It is possible to find merit in the argument that disparity in protective labour legislation should be reduced to the minimum, but there are dangers for the region in a monolithic trade union movement.

The primary social and political obligation in Africa today is to accord proper recognition to the fact that the wages sector — the trade unionists — constitute what Marxists call the "labour aristocracy". They are, already, a privileged elite in each of the countries of the region. Recent figures suggest that only one in 12 matriculants is likely to find a niche in the workforce and that, generally, there are eight to 10 applicants for every vacancy.

The wages sector constitutes a small minority; the unemployed, the underemployed, the subsistence farmer and the informal sector are the vast majority, a position which will worsen, progressively, as populations continue to grow, AIDS notwithstanding.

It is a dangerous fallacy, in those circumstances, to suggest that social consensus and stability will follow in the train of "social democracy". Social democracy will benefit the minority who have already democratised their salaries and increased the gap between themselves and the have-nots, those whose earnings are already protected by joint negotiation, labour tribunals and minimum wage regulations and whose working conditions are protected by complex legislation, enforced by the taxpayer through the ministries and departments of labour.

Further protection for the already privileged would outrage the have-nots and it would not be difficult to imagine the repercussions. The author would probably deny that he is advocating a closed shop for southern Africa's wage sector, but that would be the outcome if his proposals were put into effect.

His concerns are clear when he writes "Those countries with a high rate of unionisation and well-developed labour law systems may find themselves outbid in the market for capital." What it amounts to is a tacit admission that the "high rate of unionisation" has priced the SA employee out of the regional market, and only by extending the tentacles of local unionism to the rest of the region can local competition be eliminated

There is no apparent reference to productivity. If all employees are equally productive in the same market there is logic in advocating common wage rates, but they are not, and the market place is different.

A monolithic union movement in the southern region would have the capacity to safeguard its members' interests to a degree well beyond the demands of equity but, in the foreseeable future, there is little likelihood of its membership growing Even if it did, it would not be sufficient to reduce materially the pool of unemployed.

Population numbers will increase, and the wage-earning minority will become smaller in proportion to those without a finger on whatever economic cake is available to be shared.

"Methinks he doth protest too much" is probably a suitable response to the author's arguments. What started off as a reasonably laudable proposal that disparities in labour law in the region be reduced ended up as a motion that it could be accompanied equitably by a common approach to employee organisation and representation

The former had a measure of common sense in its favour; the latter is neither economic nor moral. It is not beyond the realm of fantasy that the author was musing on other uses to which a monolithic regional union structure could be put. Ministers at the Southern Africa Labour Commission meetings have always agreed that in many social and economic spheres they have common cause, but they stop well short of surrendering sovereignity in matters of wages.

Whose system of labour law and industrial relations is being held up as the paradigm? Are SA industrial relations the yardstick for regional industrial democracy, or are they simply a slightly more sophisticated version of the political phenomenon which those who have spent time in Africa to the north will have experienced in the 1950s?

Big Brotherism is out of date. This is particularly relevant in the light of the author's comment: "Investors will not be able to shop around for the most docile and legally handicapped work force" What the author is saying is that investors will have no choice; they will have to accept whatever the monolith offers, which is not much of an option

Instead of southern Africa being a stimulating, colourful and competitive free market, it would be a dull grey area, akin to Eastern Europe and equally unattractive.

The reality is that productivity in SA must be raised as dramatically as the rise in wage rates over the past two years To be competitive in first world manufacturing markets, local labour costs and productivity levels must be on a par which, currently, they are not.

Foreign investors are not likely to be attracted to a situation where wage levels have little link with economic reality. Equally, they are not likely to swarm into a regional closed shop where union hegemony — rather than the imperatives of high productivity, industrial calm and economic earnings — is paramount

☐ **Dodds is a former director of the Swaziland Federation of Employers.**

Cabinet discusses ILO mission's visit

(132)

DIRK HARTFORD

THE visit next week by an International Labour Organisation (ILO) fact-finding and conciliation commission and the scope of its reference were discussed at a Cabinet meeting yesterday, government sources said.

But Manpower Minister Piet Marais' office would not be drawn on decisions taken by the Cabinet.

Sources close to negotiations on the visit said the Cabinet could "make or break" the commission's work in SA.

They said the ILO understood that, after a meeting between former Manpower Minister Eli Louw and ILO director-general M Hansenne last year, the commission's terms of reference had been extended to cover the entire labour situation and law.

But after Louw's departure from the Manpower portfolio last year, government argued that the commission's terms of reference should be the two original complaints Cosatu submitted to the ILO in 1988, namely the racial registration of unions and strikes and lockouts being defined as unfair labour practices B/Day

It is understood that Louw's move to Speaker of Parliament related directly to his understanding that the commission would investigate all aspects of SA labour relations. 31/1/92

Cosatu, Saccola and government have submitted memorandums to the ILO. But it is understood that while Cosatu's 500-page memorandum covers the whole gamut of labour legislation, government is concerned only with the original complaints. A Saccola spokesman would not comment on the content of its submission.

Sources said government originally had opposed the ILO visit, but changed its mind in 1990.

Sex bars to go in new labour moves — report

(132)

ARGT 3/2/92

SHARON SOROUR
Labour Reporter

AS South Africa moves back into the international labour arena, employers will have to comply with international conventions and remove sexual, and other, discrimination from the workplace.

According to the latest edition of *I R Data*, certain conventions of the International Labour Organisation (ILO), like those dealing with equal pay for men and woman doing the same work, had to be addressed by South African employers.

The report said unions would use job-grading as a vehicle for change in 1992.

Unions realised that to reduce the wage gap and meet the needs of members it was critical to know, understand, challenge and influence the foundations on which employers determined relative wages

Unions wanted to be involved in job-grading schemes because they could then take part in analysing job content and upgrading skills through training.

Unions would seek·

- To negotiate the criteria used in job evaluation and the weighting given to it,
- To ensure that job descriptions were developed in full consultation with the workers involved and with close monitoring by shop stewards,
- To ensure that "entry requirements" of the job were realistic and not over-inflated merely as a result of the high levels of employment in the country, and
- To ensure that employers provided realistic career paths for employees with the grading scheme

An international delegation is in SA to probe trade union complaints, writes **Mike Siluma**

Return to ILO in the balance

STAR 7/2/92 (132)

THE arrival yesterday of a high-powered International Labour Organisation delegation will provide South Africa with a chance to return to the international labour relations fold after a 28-year absence

The visit by the ILO's fact-finding and conciliation commission is in response to a complaint laid by the Congress of SA Trade Unions (Cosatu) at the ILO in 1988 over the promulgation of the Labour Relations Amendment Act

At the time, the thrust of Cosatu's complaint was that the Act would restrict workers' right to strike and reverse gains made regarding working conditions

Following vigorous campaigning by unions — primarily Cosatu and the National Council of Trade Unions — and protracted negotiations between the Government, labour and employers the Government withdrew its amendments and signed a new labour legislation accord with unions and capital in 1990 But Cosatu was still not satisfied It pushed for the broadening of the commission's terms of reference, which would, in its view, bring South African labour legislation up to international standards

Cosatu, which is to present a 500-page submission, wants the commission to focus on key areas including

- The right to strike
- The right to collective bargaining for all workers
- The right to organise trade union activities without hindrance
- The state of industrial relations in the TBVC and self-governing territories

Although the present Labour Relations Act gives some protection from dismissal to workers taking part in legal strikes, it totally excludes large categories of employees, such as those in the essential services and public utilities, as well as members of the police and prison services

Similarly, public sector workers, together with their counterparts in the agricultural and domestic sectors, are not entitled to collective bargaining

The question of violence against unionists and problems with access to the workplace to service members will be examined by the commission, if Cosatu has its way

But of all the issues Cosatu wants investigated, the matter of worker rights in the self-governing territories is likely to be the most intractable, as it raises the politically prickly question of those territories' sovereignty

The unions would like South African labour legislation (in its present, as well as its future, modernised form) extended to the whole of South Africa including the "homeland" territories

It is this issue that is at the heart of the simmering, if costly, conflict between the Bophuthatswana authorities and a number of South African unions, particularly the National Union of Mineworkers, which is active at the territory's Impala Platinum Mines Although the NUM's support among Impala's workers is beyond question, the union is not officially recognised by either management or the Bophuthatswana authorities

The Bophuthatswana government has taken the view that because Bophuthatswana is a sovereign territory, it cannot allow "foreign" unions to operate there

It has recently moved to tighten legislation regulating labour relations in the territory

In terms of the new legislation, only "independent" unions may operate Such a union is defined, in part, as one which "is not under the direct or indirect control of a non-Bophuthatswana trade union (or) a non-Bophuthatswana federation of trade unions (or) a non-Bophuthatswana political party"

Additionally, for any union to be recognised in Bophuthatswana, it would have to have its head office in the territory

These provisions are clearly aimed at keeping Cosatu and its affiliates, such as the NUM, out of the Bophuthatswana industrial relations arena

Cosatu, which refuses to recognise Bophuthatswana and other such territories as independent, is set to argue before the commission that in terms of international law, Pretoria is still ultimately responsible for what happens in its homeland backyard

It would want any legislation agreed with the South African Government extended to all homeland areas, irrespective of whether they are considered by Pretoria to be self-governing or independent.

Apart from Cosatu, the employer body the SA Consultative Committee on Labour Affairs and the Government will make submissions to the commission

The commission will hold hearings until February 23 and will report to the governing body of the ILO in June Its report will form the basis of the decision on whether or not to re-admit South Africa

This week, just days before the ILO team's arrival, the Government was understood to be locked in discussions on whether to agree to the extension of the investigation beyond Cosatu's original complaint A concern of some in the Government has been that an extended investigation might reveal that in many areas South African labour legislation lags behind what is acceptable internationally

The Government has already expressed its worry that the investigation should not be turned into a process whereby South Africa was put "on trial"

Without doubt, if the commission concerned itself only with the original Cosatu complaint — much of which has been addressed by the 1990 accord — the ILO may see its way clear to re-admitting South Africa soon

But with an extended mandate the commission's report may not be so favourable, and South Africa's re-entry to the ILO may take much longer □

Common regional labour law sought

B/Day 9/1/92 (132)

SUSAN RUSSELL

MOVES to transform the entire southern African region into a cohesive economic community should include a programme to create a common labour law system.

This is the view of UCT labour law unit researcher David Woolfrey, who believes a "harmonised and enlightened" labour system is essential to balanced and equitable economic development.

Writing in the Industrial Law Journal, Woolfrey said investors had to contend with an industrial relations environment that varied considerably from country to country.

"Transnational" investors in southern Africa faced a multiplicity of labour law systems," he said.

"Migrant workers shed rights and obligations, and acquire new ones, as they move across national frontiers."

Woolfrey said the need for labour law harmonisation was possibly more pressing in southern Africa than it had been in Europe because sharp disparities in wage levels and general conditions of service would increase the temptation for "social dumping" as countries competed for scarce foreign investments

"Those countries with a high rate of unionisation and well-developed labour law systems may find themselves outbid in the market for capital by those offering a haven from labour strife and a relatively cheap supply of labour," he said

The approximation of labour standards, Woolfrey said, would go a long way towards averting this process

Basic

"Investors will not be able to shop around for the most docile and legally handicapped work-forces.

"Workers will not have to move in search of basic minimum working conditions and organisational rights"

Opposition to a harmonised labour law system was likely, though, he added, because the typical Third World problems of poverty, high inflation, unemployment and lack of technology and skills meant a high premium was placed on employment creation and economic growth

"Inevitably, pressures for economic deregulation and the provision of investment incentives in the form of cheap labour, a union-free environment, will run counter to any calls for labour law harmonisation"

But Woolfrey stressed that an enlightened labour system was essential and would promote industrial democracy thus contributing to overall social consensus and stability

"The SA Commercial Catering and Allied Workers' Union has already initiated demands for regional wage bargaining and has formed alliances with unions in Namibia, Botswana and Swaziland"

Those interested in promoting sound industrial relations policies and practices in southern Africa, Woolfrey said, should do everything within their power to ensure labour issues were placed squarely on the agenda of current regional political and economic planning

More fight sackings in court

By CHARLENE SMITH

DISMISSAL cases before the Industrial Court and the Labour Appeal Court more than doubled in the second half of last year

Increasing numbers of senior management employees are taking their dismissals before the industrial court. While the most common reason for the dismissal of blue collar workers is "misconduct", it is "incompetence" for senior staff.

Figures released by Van Zyl, Rudd and Associates in a series of nationwide labour law seminars which began last week show that in the first half of last year there were 62 Industrial Court cases In the second half of the year, the court's case load had increased to 105 cases

The Labour Appeal Court workload soared from five in the first half of 1991 to 18 in the second half.

In a major change of attitude, the Industrial Court indicated that mass dismissals as a result of stayaways, could be legally contested in future.

The Industrial Court said "the fact that a stayaway is politically motivated does not release an employer from the obligation of holding proper disciplinary inquiries .. en masse dismissals, without individual inquiries, may justifiably be seen as political retaliatory action by the employer against stayaways as such, apart from being unfair to the employee"

Insubordination was not viewed lightly by the courts, which had also held that it was legitimate for employers to isolate those inciting strikes for disciplinary action

Failure of employees to obey safety regulations was also viewed in a serious light. The court said that, "where the failure to obey any reasonable and lawful job instruction or safety rule or regulation was both serious and deliberate, the employee may be said to have repudiated his employment contract and it was competent for his employer to dismiss him" S/Times 9/2/92

A white collar employee was no less entitled to receive a fair hearing than lower paid contemporaries, the Industrial Court ruled.

He must have received warnings, been properly informed of the allegations against him, been given a fair hearing with opportunities to state his case, adequate time to prepare for the hearing and the employer must have attempted to help him rectify his inadequacies.

Tax rebates withdrawn

CAPE TOWN — Sports sponsors will no longer be eligible for tax rebates as SA's readmission into the international sporting arena gains momentum

Finance Minister Barend du Plessis and National Education Minister Louis Pienaar said the incentive scheme introduced in 1986 would now fall away.

Sponsors were offered tax rebates of up to 80%

The Ministers said their departments had been inundated with applications for sponsorships

"We are experiencing the total collapse of boycotts, resulting in a flood of applications which make unrealistic demands on state funds through tax concessions," they said

The Ministers said prospective sponsors could still benefit from tax breaks of up to 48% through advertising in sports events — Sapa. B/Day 17/2/92

Pay rises shrink each year

B/Day 17/2/92

survey

132

DIRK HARTFORD

AVERAGE wage increases have steadily declined from 17,9% in 1988 to 16,1% in 1991 and the national average settlement this year is likely to be between 13% and 14%, labour consultant Andrew Levy's latest wage settlement survey shows.

In the second half of last year the average level of settlement was 15,3%

Industrial action featured in 63% of negotiations monitored and the use of go-slows increased to 34% of the action monitored, as against 22% previously

Productivity

Overtime bans were also a favoured union tactic, the report said

Whereas the 1980s were dominated by "pattern bargaining" — where negotiators tend to follow national and sectoral trends rather than hammering out agreements specific to local needs — the 1990s were likely to see shifts towards "effort-reward bargaining", where issues such as labour productivity and the trade off between jobs and wages could be more decisive

The report said settlements in the mining and metal industries last year "exploded the myth that there is some inherent right for wages to automatically keep pace with inflation, irrespective of the state of the industry"

This year Levy expects a critical issue for wage bargainers will be the control of government expenditure and the restructuring of the private sector — and the effect these will have on employment

A social contract at a national level, the report argues, could trade responsible wage bargaining for greater responsibility over job security, training and development

In addition, alternative benefit programmes designed to meet the specific needs of union members and allowing greater participation of the unions in their management, will be important

In this sphere, unions will "seek schemes that provide for savings that are available in times of emergency" and where they are represented by "individuals they have come to trust"

VAT: Fears of industrial action

132

ST 17/1/92

Own Correspondent

JOHANNESBURG — GST's replacement with VAT could have a severe impact on industrial relations this year, a trade union leader told the Co-ordinating Committee on VAT at its public hearings on Friday

Nactu general-secretary Mr Cunningham Ngcukana said higher wages would be demanded by workers to offset the impact of VAT

More than 650 people gave evidence over the weekend at the VAT hearings in centres around the country

Cosatu general-secretary Mr Jay Naidoo told the Johannesburg hearing the government's intransigent response to calls for negotiations on VAT "has urged our members to consider escalating the campaign to include an attack on the entire tax system"

Business battles with labour scenario

132

SHARON SOROUR
Labour Reporter

ARG 18/2/92

BUSINESS is battling to cope with the ever-changing, unpredictable labour scenario, according to Cape Town Chamber of Commerce manpower manager Mr Charl Adams.

A confusing picture had emerged and it was impossible to predict "with much certainty" what would happen in the future, he said in the chamber's latest bulletin

"In a sense, unpredictability makes a poor bed-fellow with business communities who rely on predictable patterns and stability to enable them to plan and expand," he said

"Business is reeling under the blows of labour uncertainty but also experiencing a deep, structural recession with unemployment figures of 18 percent, low economic growth and political uncertainty," Mr Adams said.

However, trends had emerged which, hopefully, would continue "albeit in an adapted form"

In the past, labour and capital followed an "adversarial" win-lose approach that resulted in strained relationships between employers and unions.

The picture had been "fuzzy" until 1991 when agreements between union federations Cosatu and Nactu, employer body Saccola and the government were made in the Laboria Minute

"Furthermore, the union federations gave an undertaking to join the National Manpower Commission for the first time The Ergo/National Union of Mineworkers (Num) productivity-linked incentive scheme was another indication of a move towards a social contract," Mr Adams said

However, Cosatu had subsequently reneged on its decision to join the commission

NUM-Chamber negotiations bear fruit

W/mail 21/2 - 27/2/92

Initiatives from a breakthrough mining industry summit last year seemed to have run aground — but this week unions and employers agreed on some key issues, reports

DREW FORREST

AFTER eight unproductive months, union-employer talks set in motion by last year's mould-breaking mining "summit" are starting to bear fruit

At a Chamber of Mines executive meeting this week, the mining houses finally achieved consensus on the need to back a National Union of Mineworkers' proposal of a high-level inquiry into laws touching mine health and safety

The proposal, tabled in a commission set up by the summit to probe industry standards of health, safety and welfare, won broad employer support but was resisted by Gold Fields of South Africa, which saw it as an invasion of its right to manage

GFSA, often at odds with the other groups, apparently came under pressure at a chamber meeting last week and offered to reconsider its stance This week, sources say, it agreed to back the inquiry proposal

At the same time, employers have reached agreement on the need to revise the tax system as applied to workers' retrenchment packages It is understood the issue is to be raised with government by chamber president Naas Steenkamp during his upcoming annual "tour" of ministerial offices in Cape Town

In the summit commission on mine retrenchments, the NUM pointed to the injustice inherent in the hefty taxation of severance pay — in some cases more than 25 percent, according to union economist Martin Nicol.

Retrenched miners have little hope of re-employment, but because most are not registered under the PAYE system and lack the education required for the necessary paperwork, they cannot reclaim their tax payments.

"The receiver is retaining a large sum of money he has no right to," Nicol commented "For many miners, the retrenchment package is the last link with economic life." The problem was shared by workers in all industries, he stressed.

In at least two important respects, however, the Chamber response falls short of NUM demands tabled in summit commissions.

Sources confirmed this week that employers had set their face against a permanent union-employer mining commission, which would keep industry policy under constant review.

"It's seen as an intolerable intrusion in the autonomy of the mining houses, whose circumstances differ widely," a source said. "There's also a feeling that a process with an amorphous brief, as opposed to talks about specific problems, would be a waste of time"

Sources also said that while employers supported the idea of an inquiry into safety laws, sanctioned by government but drawing in outside experts, they did not believe it should look at the question of worker participation in safety issues "This is seen as an operational matter, not one in the public domain," the source said.

NUM general secretary Kgalema Motlanthe confirmed the union wanted legislation to compel labour's involvement in safety management

The employers' decision to throw their weight behind certain NUM proposals follows long months in which the summit process stagnated.

NUM concerns about lack of progress are shared by some employers, who argue that a key weakness has been steering committee chairman Van Zyl Slabbert. "He's overcommitted, and doesn't give the process the time it deserves," one said.

Labour loses out as inflation soars

By DREW FORREST

FOR the first time in at least seven years, trade union negotiators are losing the battle for real wage increases.

W/mail 21/2 - 27/2/92

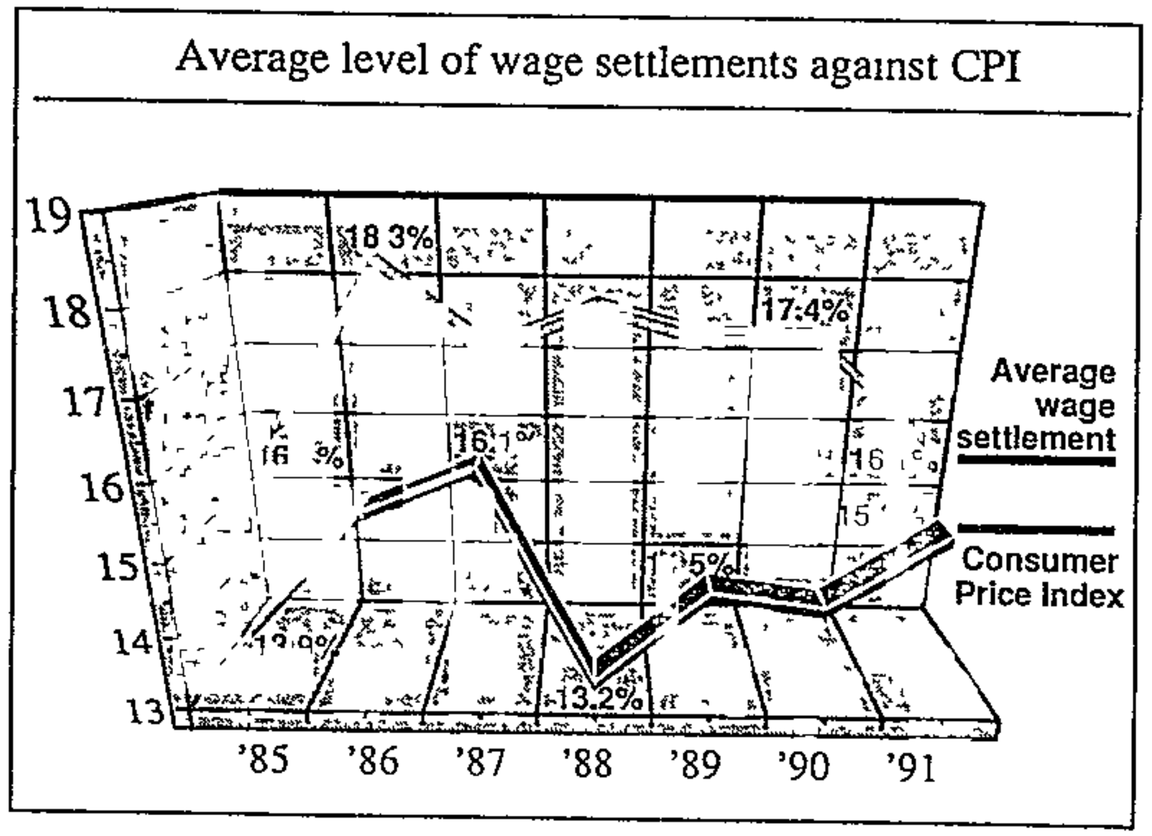
In the latest *Bargainers' Bulletin* of labour consultancy Andrew Levy shows that the average level of wage settlement in industry for the last six months of 1991 was 15,3 percent, down sharply on the annualised 16,1 percent figure.

(132)

The consumer price index for the whole of last year averaged 15,3 percent but, partly under the influence of Value-Added Tax, it rose sharply in the closing months — to 16,8 percent in October and 16,2 percent in December.

Real wages defied the recession by 3,1 percent in 1989 and 2,9 percent in 1990.

With a projected South African growth rate of 1,5 percent and continued international recession, the *Bulletin* predicts that settlement levels will continue to fall this year to between 13 and 14 percent.



"The issue for the unions will be how to achieve a sensible balance between real incomes and job security," it comments.

A further sign that labour is on the retreat is the sharp drop in opening wage demands. The figure for the whole of last year was 47,8 percent, but this fell sharply in the second half of the year to 39 percent.

In the heady days of 1989, the average initial pay demand was an 86,3 increase on the existing payroll

Pay rises 'lower than inflation'

B/Day 20/2/92

DIRK HARTFORD

WORKERS are likely to receive below inflation wage increases while retrenchments in almost every sector are set to grow, according to the results of a survey of 76 companies by Gavin Brown and Associates' Erica Jankowitz

Estimated wage increases this year ranged from 8% to 17% against inflation estimates of 11,5% to 14%

Many companies said productivity and flexibility would have to be conceded for wage increases

Although short time was being worked in a number of companies and natural attrition was cutting jobs, many companies said that if the recession bottomed out this year they hoped to keep job losses to a minimum

Jankowitz said unions were moving away from across-the-board percentage wage increases to a more sophisticated percentage or cash amount demand

According to the survey, the major issues on union agendas this year, other than wages, were

- Job security including a moratorium on retrenchments, no subcontracting, no temporary workers, a reduction in overtime and retraining instead of retrenching;
- Training programmes to be negotiated including reskilling, literacy and numeracy training;
- Disclosure of financial information, especially if productivity deals were signed,
- Centralisation of bargaining;
- Housing subsidies and allowances, and
- Taxation demands around the VAT controversy

Major issues for employers included flexibility clauses, merit increases and productivity

On productivity, employers would want to decrease absenteeism, increase production quotas, introduce incentives and cut down on wastage, Jankowitz said

Getting the office in harmony

W/Mail 21/2 - 27/2/92 (132)

By MONDLI MAKAHNYA

THE obscure phrase of "harmonisation of working conditions" is set to become employers' new headache.

As union demands diversify, this issue is likely to keep popping up at negotiations. The latest issue of *Bargaining Monitor*, a labour journal produced by the Labour Research Service (LRS) — which researches on behalf of the giant Congress of South African Trade Unions and is therefore influential in the federation's policy decision — puts forward an argument for the uniform treatment of all company employees from chief executive to kitchen cleaner.

If it were to be implemented everybody would eat in the same canteens, use the same parking lots, have the same benefits and wear the same uniforms, where appropriate.

Many companies in the Nordic countries, Germany and Japan have started moving in this direction. The argument behind it is that workers tend to be more productive where conditions have been uniform than where discrepancies exist.

The only local company where it has been successfully attempted was Cashbuild, under the directorship of Albert Koopman. But much criticism has been levelled at the top-down manner in which Koopman implemented the programme.

Most local corporations have never heard of the concept, never mind begin debating it. What is at the top of the corporate agenda is equalising benefits between black and white employees.

Althogh no deliberate programe of harmonisation has been embarked upon in the headquarters or major South African corporations, conditions are more or less uniform because the head offices are overwhelmingly staffed by white-collar employees.

But even then, there are still inequalities depending on rank in the company hierarchy. For instance one bank's executive directors have a separate lift from the rest of the staff which takes them directly to the seventh floor.

Even progressive companies have not yet looked at the issue. In companies such as PG Bison and Johnson and Johnson the emphasis is still on participative management — drawing worker representatives on to the board.

This may be because unions themselves have not pushed hard enough for it. LRS director Dasie Moodley attributes this to the fact that unions still see themselves solely as vehicles for mobilising blue-collar workers around bread-and-butter issues.

"Once they get past this hurdle, then they'll start putting this issue on the agenda."

But Koopman — while also blaming unions — differs: "The unions see it as a threat to their power base. They want to have control over the organisation of employees and when you harmonise working conditions you undermine that power."

But even when the issue does finally prop up at bargaining forums there is likely to be resistance from the "suits" — executives.

"I think South African capitalists will not take kindly to it," says Moodley. "They will need lots of reconditioning before they accept it."

Anglo American human resources director Bobby Godsell argues that while the corporation identifies the need for uniformity, different levels of skill have to be recognised. He refers to Mikhail Gorbachev's book *Perestroika* which attributed the failure of the Soviet Union to the "mindless pursuit of equality".

"You just have to recognise the different levels of responsibility. Even the unions do so and that is why they negotiate different wage packages for different categories."

'We'll ban black unions'

By DREW FORREST (132) W/Mail 28/2-5/3/92

THE Conservative Party would outlaw black trade unions, force "mixed" unions to expel their "non-white" members and introduce a system of white labour preference in the white "Volksstaat" if it came to power.

The party would also reintroduce influx control and ban all strikes by black workers.

The draconian implications of CP rule for the labour field were spelt out this week by the party's manpower spokesman, Frank le Roux, who said a ban on black unionism was enshrined in the party's constitution.

Describing the Congress of South African Trade Unions as "a monster", Le Roux said the federation called stayaways "whenever it felt like it" and had a political, not labour agenda.

"We can't deal with the problem instantaneously, we'll start with measures to cut off their strength and emasculate them," he said. A possible tactic would be to starve unions of foreign funding.

Le Roux said the CP would provide for black worker representation only at factory level through the reintroduction of the liaison and works committee system. Launched by the National Party in 1953 in a bid to undermine black unionism, this failed ignominiously.

Coloured and Indian workers would also be denied union rights in white South Africa, he said, while white workers would enjoy their existing rights under the Labour Relations Act.

Le Roux said a system of white labour preference would operate throughout industry, a reversion to the "civilised labour policy" of the 1920s. Employers would have to satisfy the government that jobs given to people of colour could not be performed by whites.

Metal bosses, unions looking at key issues

(132) (BUSS) 1/3/92 S/Times

By ADRIAN HERSCH

STRIKES, stayaways and sanctions are some of the controversial issues to be investigated by employers and trade unions in the metal industry

The parties set out their proposals for growth and job creation at a meeting this week

The beleaguered metal industry shed 35 000 jobs in 1991

Latest figures show that the high lay-off rate has continued this year — 3 103 jobs were lost in January

The National Union of Metalworkers of SA (Numsa) proposes the establishment of a framework organisation as the basis for the negotiations about job creation

Overlap

It wants the organisation to deal with labour stability, training and affirmative action, sanctions, strengthening the metal industrial council, and workers' rights

A comprehensive information base, to be shared by both parties, should be established

Numsa proposes that researchers begin compiling reports on trade, investment patterns and productivity

Employer organisation Seifsa says that because of the establishment of the National Economic Forum most macro-economic issues will have to be dealt with in it

But macro- and micro-issues overlap in several areas

Seifsa holds that because of this the parties in the metal industry will have a look at issues such as stayaways, illegal strikes and sanctions

Numsa, a Cosatu union, says it is committed to developing "a healthy, internationally competitive industry which increases employment opportunities".

Although the partners have this ideal in common, there are widely divergent views on how to achieve it

The "critical question", says Numsa, is whether sufficient common ground on key questions of industrial policy can be found

The joint management-union growth and job creation committee will meet again on March 31.

Bosses dig in on pay rises

132

By ADRIAN HERSCH

PAY TALKS will be tough this year and several companies have proposed no increase.

Labour consultant Gavin Brown says those that have offered no pay increase will review the position later in the year

"While few employers are likely to stick to this position as talks wear on, it is nevertheless an indication that a great many of them are determined to settle at single-figure percentage increases for 1992"

Settlements are being concluded below the inflation rate, but even if the economy turns around soon, moderate agreements should prevail at least until the end of the year

Mr Brown says "There will be a lag of between nine and 18 months before a changed economic climate allows any lessening in wage restraint"

Retrenchment remains a threat for unions in some sectors in spite of huge job losses last year

Job security demands will therefore be prominent in many sets of talks

The chances that many productivity deals will be reached do not look good

But the option will increase "as talks move to deadlock and further employer concessions are linked to productivity"

Mr Brown writes in Labour Chronicle "Against all the economic realities is a mounting anger on the shopfloor over job losses and the inflation rate

"Coupled with political expectations, the bargaining atmosphere in many companies will have a dangerously low accident threshold"

S/Times (Buss) 1/3/92

YOUR NEW ORGANISATION BUILDING PAGE

New Nation
[Learning Nation] 6/3-12/3/92 (132)

This is a new page in *Learning Nation*! This focus on building organisation has come about because we received so many requests for organisation building skills from readers last year. Also there is a general recognition within the mass movement that organisations are weak and need to be rebuilt.

It is important to understand the broad political issues of organisation building so that you can apply them to your specific organisations whether they are SRCs, civics, unions or branch. We hope that you will take some of the ideas discussed in these pages into your organisation for further discussion. Because of your past and present experiences we look forward to receiving comment and feedback from you about these articles. Do you agree with the ideas expressed here? What is your experience of organisation building? Perhaps you have got suggestions for us. Write to us and tell us about your organisational problems and how you struggled to solve them. Perhaps we can publish your contribution so that it can be shared with other Learning Nation readers and organisations.

Since February 2 1990 there have been calls to build branches of political organisations, youth and school structures and rebuild civic and worker organisations which were smashed by the state following the 1985 uprisings We must remember that it has been the organised struggles of the masses that have brought the current regime to the point where it has to make some concessions This frequent call to build organisation is occuring in the light of the reform package the De Klerk regime is offering Because organisations have been unbanned and leadership and activists released, the situation is open to building organisation

The current call, particularly from the ANC, is to build organisations which will in turn facilitate mass action The purpose of these calls is to strengthen the negotiating hand of the ANC through the democratic participation of the working class But people can't just be called into action The working class has always rallied around a particular issue which has then often taken the form of a campaign **For a campaign to get off the ground people need to meet, plan and organise. Finally, for a campaign to be succesful, the masses of people have to participate. Campaigns are crucial to organisation building.**

It is not just the ANC that is calling for the rebuilding of organisations The call has gone out from educational bodies, youth structures and the community Cosatu, representing the organised sections of the working class has also recently reiterated this call and has integral to its three year programme the consolidation and development of its structures

However, despite "the freedom around the corner" which people thought the post-February 1990 period would bring, the majority of people are still experiencing retrenchments, cost of living increases while wages remain the same, and the ongoing violence Experience has taught us that these problems of every day life will only be solved and have only been partially solved by the very people it affects the most **The only way the working class has been able to struggle successfully for its rights has been when it has formed its own organisations to fight particular issues** whether it be housing or questions of political power It is therefore crucial that if the social, economic and political change that the working class wants is going to take place, this is going to have to be done by the working class building and struggling through it own organisations

We all thought that organisations would flourish as a result of the liberalisation of the De Klerk regime The last period has shown us that that branches are not growing and meeting as regularly as they thought they might, workers' local meetings are sometimes poorly attended, civics' strength vary from area to area and youth structures are developing unevenly We often say that the violence which has swept the country-side is the cause for the lack of successful organisations This might be so but in order to fight this violence we need to understand the source of it and rebuild the very organisations the violence destroyed in order to counter it

For organisations to develop and move ahead they need politically clear and accountable leadership In the past, when people have been on the march, for example, the militant student activities during the seventies and the uprising during the mid-eighties, the state responded by removing the leadership layer People were abducted, tortured, and assassinated When new layers of leadership emerged they were treated in the same way until the working class was exhausted and demoralised One of the reasons why we have weak organisations today is that no potential leadership layer has been allowed to develop because of heavy state oppression In some cases this situation has been made worse because organisations have not recognised the need to nuture and develop this potential leadership layer sufficiently This has resulted in the current new layers of militants not having the necessary theoretical and administrative skills Without organisations there can be no genuine leadership **If we are serious about rebuilding organisations of the working class into a big and powerful force, then we need to take the question of developing a skilled leadership layer seriously and address it urgently.**

We have already mentioned how the state has made organisation building difficult because of destroying its leadership layer There are other ways in which the state can be an obstacle to building organisation

The state can weaken working class organisation by simply smashing it It can burn or bomb its buildings, detain its leadership, and divide the working class in many ways In South Africa the state has created divisions in the working class along ethnic and racial lines, as well as exacerbating urban and rural divisions It has used the violence to drive a wedge between the organised and unorganised sections of the working class and has generally created havoc amongst people

If we are going to rebuild and sustain working class organisations we need to understand the source of the obstacles that prevent or hinder building organisation It is only people that make an organisation which in turn offers its membership an explanation for some of the problems that they experience The relationship between membership and an organisation and the experience of that relationship will equip people with a clearer understanding of their world and the means to change it. This understanding will then give people the tools to understand why bosses exploit them, why there is all this violence, why their children can't have a good education and why there is a housing crisis when the cement and brick factories have got a surplus Organisation provides the means for finding answers to these questions and fighting for solutions

In this part of the series we will outline why organisation building is so important. We will look at the political aspects of building organisation as well as some of the skills necessary for building strong organisations

Some of the issues we will focus on are:

- ★ why do people organise?
- ★ the role of organisations
- ★ leadership and its role
- ★ how organisations are built
- ★ obstacles to building organisations
- ★ how to sustain organisations

as well as series on:

- ★ how to plan and run meetings
- ★ how to make posters and pamphlets
- ★ how to run workshops
- ★ how to write reports, letters and strike pamphlets,
- ★ issues arising from readers' requests and suggestions.

As we have already said, we would like to have suggestions from your organisation
Write to us at
✉
Learning Nation, SACHED TRUST, Box 11350, Johannesburg, 2000
☎
You can also phone us at (011) 333 9746 Ext. 156.

SA is on way back to ILO

By ADRIAN HERSCH

S/Times (B455)

SOUTH Africa will be readmitted to the International Labour Organisation (ILO) when an interim government is in place 8/3/92

A senior labour lawyer says that contrary to previous expectations, regaining membership will not depend on whether SA's labour laws meet international standards

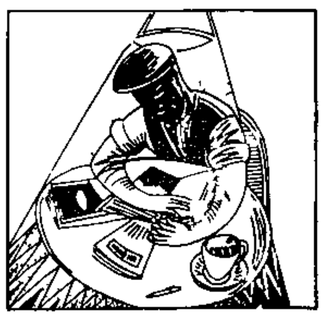
But the recommendations of an ILO commission which visited SA will have an important influence on labour legislation here 132

"It will set the parameters for debate about our labour law," he says

The Government announced this week that the Basic Conditions of Employment Act and Unemployment Insurance Act would be extended to farm workers before the end of April

But this will fall short of ILO recommendations, says the labour lawyer

WORKERS' EDUCATION



What is a Trade Union?

(132)

New Nation [Learning Nation] 6/3-12/3/92

Workers' Education!

This is a new page in Learning Nation. We will run this page for the rest of the year. We have introduced this page because of the many requests we received last year for information on worker-related issues. We are starting the page off by looking at trade unions, their history and the debates workers are having in trade unions now. Later on in the year we plan to run a course on shop steward training. Tell us what you think of this page. Perhaps you can let other workers know about the page; share ideas from it with your organisation and *write to us at Learning Nation PO Box 11350* about what you think are important worker issues.

The unbanning of political organisations in February 1990 has put many challenges and many questions before the working class. One of these questions is: what is the role of trade unions in our struggle? Before February 2, COSATU and its affiliates played an openly political role in the struggle. With the unbanning of the ANC, PAC and SACP many people are arguing that trade unions should not play a political role. We can only understand this debate if we ask ourselves. what is a trade union? This is the subject of this first article in our series on trade unions.

What is a Trade Union?

Trade unions are **organisations of workers** who have gathered together to fight at their **workplace** for better **conditions of work** and improved **wages**. Trade unions use various methods such as negotiations, strikes and stawaways to protect their worker members against attacks on their living standards by their bosses. Because the capitalist owners of the factories, farms and mines are concerned with profit they are always interested in winning a greater share of the wealth in society. The workers who are the producers of this wealth are forced to contest their share. When workers reach a certain level of organisation they are able to build trade unions They then have a weapon with which to fight their exploitation.

Strengths and Weaknesses of Unions

Trade Unions represent a great leap forward for the working class in that they bring workers together in a united way. By this unity the workers learn that despite their differences in experience, background, race or nationality they are all part of one class and that only their own power can win them any gains. More than any other lesson that can be learnt in books or workshops, these lessons help the workers prepare for their role in liberating all people through socialism.

Trade unions have helped workers to learn the power of **democracy** at all levels of organisation. In the union movement today this has become popularised in the phrase, **workers' control** Within the movement to fight for workers' control the **shop stewards** are the first line of soldiers which fight to ensure that the decisions, the mood and the experiences of the workers in the factories and mines govern all the structures of the union This lesson in workers' democracy and control can serve as a model of how a truly democratic society can be run.

Trade unions owe their existence to the fact that they struggle to win material benefits for their members **within capitalist society** As such they are often forced to bargain on the basis of the **existing capitalist practices** such as paying different wages for different skills, dividing workers into the employed and the unemployed etc. Because unions try to bargain with the bosses within the rules of capitalism, bosses exploit this and often call on union leaders to make the workers act in what they call "a responsible way". At these times unions can become **tools** of the capitalists They can function to **discipline** the workers instead of acting on their behalf. It is for this reason that many people in the socialist movement have said that reform or revolution are the two only options facing the trade unions.

Trade unions by their very nature are organisations of employed workers. They can often therefore not only **neglect the unemployed**, but sometimes act in a way that disadvantages the unemployed. Bosses try to exploit this fact by retrenching workers and then bullying them into accepting lower wages in return for job security. This places pressure on the unions who can begin to negotiate from the narrower interests of the employed workers alone.

Even in the most unionised countries in the world, trade unions only manage to bring together a **minority** of the total membership of the working class. By sometimes limiting their struggles to only those who are unionised or by agreeing to joint strategies with the bosses, such as social contracts, unions can divide not only the employed from the unemployed but also the unionised minority from the larger working class.

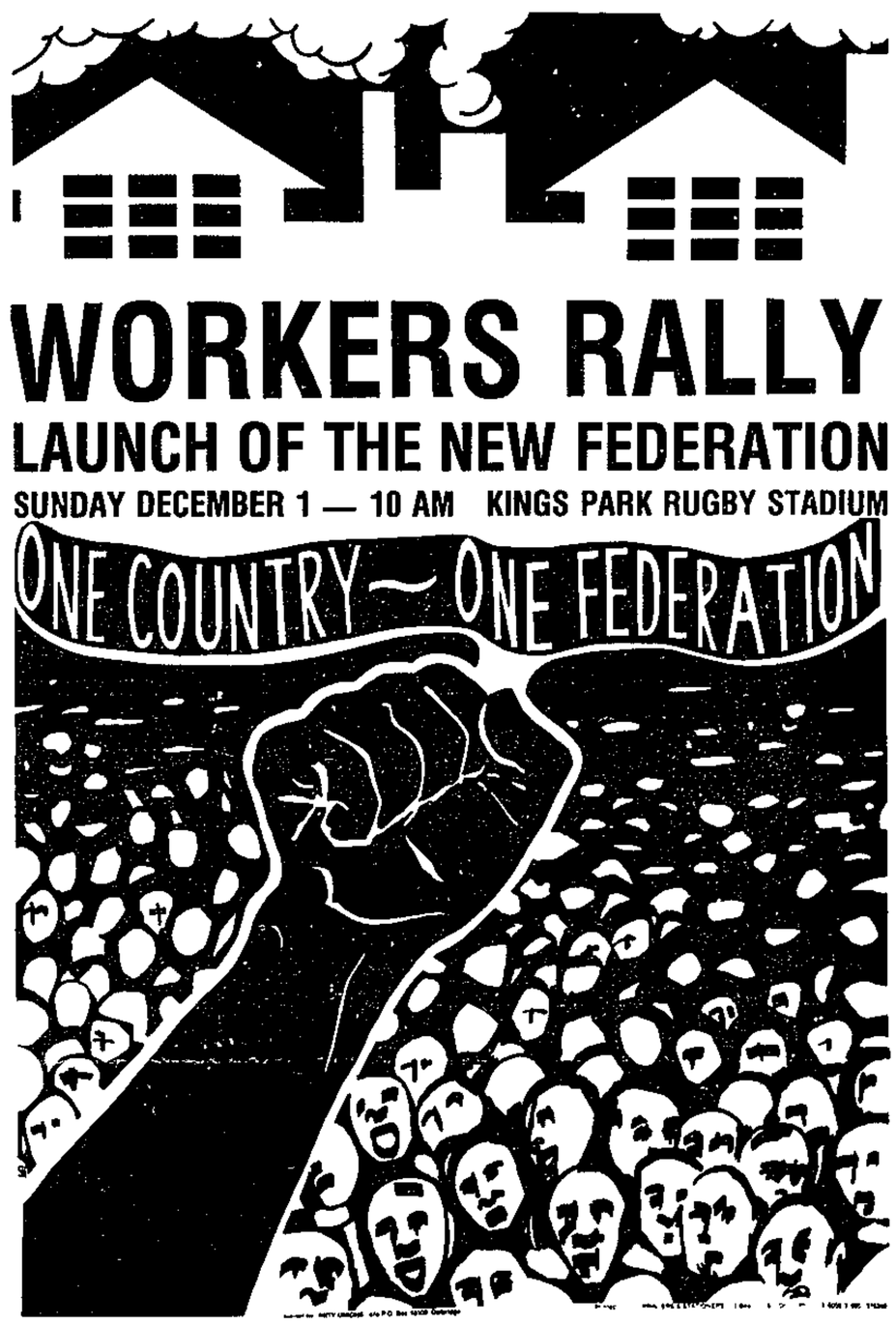
Different Forms of Union Organisation

At another point in our series on trade unions we will look at the complex history of trade unions. For now however we shall speak of the fundamentally different forms of unions - general unions and industrial unions.

General Unions are unions in which workers are organised without regard to the particular sector or trade they are working in. Examples of general unions are the old South African Allied Workers Union (SAAWU) which was the fastest growing union in the early 1980's and the Western Cape-based General Workers' Union which organised workers from the transport to the food sector. Because general unions organise across different sectors they lend themselves to a certain kind of **very militant** but short-term existence Workers join the union attracted by the sense of unity and the fact that other workers can lend support even if they are not in the same industry Often, as a result the general unions, particularly those in South Africa, have had a history **of political mobilisation** and militancy The degree of organisation and the continuity of the structures of these unions have however suffered, not to mention their **inability to maintain the high level of membership** they achieve in periods of heightened militancy

Industrial Unions are those where workers are organised into separate unions based on the sector or industry they work in. For example workers in the Transport sector are organised under the Transport and General Workers' Union (TGWU), food workers under the Food and Allied Workers' Union (FAWU) and mineworkers under the National Union of Mineworkers (NUM). Organised in this way, workers are able to act together in their sector and **build strong shop-floor structures.** Also the fact that many of these unions can now bargain through an **Industrial Council** allows the union to reach wage agreements which cover all workers in the industry and not just their own members. Industrial unions are often more viable over the long term as they can build strong shop-floor structures and gain real benefits for their members through **centralised bargaining**. Being organised along separate industry lines can be a weakness though because solidarity action of workers who are not in the same sector is now more difficult to achieve Capitalist industry itself is organised in ways that combine different work sectors and the monopolies who control our economy cut across different industries It is for this reason that federation such as COSATU and NACTU have been formed to unite workers across industrial lines

Now that we know very basically what a union is we will have to look why workers have formed unions in the light of the capitalist class's domination of the working class. This we will look at next week.



CULTURE

The World at our Feet: History of Soccer 1

INTRODUCTION

In this new series, we are going to look at the history of the game of soccer. But it is not going to simply be an historical account of the game. Rather, we are going to look at it from a cultural perspective. That is, we will be looking at soccer as a *form of culture.*

Soccer became popular in England during the late 1800's. Before the construction of large stadiums in the 1900's, crowds of spectators stood along the sidelines

Ideas of Culture

As we have seen in previous articles on this page, some people see culture in a narrow sense - as the production of art and artworks.

But as we have seen, it is equally true to say that the way people live their day to day life is part of culture In this sense, activities like church-going or playing soccer are very much part of culture, and, for many people, are closely tied to the way they make sense of the world they live in.

Within this conception of culture, the idea of **change** is particularly important. Just as the world is constantly changing, so does culture. It is not, as some people believe, something that is fixed and unchanging. If it were, we would be doing things, living our lives, in exactly the same way our forefathers did.

If those old ways still work for us today, then we don't have to change them. If they don't, then we need to make new ways, unless we want to live our lives like a fish out of water. Culture helps us to **adapt** to change, to understand and interpret the world as it changes. In the course of this series, we will see that soccer has changed in exactly this way - it has adjusted to changing circumstances

Cultural Influences

Sometimes it is not **us** who change our culture, but others who do it for us. This can be "voluntary" in that we are "influenced" by other cultures. For example, many of us drink tea much like the ancient Chinese used to Soccer, in general, falls into this category - so many people all over the world play the game, having "borrowed" it from British football.

At other times, culture is forced or imposed upon us. Suddenly we are **expected** to behave in a particular way Cricket in the West Indies, once again borrowed from the game played in Britain, developed along its own course among the local players. But to gain access to proper grounds and general facilities, West Indians were forced to 'play by the rules'- the British rules, of course Likewise, in soccer, the way it is played will reflect both on local conditions as well as its origins (in its modern form!) in British football.

Sites of Struggle

We can see from this that culture and cultural change is in fact a process of struggle. Different groups and classes of people create their own ways of understanding the world. Some of these grpups and classes try to dominate others culturally, by attempting to **impose** their cultures on others. That is, make them do things the way they themselves would do it. But, dominated classes react to this by either challenging this attempt at dominance, or by creating their own unique, ways Ways which **do not necessarily** challenge the dominant class, but which are **alternatives** to it

Soccer is a **site of struggle** in exactly the sense just mentioned. Its history has been characterised by different groups and classes attempting to impose their viewpoints and ideas on **why** it should be played and **how** it should be played.

The Popularity of Soccer

As we mentioned above, soccer is part of culture and is a cultural form. Why, though is it such a particularly popular sport? In what ways does it serve cultural needs? There are all sorts of possible answers to these questions

First of all, soccer is a game which often brings rivals to contest each other in a non-violent way It is also suited to urban areas where lots of people live close together The game is cheap to play. It requires only a ball and an open space to play it in, and it can accommodate a large number of players. It is not so surprising then, that the the game is so popular, especially among working class communities the world over

The Origins of Soccer

The game of soccer - or football as it is also known - goes back a long, long way. The ancient Chinese played a game called **Tsu chu** about 2500 years ago **Tsu** means "to kick the ball with feet" and **chu** means "a ball made of leather and stuffed.

Most of the early Chinese games involved using hands to pass the ball around. But in northern China, people played a kind of "football" where they were not allowed to use their hands or arms.

A Chinese writer called Li Yu wrote about the game as early as AD 50 - 130:

" A round ball and a square goal... The ball is like the full moon. The two teams stand opposed... Captains are appointed to take their place... Determination and coolness are essential and there must not be the slightest irritation for failure. Such is the game. Let its principles apply to life."

Soccer was originally, and still is, known as Football or Association Football. The name "soccer" originated in the USA when the game was introduced there in the 1920's as a short form of Association Football or Assoc. The name soccer was to differentiate it from American football.

Apart from the Chinese, the Ancient Greeks and Romans played a game similar to football Today, on the Dalmatian Coast of Yugoslavia, there is a Roman pillar dating from the Second Century AD that depicts a young man holding a ball made of (six) hexagonal sections. This is just as most soccer balls are made today.

The game the Romans played was called **Harpastum**. The Ancient Greeks played a similar game which they called **Episkyros**, although they used a very large ball

In all three, the Chinese, the Romans and the Greeks, the game involved a competition between two teams.

But, despite its origins in China, Rome and Greece, football is very much an Anglo Saxon - or British - tradition. Football was played there as early as the 12th century, making it the oldest of British sports.

The early game of football in Great Britain was rough and wild Early references to the game are to be found in the laws banning it from being played! The English authorities saw the game as being bad for national security. They believed that playing football was a waste of time and energy. Instead they wanted football players to use their energy to learn how to use military weapon and to train to fight in the defense of England.

In the course of the 1800s, the perception of soccer changed, and from its early beginnings as a wild and disorderly "sport" played by unruly people, it came to be associated with good moral conduct and a healthy mind. It was during this time that the game really took off, and began to spread its popularity, until today, when soccer is played all over the world.

In next week's article, we are going to have a closer look at the history of football in Great Britain. We will see that a lot of what happened there influenced how the game developed in this country later on.

LEARNING Nation

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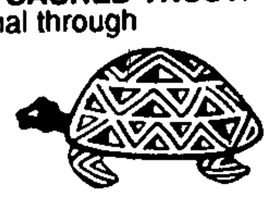


WHAT'S IN LEARNING NATION TODAY

International Issues

Today we have an update on new developments in South Korea.

Current Issues

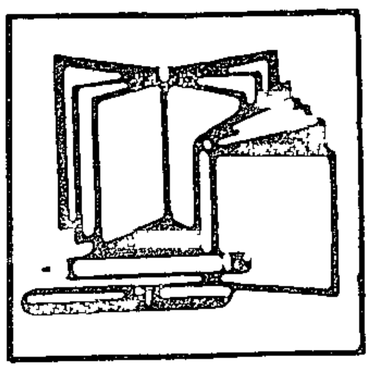
Today we have an article on the Constituent Assembly.

Matric History

We start looking at the matric history syllabus and how it could be changed in the new South Africa in an article titled "History in Tomorrow's Classrooms"

Skills for Learning

We continue the series on Reading to Understand with an article called "Write your own Headings".



Matric Literature

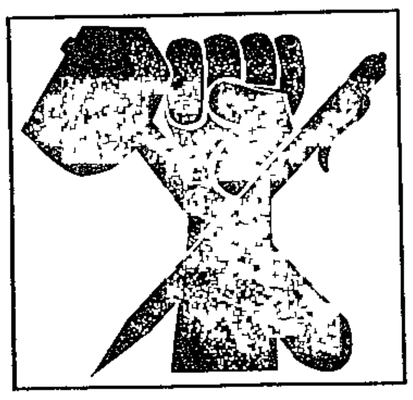
This year we will be concentrating on the language used in your English literature setworks. We are also bringing out a booklet containing all of last year's articles which analysed the content of the setworks. Today we have the introduction to the series.

Groups

"Calling all Learning Nation Readers" is the title of the first article on this page for Learning Nation groups. It will provide information on topics such as: how to set up a study group and how to run a study group.

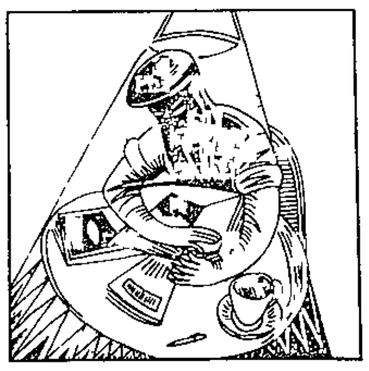
Build your organisation

This is a new page. It is important to understand the broad political issues of organisation building so that you can apply them to your specific organisations. This page will also provide the necessary skills for organisation building.



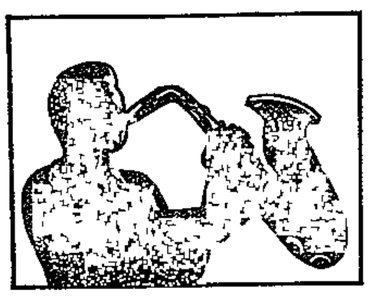
Worker Education

This is another new page we are starting in response to the many requests we receive for information on worker-related issues. We start today with the first article in a series: "What is a Trade Union?"



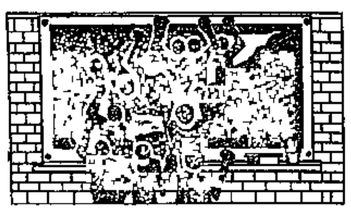
Culture

We begin a new series on the history of soccer this week — The world at your feet



Education

SADTU speaks through Learning Nation



March 8 is International Women's Day

INTERNATIONAL

Update on South Korea
Militant Worker Struggle in Korea Today

New Nation [Learning Nation] 6/3-12/3/92 (132)

The Chonnohyup federation struggles on

Two years ago the democratic trade union federation called Chonnohyup was established in South Korea. Since that time the federation has suffered severe harassment and repression from he government and bosses. But despite this, workers are not intimidated. In the words of a trade unionist: "Chonnohyup's main achievement is that it still exists"

Membership

Chonnohyup's current membership stands at 200 000, grouped into 600 enterprise-based unions. Altogether the democratic trade union movement, which includes other unions alongside Chonnohyup, has a membership of almost half a million workers.

The bosses and the South Korean regime have openly joined forces to resist the growing strength of the progressive union movement. The unions are facing increasing repression in the form of lock-outs, legal action against unions which "disrupt production", and the arrest and detention of trade unionists. Between January 1990 and July 1991, 848 trade unionists were arrested and detained. Almost the entire membership of the Chonnohyup Central Committee have been arrested several times. Reports of torture and maltreatment of trade unionists while in prison are common. Since 1990, raids on the offices of Chonnohyup's affiliated unions have occurred regularly.

The government has been putting pressure on companies to retrench Chonnohyup's members or even to temporarily close down plants where its affiliates are active. Bosses are offering union leaders incentives to disaffiliate from the federation. In November last year, five business groups backed by the government launched the "five mores" campaign, aimed at increasing worker productivity and restricting the influence of trade union activity. According to the government, the campaign is due to Korea's declining economic competitiveness.

New Labour Laws

The government also attempted to pass labour laws to change the way in which wages are negotiated, to introduce more flexible working hours and extend the time between negotiations with the unions. Trade unions under the banner of Chonnohyup rejected this and even the FKTU (the only recognised trade union federation) joined Chonnohyup in opposing these changes. On 8 November the government was forced to drop its plans.

The federation is also facing other problems. Its lack of legal status in the Korean labour law (FKTU is the only recognised labour federation) makes it difficult for affiliates to collect membership fees. Repression and financial difficulties have damaged the organising work of the federation and many unions are scared to affiliate to Chonnohyup.

North Koreans march in support of reunification with the South

Confidence

But in spite of these problems, workers in South Korea are increasingly looking to the Chonnohyup federation with confidence. In both the 1990 and 1991 trade union leadership elections, workers have elected leaders who are committed to building the militant federation. Workers, often led by their women comrades, are continuing to take determined action against their bosses and the government.

An example of Chonnnohyup's support was seen last November at a rally that was held to commemorate the death of a textile worker who burnt himself to death in 1970 in protest against repression. The rally, which was organised jointly by Chonnohyup and other democratic union federations, was attended by 70 000 workers from all over South Korea Speakers at the rally demanded the right to organise independent unions and political organisations. They also called for the resignation of the hated Roh Tea Woo Regime. The rally also announced Chonnohyup's commitment to building links with the international trade union movement.

The Hyundai Strike

A sign of the militancy of South Korean workers was made clear in the strike by 33 000 Hyundai auto workers in January this year. Since late 1991 the Hyundai workers union has been demanding wage increases. In disputes leading up to the strike, dozens of workers were arrested and eleven leaders were sacked The workers demanded the reinstatement of their leaders and fellow workers. When the bosses refused to give in, 90% of the workers voted to strike.

In response to the workers the bosses tried to enforce a lock-out but the workers overturned this 10 000 workers took control of the main auto-plant and threw the bosses out instead Workers seized the central computer-room controlling all of Hyundai automotive operations The following day the bosses tried to march a thousand scabs and managers into the plant They were stopped by a mass union defence guard of armed workers. Workers armed with steel pipes stood guard at all 14 gates, constructing barricades and calling on the scabs not to cross the picket line For five days the workers occupied the plant

The government sent in 15 000 heavily armed security forces, ten helicopter units and six police boats to break up the strike Faced with this attack the workers called off their strike and escaped during the night in small groups In the wake of the occupation, hundreds of workers face victimisation and many of the Hyundai worker leaders are in hiding to escape arrest.

During the sit-down strike three trade unionists were arrested for trying to establish a political party for workers. In mid-January a new Workers Party was launched at a rally in Seoul This party has organised underground networks of hundreds of labour activists in eleven cities of South Korea. Police are also harassing members of the Socialist Workers League, with the leader of this party imprisoned for life

Conclusion

In spite of the repressive South Korean government, workers are continuing to take action through their democratic trade unions Through actions like factory occupations, workers are beginning to challenge bosses control and raise the need for worker control of the factories. The reaction of the bosses and the government to worker action shows their close alliance in the oppression and exploitation of workers It is these experiences of struggle that have led to the emergence of new political parties who have recognised the importance of working class leadership in the struggle for democracy and freedom

Platform of the Chonnohyup

1 We will struggle for a decent life by fighting for wage increases and also for a 44 hour week
2 We will struggle to abolish wage discrimination based on occupation, sex and educational background. We demand a fair wage system that provides equal pay for equal work.
3. We will struggle for a secure employment system that eliminates unfair dismissal and provides living allowances and job training for the unemployed
4 We will struggle for a safe working environment that prevents industrial hazards and occupational diseases.
5 We will struggle for the right to organise and bargain collectively.
6 We will struggle for unity against the government and management repression of the labour movement.
7. We will struggle for guaranteed housing, free universal education, medical insurance, price stabilisation, environment protection, welfare increases and tax reforms.
8 We will struggle against sexual discrimination and for maternity rights
9 We will struggle for a healthy Minjoong(people's) culture to resist the decadence of foreign cultural invasion
10 We will struggle for the guarantee to all the Korean people of the freedom of the press, expression, assembly, association, demonstration, thought and other basic civil rights
11 We will struggle in firm solidarity with other popular forces or democracy, independence and the reunification of our motherland.
12. We will struggle for international peace by fostering solidarity with our fellow workers all over the world.

This article was written by the Internation Labour Research and Information Group (ILRIG).
You can write to ILRIG at Box 213, Salt River 7925

Employers' kit tells it all on the law

CT 12/3/92 (132)

AN employment and dismissal information and guidance package called the Good Boss Kit could save employers considerable litigation time and money

The kit — which has been put together by legal and personnel professionals — comprises a procedures manual, ready-to-use documents, and a computer disk aimed at protecting employers from litigation and helping them to have a motivated and productive staff

According to Jane Ashburner of RR Marketing, distributors of the kit, it is essential for bosses to be well versed in labour legislation.

"In 1979 only four cases appeared before the industrial court in South Africa, but by 1989 the number had catapulted to 4 457," she said

"Proprietors and managers of businesses simply have to know what they can and cannot do in the fields of employment and dismissal"

Significantly, the Good Boss Kit enables employers to inexpensively set up the right policies and procedures to avoid legal hassles and improve their relationships with employees.

The legal requirements related to hiring and firing staff are carefully laid out in the package, as are the channels for hearing grievances and taking disciplinary action

"In the past it has been extremely costly for small businesses to get expert opinion on these vital issues," added Ashburner

"But now they have the opportunity to easily and cost-effectively keep within labour legislation and enhance working relationships"

The computer disk in the Good Boss Kit contains all the relevant documentation so that it can all be adapted and customised for any business. This is a great time and money saver

Union liability not law

GOVERNMENT was not considering introducing legislation to make trade unions liable for their members' actions, Manpower Minister Piet Marais said yesterday in reply to a question tabled in Parliament.

It was also not envisaged that amendments would be made to industrial court rules regarding costs of actions before it.

B/Day 13/3/92

REPORTS, Business Day Reporter, Own Correspondent, Sapa, AP-DJ

Unions meet in Venezuela

Sowetan 13/3/92 (132)

Democracy and the environment are to be the main thrust of the 15th congress of the International Confederation of Free Trade Unions which starts in Caracas, Venezuela, on Monday. Our Pietersburg bureau chief, MATHATHA TSEDU, tells you of the organisation that plays a prominent role in the worker movement.

The ICFTU was formed in London in December 1949 to promote the interests of the working people throughout the world, and today represents about 110 million workers in 108 countries.

And as the 800 delegates sit in conference on Monday, they will be joined by representatives of more than 20 million workers from the former Eastern and Central European socialist bureaucracies that fell in the wake of *perestroika*.

The roots of the ICFTU can be traced from the need felt by emerging national unions in the 19th century for an international trade union movement

After several efforts, trade unionists from many countries of the world met in 1919 to reconstitute the International Federation of Trade Unions (IFTU), which had been disbanded during World War I

The IFTU remained in existence until 1945 when the World Federation of Trade Unions (WFTU) was formed in Paris to unite workers worldwide.

Four years later, western unions walked out of the WFTU, accusing its leadership of being communist lackeys, and formed the ICFTU

The two world organisations have existed side by side, with the WFTU today lagging far behind as the collapse of the regimes in the Eastern Bloc have spawned new trade unions which are affiliating to the ICFTU in their droves

But it has not been smooth sailing for the ICFTU either

Seen largely by Third World countries and unions as an agent of capitalist expansionism through such organisations as the CIA, the ICFTU was regarded as a non-starter by many in Africa and other Latin and Asian countries

The ICFTU was accused many instances of using cheque book trade unionism to buy its way into Third World countries with the aim of toppling socialist regimes in those countries

It is not long ago that, even here, accepting money from the ICFTU was tantamount to treason

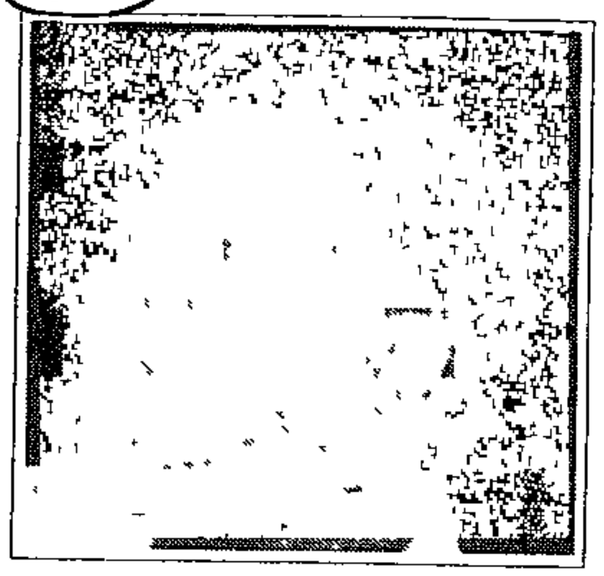
To date, neither COSATU nor Nactu are affiliates of the ICFTU, although they and their affiliates continue to draw extensive assistance from the organisation

But it must be said to the credit of the ICFTU that the organisation has pumped millions of rands into trade unions in this country and that, without the ICFTU support in black trade unionism could not have made the strides it has made

From the first annual education grant of R28 000 given in 1974, the organisation today spends about R17 million a year on education, legal defence, leadership training and allied activities in South Africa alone

The advent of the new South Africa has not, despite the rhetoric of reform and freedom around the corner, meant any lessening of demands on the ICFTU for assistance by local unions Instead the demand has grown

Among the delegates in Caracas will be Nactu first assistant general secretary Mr Mahlomola Skhosana, who will carry a message to the conference about the conditions of black workers and their continuing struggle to establish economic and industrial democracy It is a message that fits into the congress theme, as delegates are going to grapple with dictatorships in South America and the march to democracy throughout the world



MAHLOMOLA SKOSANA

It is in South America where trade unionists still disappear without trace But it is the environment issue that is sure to produce a lively debate

Trade unions are trapped in the technological spiral, which not only reduces work but has spawned toxic wastes that threaten mankind

Hence the slogan of sustainable technological development, which will not increase the ozone depletion and the CFC content in the air How do you reduce carbon fumes in the air without affecting the number of cars on roads and therefore the number of jobs in the motor assembly lines?

The congress is to work out worker representations to be discussed at the World Conference on the Environment to be held in June

The tone of this section of the congress will be set by Norwegian Prime Minister, Mr Gro Harlep Brundtland

The debt problem that afflicts Third World countries is also another problem on the agenda

Unions from Africa and Latin America argue that the economies of their countries cannot grow in the face of debts to the International Monetary Fund (IMF) and the World Bank (WB)

Many of these unions are faced with dwindling membership as workers are retrenched in large numbers in their countries due to IMF and WB decrees for structural adjustment programmes

And as these leaders of the world's working class gather and decide the path that workers will tread in the next four years, millions of people will be watching to see if the debt and environmental issues can be resolved to facilitate the growth of democracy throughout the universe

The conference starts on Monday and ends on March 24

WHY DO PEOPLE ORGANISE?

(132)

New Nation [Learning Nation] 13/3 - 19/3/92

Last week's introduction to this series explained why it is important to build our organisations. We recognised that without organisations, the working class is powerless and we will not achieve a truly democratic South Africa. This week we will look at why people organise, where organisations come from and the different kinds of organisations that exist

Why do People Organise?

From our daily experience, we know that there are constant struggles between the bosses with their state and the working class These struggles are fought over a number of issues from wages, to retrenchments, to housing, health and education Through struggles the working class comes together and builds organisations People know that it is only when they unite and organise, that they will be able to begin to resist the oppression of apartheid capitalism

When the living standards of people are under attack they can either become demoralised or else struggle to resist these attacks If conditions are favourable this will lead to heightened levels of struggle on the part of the working class For instance, there were heightened struggles in the 1970s as a result of the effects of the world economic crisis on South African workers, and the fact that rapid monopolisation in the 1960's had brought the workers together in large factories and townships Under these circumstances a number of working class organisations were built Most of the mass organisations that exist today have their roots in struggles such as the Durban workers' strikes in 1973 and the student struggles of 1976

Organisations and Conditions of Struggle

In general there is a direct relationship between the level of struggle and the strength of organisation During periods of higher levels of mass struggle all forms of popular organisation are boosted as the creative energy and interest of the masses is increased

On the other hand, while organisations are products of various struggles, it is also clear that organisations have an important effect on whether struggles succeed or not Organisation also has an important effect on whether struggles are sustained for shorter or longer periods Struggles cannot be fought without organisations to lead and guide those struggles, and organisations cannot arise without those struggles taking place When we look at ways of building our organisations it is essential that we have a clear understanding of this relationship between organisations and struggle For example, although the emergence of democratic trade unions in the early 1970s was the result of the Durban strikes, these unions became important in sustaining and broadening the workers' struggle

All organisations, of whatever kind, need to be understood in terms of struggle But, you might ask, **"What about the sports club or the burial society or the Manyano that I belong to? What have these organisations got to do with struggle?"**

A sports club might not immediately appear to be linked to struggle, but it reflects a struggle for leisure time and for the facilities needed to enjoy that leisure Even a burial society reflects the harsh conditions of life in the city and the financial problems of burying our dead Our participation in organisations such as burial societies has also taught us that there is more power in collective struggle than in struggling on our own

Different Kinds of Organisations

Let us now look at the variety of organisations that our struggles have produced The range of organisations extends from **social** to **economic** to **political** forms of organisation

Social forms of organisations can generally be seen as providing for the cultural needs of people They are those in which people come together to support each other Social organisations do not necessarily understand themselves as expressing direct opposition to anything They do not necessarily aim to change conditions but are more concerned with serving the immediate interests of their membership - to share and to enjoy and, at times, to escape the harsh reality of life under apartheid capitalism Examples of social forms of organisation are sports clubs, drama or cultural groups

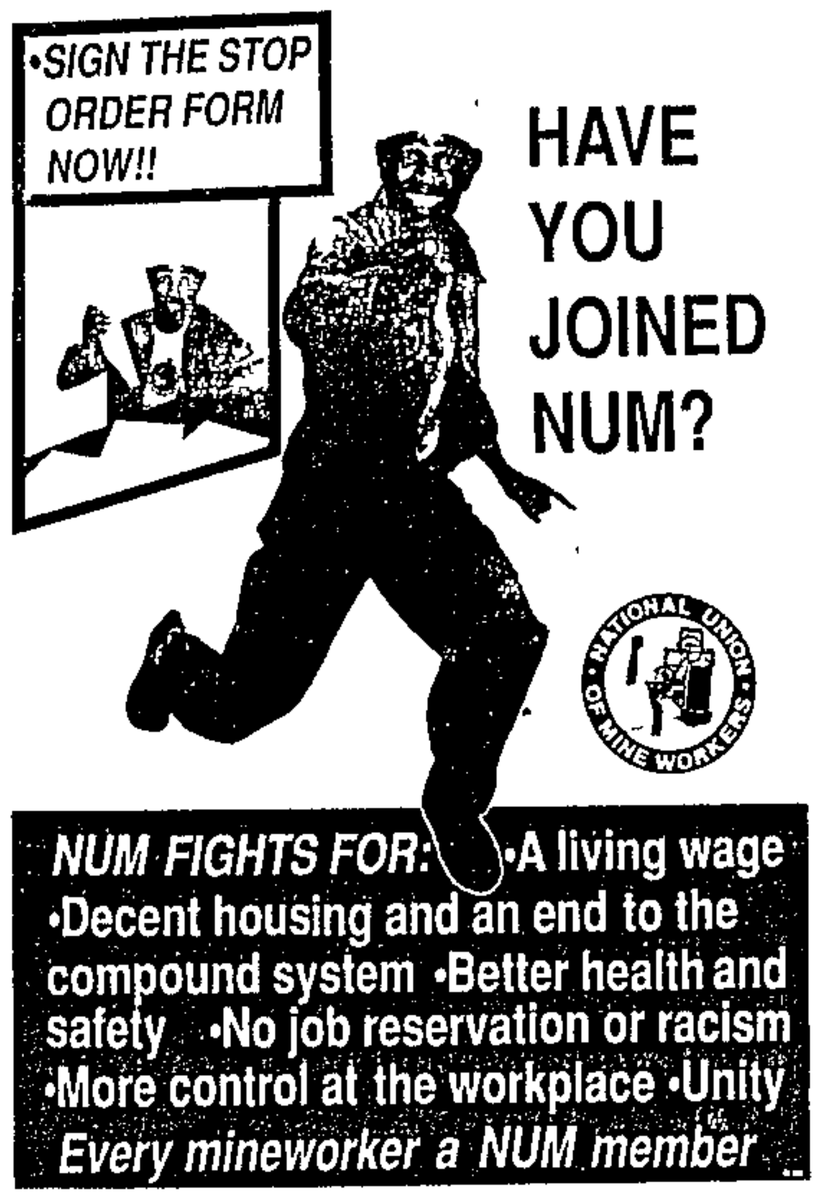
In response to problems such as wages and working conditions, the working class has formed organisations to improve its material life We can refer to these organisations as the **economic organisations** of the working class Broadly speaking, we can say that they differ from the social organisation in that they tend to be opposed to other groups or classes An example of an economic form of organisation is a trade union whose task it is to defend workers against the bosses

Over many years, the conditions of life of the working class and the struggle to improve these conditions has taught the working class that its problems cannot be separated from the political system in the country In order to ensure a lasting solution to its daily problems, the working class and other classes have struggled for political power It is out of these struggles that **political parties** have emerged Unlike its economic and social organisations, the political organisations of the working class tend to address both the immediate questions of defending the workers' well being and also put forward a vision of how these problems can be solved in a lasting manner

It would be wrong to think that if an organisation was set up in response to an economic struggle that it cannot take on different social or political issues A trade union federation may have been established to struggle over daily economic issues such as wages and retrenchments At certain times, however, it can change from simply defending the rights of its membership and can actively challenge the state and raise specifically political issues We can also see this process when we look at sports organisations In South Africa, the apartheid system led to struggles in which sportspeople said that there can be no normal sport in an abnormal society This led to the expulsion of South Africa from many international sporting bodies

We can see that under apartheid capitalism, the divisions between the social, economic and political issues and the forms of organisation which take up these issues are frequently blurred

In conclusion, we can see that conditions under capitalism lead to a struggle for survival and this sometimes gives rise to organisations which can take these struggles further In turn struggles give rise to different forms of organisation These forms can be defensive or offensive, depending on the different conditions which exist. In the process of struggle, organisations can also be transformed and can play a completely different role.

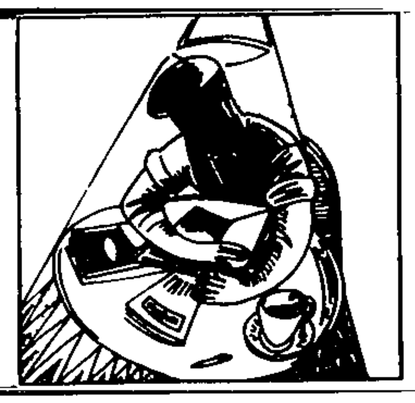


Offset litho poster produced by NUM

Organisation in Russia

In the process of taking up different issues, an organisation may well assume a completely different form An example of how organisations can change their form and role is that of the soviets in Russia Soviets arose out of strike committees and government commissions, dealing with essentially economic issues In the course of struggle, they rapidly became mass political organisations which included all layers of the working people As the struggle intensified, the soviets started taking over functions which were formerly done by the government The soviets became so strong that the Czarist government could not do anything without getting their approval So we see that organisations that may initially have been set up to serve the immediate social or economic interests of their members can, under certain circumstances, become organs of political struggle

WORKERS' EDUCATION



Why Workers Join Unions: capitalist class domination

New Nation (Learning Nation) 13/3/-19/3/92 (132)

This week we are going to look at how the capitalist class dominates the working class. We want to look at how this domination affects workers' consciousness and effects the reasons why they join unions.

How the Capitalist Class Rules

In our society there is a ruling class, a middle class and a working class The two main classes are the ruling capitalist class and the working class, but the capitalist class dominates both the working class and the middle class We will focus on the relationship between the capitalists and the working class.

The ruling class dominates the working class in two ways - through **force** and through **ideology** Force is used through the institutions of the state like the police and the army, and capitalist ideology works in such a way that many workers actually come to believe in the inevitability of capitalism. Both of these means are dependent on the fact that the capitalist class owns what we call the **means of production.**

The capitalists own the farms that grow fruit and vegetables. They own the factories that make clothes, they own the land on which houses are built, they also own the brick and cement factories as well as the mines where iron and copper are mined for use in building houses. The capitalists own all these things, which are called the means of production. This gives them great power over the working class, because in order to survive, workers are forced to work for the capitalists. And it is from this labour of workers that the capitalists get their profits

The Role of Force

Because the capitalist class owns the means of production it also controls the **state** The state is run by the capitalist political parties, such as the National Party in South Africa or the Conservative Party in Britain The state does many things to make sure that the capitalists remain the ruling class and that they can continue to make profit out of workers' labour. The state has an army and a police force. The job of both of these is to protect the capitalists farms, factories and mines That is their main job. Many worker comrades among us can tell of how the SAP or SADF came to chase them out of the factories or mines during siyalala strikes.

The state also makes laws and sets up courts. The laws and the courts are there to protect the capitalists' ownership of the means of production. Some laws punish you for stealing, others say workers do not have the right to occupy factories when they strike.

So the state has an army, a police force, laws, courts and jails. All these things are used to protect the capitalist class The state is also responsible for providing education, health services, housing, roads, harbours and tax collection It does all these things as a way of **organising the capitalist class**, of making sure the working class can be exploited for profit and that the capitalist system continues to exist.

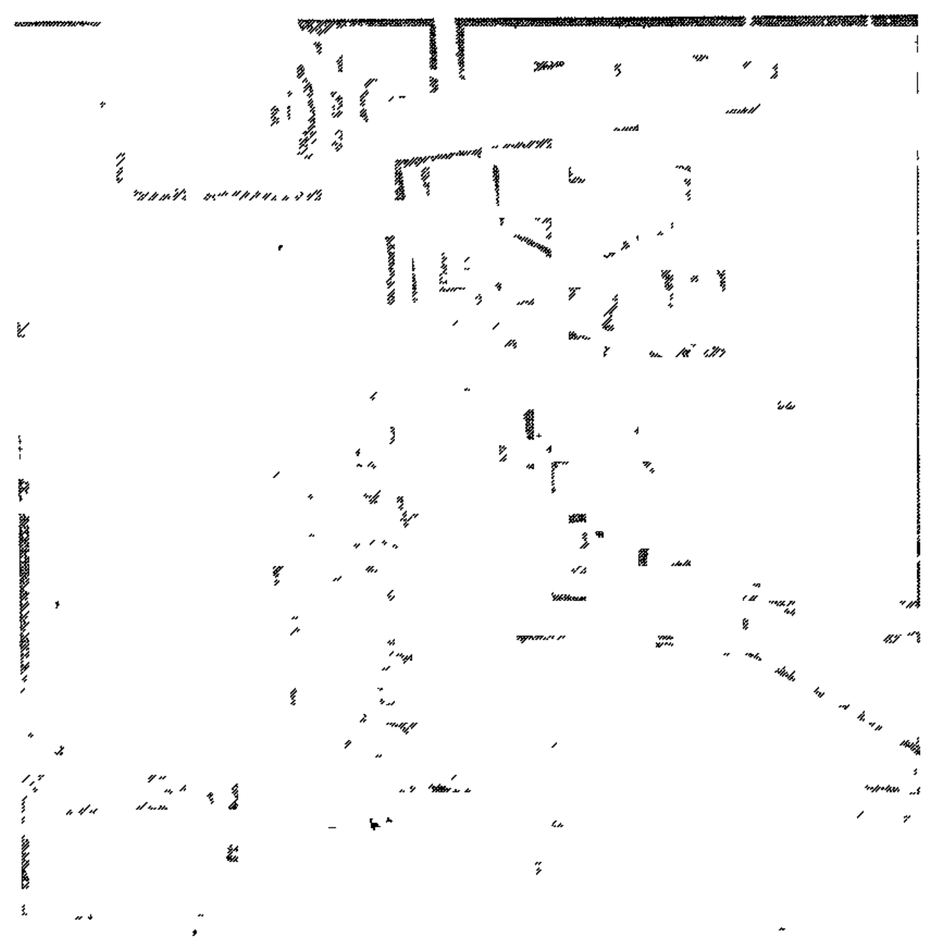
At the same time as the state organises the capitalist class, it deliberately **disorganises the working class** In South Africa, the state has used race to do this The result has been white workers being divided from the black working class and sections of the black working class seeing themselves as 'coloured', Indian, Zulu or Xhosa, etc The violence in Natal and the Witwatersrand has shown how successfully the working class has been divided by the state's apartheid strategy

The Role of Ideology

The capitalists and the state do not want the working class to become aware of itself as a class. In other words, they do not want the working class to develop a class consciousness. They know that from such a class consciousness will flow greater and greater working class unity and militancy which could threaten the entire system

The disorganisation of the working class happens in different ways The state sometimes uses **vigilante attacks** as one way of doing this. So sometimes this disorganisation is direct and brutal. Most of the time it is much less noticeable Mostly the working class is **persuaded** to believe that it is right that the capitalist class should rule, that it is natural for everyone to try and make profit and that the best way to live is through the buying and selling of commodities This view of the world which makes capitalism seem inevitable and right we call **ideology** The state and the capitalists use ideology very, very effectively to disorganise the working class and prevent it from developing a class consciousness

The capitalists own all the newspapers, from the *Sowetan* through to *City Press*. Through newspapers, magazines and books, the capitalists put forward ideas against the working class The same thing happens in films, on the radio and the TV All these media, will say things like: it is our wage demands which are causing inflation, the ANC is making "unrealistic" demands, workers are not productive enough, socialism is dead and capitalism is the only answer for humanity. The whole education system is meant to promote the idea that we can get ahead of we work hard and get more certificates so that we should look up to the rich because the deserve their wealth. The media does not tell the truth about the capitalist system. It tells the lies of the capitalists to keep the working class in chains

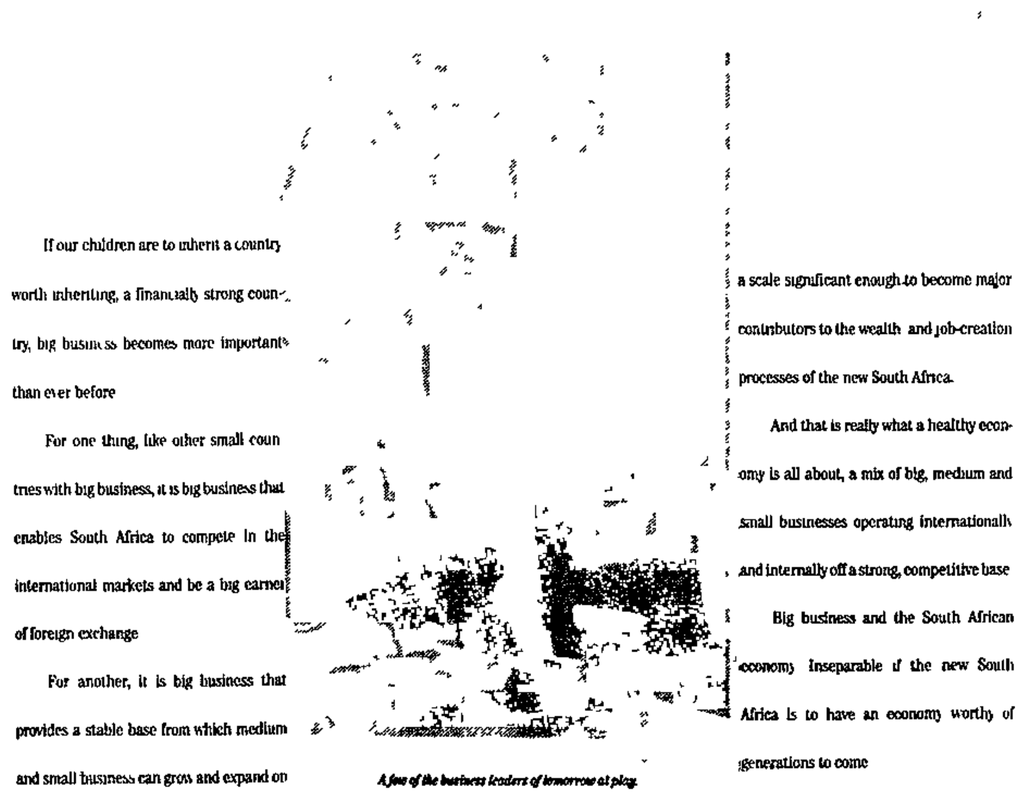


Force

Now we can go back to the question of why workers join unions for mainly economic reasons We see that the working class is under constant attack from capitalist ideology This ideology divides workers, it **confuses** them, and prevents them from seeing themselves as part of a class of workers. So, when workers join the union, they bring with them all this confusion and different desires and aspirations. It is only a small minority of workers who come into the union with a clear understanding that they are part of a working class whose revolutionary duty it is to overthrow the capitalist class and build socialism The majority of workers join the union for better wages and better conditions.

Next week we will look at the role of trade unions in more detail.

Some of our [illegible] reasons for believing in [illegible] are some of our [illegible]



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 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

A few of the business leaders of tomorrow at play.

Ideology

CULTURE

World at our Feet 2

places where the working men in a community would meet. Publicans, or pub owners, encouraged the game because if players and supporters came to their pub, it was good for business Pubs would provide facilities for changing before a match and some pubs even had fields for playing on

...tain companies also encouraged the ...tion of football clubs. Employers provided pitches and changing rooms for their ... This helped attach workers to the ...ny and also attracted other workers to ... Some employers claimed that a suc... team was **good for productivity** and ...put always rose on the Monday after a ...y

...other companies, workers took the initiative and formed their own clubs. The most ... example of such an initiative is the ... club **Arsenal** which was formed by a ... of workmen at the Woolwich Arsenal ...ny which makes ammunition) in 1886. ... great majority of working people be... avid football spectators. Although they ...ve picked up similar notions of "manli... they did not create an ideology of "fair ... and "self-control". They were more ...ed in their local side winning at all

...s is an excellent example of how the ... class, although absorbing the rul... ...e, played and watched football ...heir own viewpoint and way of under... the world.

The early game of football in England was a combination of rugby and football. This is where the name "Rugby-Football" comes from. The earliest ...bs in South Africa played both rugby and football.

...from College notices

...from Public School

...lower boy in his

...who does not play

...play and twice on

...half

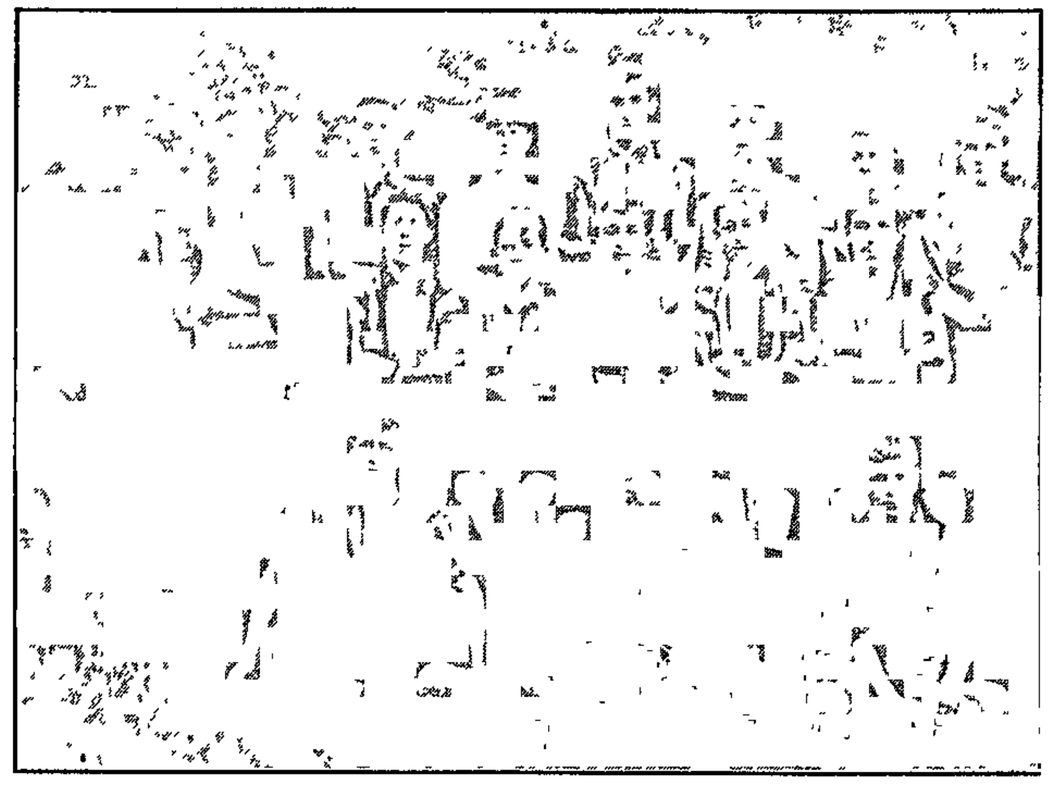
...and sixpence

Soccer spreads to the colonial world

The moral ethic of manliness and self-control associated with the playing of sport filtered down unevenly to the working class It also found its way to the British colonies As the British empire expanded into Africa and Asia during the 18th century, it took the "gospel of sport" with it

The effects of British colonialism can be seen today Cricket is very popular in the ex-colonies of India and Pakistan In Africa, it was mainly football - or soccer as the Americans called it - that took off

In the next article we will see why this was so for South Africa.



A working class team St Chads, 1909

...[illegible] ...lay, he becomes the captain, he is disciplined by the responsibility and the difficulty of making quick decisions and leading his team.

Arsenal Football Club

Arsenal F.C. was formed by a group of workmen at the Woolwich Arsenal in 1886. (An arsenal is a factory which makes ammunition). Foremen there hired good football players to be their apprentices and ensured that they were paid skilled men's wages. The club was run by a committee of workmen who were elected by the membership.

When the club turned professional in 1891, it was determined not to become a 'limited company' like the majority of other professional clubs. That is, it did not want to offer shares to the general public, as most businesses do.

However, two years later the club was forced to become a limited company to raise money to buy new grounds. This was because the owner of the grounds they were using increased the rent considerably, insisting that the club pay the rates payment for the grounds, and allow him to become a member of the committee.

Naturally, the club rejected these demands and then had to raise the funds for a new grounds. The club offered shares to the public and the vast majority of people who bought them were manual workers who worked at the Arsenal.

Royal Arsenal Football Club signboard

The club operated like this successfully for a number of years. To ensure that it had sufficient money, the club needed to win most of its games and attract large crowds.

However, in spite of being promoted to the first division in 1904, it failed to draw large enough crowds Initially, this was because of the poor public transport system in London. Later, however, the Boer War intervened. Because of the demand for ammunition, overtime shifts at the Arsenal were increased and these fell mainly on Saturday afternoons when matches were played.

The result was that the club was forced to appeal to local business and other professional people.

Warning on industrial action

STAR 14/3/92 (132)

NEGOTIATED wage increases this year are likely to average 14 to 15 percent, compared with 16,1 percent in 1991 and 17,4 percent the year before, as an expected decline in inflation and the poor state of the economy make their mark.

However, according to a document prepared by labour relations consultants Andrew Levy and Associates, actual settlements will vary sharply according to industrial sector and the financial position of employers.

The trend towards variation was seen for the first time last year since robust collective bargaining began in earnest, say the consultants.

The two largest Cosatu-affiliated unions — the National Union of Metalworkers of SA (Numsa) and the National Union of Mineworkers (Num) — accepted their lowest inflation-adjusted increases since the early 1980s and Num regarded its acceptance as a temporary suspension of its national wage policy.

Last year real wage increases averaged only 0,3 percent, compared with 2,9 percent in 1990 and 3,1 percent the previous year.

Greater realism

"While a greater realism is certainly to be seen in the wage bargaining process, unions will continue to fight to maintain the living standards of their members," says Andrew Levy.

"Even with the tough economic backdrop of 1991, there is still a more than 50 percent probability that employers will face industrial action in support of wage demands and a more than 50 percent chance that such action would be in the form of overtime bans or go-slows."

The consultants warn that employers can expect union negotiators to step up calls for shorter working hours as the country moves into an era with a greater emphasis on non-discrimination at work.

Firms successfully resisted such efforts throughout the 1980s on the basis that it would be too costly. In 1989 it was found that 80 percent of workers surveyed still worked a 44-hour week

However, unions were arguing that there was no reason why unionised workers should work longer hours than non-union employees, many of whom worked 40 hours or less

At the same time, they claimed — "often with justification" — that better working methods could result in maintained or improved productivity

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Business and labour unite to find solution to economic woes

(132)

By EDYTH BULBRING
Political Reporter

REPRESENTATIVES of organised business and labour have drawn up a proposal for a body which will negotiate economic solutions for the country and are confident the government will agree to participate

A draft proposal for an economic forum, drawn up by a five-person group representing employers and unions, is to be presented to the government for its consideration before the end of April

S/Times 15/3/92

Approval

Among the participants are the South African Chamber of Business, Seifsa, Saccola, AHI, Cosatu, Nactu and Fedsaw

At present, the draft is being circulated among business and labour organisations for approval

The key to the proposal is that all decisions will be reached by consensus Once an agreement has been reached, all parties will be bound to implement it

The proposal says that, in recognition of the economic challenges facing the country, business and labour believe the major economic stakeholders need to develop co-operative mechanisms for addressing them

"Organised labour, organised business and the governing authority have a central role to play in developing strategies geared towards the generation of sustained economic growth, the elimination of distortions in the economy, stability and addressing social needs," the document states

The draft proposes the body would be operative for the transitional period and it should focus on short-term challenges and the formulation of a long-term economic framework

Mechanisms would be created to ensure the consensus areas were practically implemented

Growth

The document states that, while accepting that Codesa was not the appropriate structure to deal with the economy, some co-ordination between political and economic change would be necessary

Proposals from the business organisations for the agenda of an economic forum are

- Macro-economic restructuring, focusing on the need for economic growth, development and job creation,
- The development of a balanced industrial strategy aimed at turning SA into an export-orientated economy;
- Monetary, fiscal and other policy stances necessary to bring macro parameters such as inflation, interest rates and the external value of the rand in line with an outward-looking economy, and which will ensure economic stability over time, and
- Pubic sector reform, includng tax and expenditure reform

On the list of labour's proposed agenda are economic restructuring, including trade and tariff issues, retrenchments, employment and job creation, VAT and taxation, worker rights, pensions and provident funds, institutionalised collective bargaining and investment

Consensus wanted in economic forum

B/Day 16/3/92 (132)

TIM COHEN

PROPOSALS for a national economic forum, drafted jointly by organised business and labour, envisage the forum making decisions purely on the basis of consensus — an arrangement which would rule out the unilateral imposition of controversial policies

The proposals, drawn up by representatives from Sacob, Saccola, the Afrikaanse Handelsinstituut, Cosatu, Nactu and others, are being circulated among organisations for approval They have yet to be presented to government

The draft insists that decisions should be taken by consensus, which it specifically says will not be possible on all issues

In the event of dispute, there would be no resort to arbitration — effectively making it impossible, for example, for unions to force nationalisation on business

Mechanisms for translating forum decisions into law still have to be found But it is envisaged that it will be encumbent on government to make changes to legislation, where appropriate, when consensus is reached.

The envisaged terms of reference of the forum prescribe that it will focus on national economic structures, their current distortions and socio-economic needs.

The body would also concentrate on economic restructuring, but the proposals include the proviso that any adjustments should have the support of all stakeholders

The forum would, in the first instance, focus on short-term challenges.

The envisaged principal participants would be representatives of organised business, labour and government. All groups taking part would have equal representation

The forum would have a permanent secretariat accountable to a steering committee and would be funded by public funds once it was permanently established.

Business and labour attached separate proposals for agendas.

The labour proposal suggests the agenda should cover economic restructuring, in-

☐ To Page 2

Forum

B/Day 16/3/92 (132)

☐ From Page 1

cluding trade and tariff issues, retrenchments, unemployment and job creation

Labour also proposes the forum cover VAT and taxation, worker rights, pension and provident funds, investment and institutionalised collective bargaining

The business groups proposed the agenda should include macro-economic restructuring, a balanced industrial strategy and public sector reform

To create a climate conducive to an adequate flow of resources to the most efficient productive areas, business proposed that the forum focus on investment and investor confidence, adequate savings levels, education and training, the promotion of small and medium-size business and productivity improvement

Business also proposed a focus on appropriate mechanisms to promote economic empowerment of disadvantaged communities

all adjustments to existing service benefits are subject to inclusion in the improvement plan for service conditions which is, on the basis of the availability of funds, negotiated annually with recognized personnel and trade associations

(2) no,

(3) no,

(4) falls away

Reply substituting reply to Question No 102 on 12 March 1992, put by Mr L Fuchs (col 377)

Trade unions. legislation

102 Mr L FUCHS asked the Minister of Manpower

(1) Whether it is envisaged to introduce legislation to make trade unions vicariously liable for the acts of their members, if not, why not, if so, when,

(2) whether it is envisaged that the rules of the Industrial Court will be amended so as to allow costs orders to be given in certain circumstances, if not, why not, if so, when? B262E

The MINISTER OF MANPOWER

(1) No The common law situation applies as supplemented by section 79 of the Labour Relations Act, Act 28 of 1956

(2) No The powers of the Industrial Court to grant cost orders in specific circumstances are governed by sections 17(12(a) and 43(4)(c) of the Labour Relations Act, 1956

Own Affairs

Theft from departmental hospitals

32 Mr M J ELLIS asked the Minister of Health Services and Welfare

(1) Whether any instances of theft of supplies and equipment other than medicines from hospitals under the control of her Department occurred during the course of 1991, if so, (a) what supplies and equipment form the bulk of these thefts, (b) at which hospitals in each province did these thefts occur and (c) what is the value of the supplies and equipment stolen,

(2) whether her Department is investigating the theft of such supplies and equipment, if not, why not, if so, with what result,

(3) whether she will make a statement on the matter? B312E

The MINISTER OF HEALTH SERVICES AND WELFARE

(1) Yes

(a) Electrical equipment

(b) *Transvaal*
Evander Hospital
Hendrik van der Bijl Hospital
J G Strijdom Hospital
Kempton Park Hospital
Ontdekkers Memorial Hospital
Paardekraal Hospital
Phalaborwa Hospital
South Rand Hospital
Willem Cruywagen Hospital
Cape Provincial Administration
Port Elizabeth Provincial Hospital
Natal
Greys Hospital
Orange Free State
None
Departmental Mental Health Hospitals
Witrand Hospital
Tara die H Moross centre
Alexandra Hospital

(c) R92 334

(2) Yes, the South African Police are notified of all thefts The success rate in terms of transgressors located and stolen property repossessed is, however, low

(3) No

Patients turned away from hospitals

51 Mr M J ELLIS asked the Minister of Health Services and Welfare

Whether, during the latest specified 12-month period for which information is available, any hospitals under her control turned patients away because they were members of a race group other than White, if so, (a) which hospitals and (b) for what reasons? B402E

The MINISTER OF HEALTH SERVICES AND WELFARE

(a) No

(b) Not applicable

INTERPELLATIONS UNDER NAME OF MEMBER

Organisations and their role

New Nation (Learning Nation) 20/3-27/3/92 (132)

In our previous article we looked at why the working class organises itself into different kinds of organisation in its struggle against oppression and exploitation. In this article we will focus on the role that these organisations play in the life of working people.

Defending and advancing the interests of membership

For as long as we live under apartheid-capitalism, the working class will be constantly faced with oppression and exploitation It is for this reason that almost all kinds of organisations created by the working class play some kind of defensive role by protecting the interests of their members against the attacks of the ruling class Trade unions struggle to ensure that their members get a living wage, safe working conditions and shorter working hours Sport and social organisations may also struggle to increase the amount of leisure time workers and their families can enjoy Students and youth organisations have struggled for a better standard of education and for a secure future. In all spheres of life the working class is threatened by attacks from the ruling class Workers have come to the understanding that their only weapon against such attacks is their unity and organisation

It is this organised strength that enables the working class not only to defend itself against attacks from the ruling class but also to advance its own interests We can see from the lessons of the trade union struggles how organised workers began by defending their jobs and in time began to challenge the apartheid regime over "peoples' holidays" like May Day and June 16 This challenge extended up to the point where COSATU, NACTU and other independent unions jointly challenged the state over VAT and the state's imposing economic policies without consulting the organised workers Likewise, it was the organised strength of students who, through the establishment of PTSA's in schools, began to lay the foundations for a more democratic system of education

The opposite is also true When the working class is disorganised, it is weak and unable to withstand the attacks of the ruling class We experienced this disorganisation and weakness in 1987 for example, when the regime under the State of Emergency used the police and the army to destroy organisations It was under these conditions of general disorganisation and weakness within the working class that the regime pushed through its Labour Relations Amendment Act (LRAA) It was also in this period of declining class struggle, combined with severe attacks by the state on our leadership and organisations, that led to democratic structures such as the Peoples' Courts turning into instruments of abuse by thugs We can see then that without strong organisations the working class has no means for defending itself, nor does it have the ability to sustain its victories against the apartheid regime

Organisations defend the interests of their membership

Training the working class to lead

In South Africa, not only are the majority of people denied basic political rights, but the working class especially is also denied access to quality education, culture and other social activities The working class is forced to make do with gutter education, sport and other cultural activities of a poor quality when compared to what the ruling class enjoys Under apartheid capitalism the working class cannot find the means which will enable it to educate itself and raise its level of culture so as to become the ruling class Apartheid structures and organisation only serve to further enslave the working class

It is only the organisations of the working class which are built and controlled by the working class which can act as the "school" which can educate and train the working class for its role as the new ruling class of society All organisations of the working class contribute in one way or another to this important role It is through participation in these organisations that the working class begins to experience what it is like to be in control of its own destiny It is also in the "school" of organisation that the working class experiments and through experience develops its own ideas, values and methods — by which it sees fit to run its own organisations At all times the working class struggles against building its organisations in the same way in which the capitalist class builds organisation

We can clearly see this in the different ways in which organisations of the working class and organisations of the ruling class approach the question of democracy. The organisations of the ruling class are designed to limit democracy to the minority capitalist class For example, membership to the influential organisations of the capitalist class, such as business, sport and cultural clubs is based on how much wealth you own In this way, ordinary workers and their families are denied access to these organisations On the other hand, organisations of the working class struggle to expand democracy as widely as possible Working class organisations try to draw in the broadest layers of the working class and other oppressed layers such as the intelligentsia and small shopkeepers on the basis that their own interests can only be realised through the working class becoming the new ruling class of our society

Uniting our experiences, knowledge and skills

When people unite in organisation to struggle against the apartheid system, they also bring with them their past experiences of struggle, their experience of organisation building and their skills All these factors contribute towards ensuring that the organisation can draw on these valuable resources to the benefit of the organisation

The ability of organisations to draw on past organisational experiences, the wisdom of its members, both new and experienced, helps them to avoid repeating past mistakes or having to start from scratch

It is important for us to ensure that the way in which our organisations function, the valuable experiences, wisdom and skills which is to be found amongst the membership is unified for maximum enhancement of the organisation It is equally important to ensure that these resources become the common property of the membership of the organisation In this way the general awareness and level of skills of the membership is raised to a higher level

At all times organisations of the working class serve to defend and advance the interests of their members and the broader working class Organisations contribute towards ensuring continuity in the struggle against oppression and exploitation through uniting our different organisational experiences, the knowledge we have gained through struggle and the individual skills of its membership

Workers' bookshop offers 'rare sight'

South 21/3 – 26/3/92 (132)

Mandy Wood, administrator of the Cape Town Trade Union Library, displays some books at the Workers' Bookshop.
Photo Sally Shorkend

Workers and trade unionists in Cape Town now have their own specialist bookshop — which offers a large selection of publications costing less than R10 — a rare sight in most bookshops these days

The recently-opened Workers' Bookshop is based in Community House, Salt River Road, Salt River It offers a wide selection of books on industrial relations issues and South African politics.

The bookshop was opened as an initiative of the Cape Town Trade Union Library, a trade union-controlled resource centre

"An unusual feature of the Workers' Bookshop is the number of trade union manuals and guides on sale — many of them not normally available to the public," says Sahra Ryklief, librarian of the Cape Town Trade Union Library.

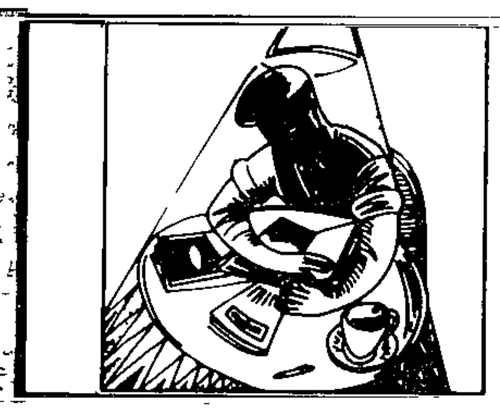
"Booklets on sale cover issues such as health and safety, productivity and pension funds Students of industrial relations will find much of their required reading at the Workers' Bookshop too.

"Political activists will also be stimulated by the books on sale Policy papers from a number of research units and political organisations are available. These are now becoming essential reading if one is to be well-informed about political debates

"A wide variety of political and trade union journals can also be bought," says Ryklief

The telephone number is (021) 47-1677

WORKERS' EDUCATION



Trade Unions — Part 3: Working Class Politics

(132) New Nation [Learning Nation] 27/3 - 2/4/92

Recall...

Last week, we looked at how the capitalist production process brings together thousands of workers daily We saw how this concentration of workers led workers to see that they have common problems and a common enemy in the form of the capitalist class. We discussed how these problems led workers to join trade unions in order to fight collectively against the capitalists. We looked at how trade unions could lead workers to developing an awareness of themselves as a class rather than as a group of individuals. But we said that development of a class awareness was not automatic. In fact, we gave examples of how trade unions could prevent the development of a class awareness and entrench divisions within the working class. We concluded that trade unions need to operate on the basis of working class politics if they are to ensure that they truly assist the movement for workers' power and socialism.

This week we will look at the question of working class politics. What do we mean by working class politics? When we talk about working class politics, we make it clear that it is politics that is different from capitalist politics

What is Capitalist Politics?

Capitalist politics is the politics of profit for individuals

The politics of the capitalists is how to ensure they continue to make profits.

In South Africa in particular, the capitalists have made profits by denying the working class democracy. But even in countries where workers do have the vote, there is no real democracy The parliaments that are supposed to be the highest bodies are undermined by secret deals the capitalists work in their clubs and associations. The capitalists control the state. Real decisions are taken behind the backs of the people, in select committees and by a handful of very powerful individuals This is why all capitalist governments have some form of Official Secrets Act. These governments use these acts to withhold information and decisions from the working masses, and not from other governments, as they so often claim.

So capitalist politics is **secretive** and **anti-democratic**. It places the interests of a small number of capitalists above the rest of society

What is Working Class Politics?

In our last article, we looked at how the capitalist production process brings together thousands of workers in large-scale factories, mines and industrial areas Modern methods of production even involve crossing national boundaries, as commodities are made by using parts made in different countries The housing policies of the various capitalist ruling classes internationally has also been to concentrate the working class in dormitory townships This **concentration** of workers in large **collectives** at work and at home lays the basis for a **collective consciousness** on the part of workers The fact that capitalist production now crosses national boundaries makes this potential collective consciousness an international one

In previous articles we spoke of the fact that the capitalists own the means of production such as the land, factories and the machinery The workers however do not own the property that is used in production. Instead all they have is their **ability to work**, or their **labour power**. Unlike the capitalists, workers cannot fight to defend themselves or win gains through using their individual property or the power of the state The result is that they can only make gains through **acting collectively**.

The combination of their conditions of life at home and work and the fact that workers are forced to act collectively allows us to speak of a different brand of politics amongst the working class from that of the capitalists. This brand of politics we call working class politics.

Working Class Politics in the Trade Unions

How do we see this working class politics in the trade unions? We see it in a number of ways, such as the way unions take up struggles and the demands they make

Since 1973, black workers in South Africa have built a strong tradition of **workers' democracy** and **workers' control** in the trade unions. By talking about workers' democracy, workers are saying their democracy is different from the capitalists' democracy The unions were built on a solid foundation of democratic discussion and decision-making throughout all the structures of the union On the factory floor, workers elected **shop stewards** to represent them in negotiations with the bosses The shop stewards could **only** act on the basis of mandates from the membership in the factory They also had to report back to workers after meetings, to keep workers informed or to get fresh **mandates**.

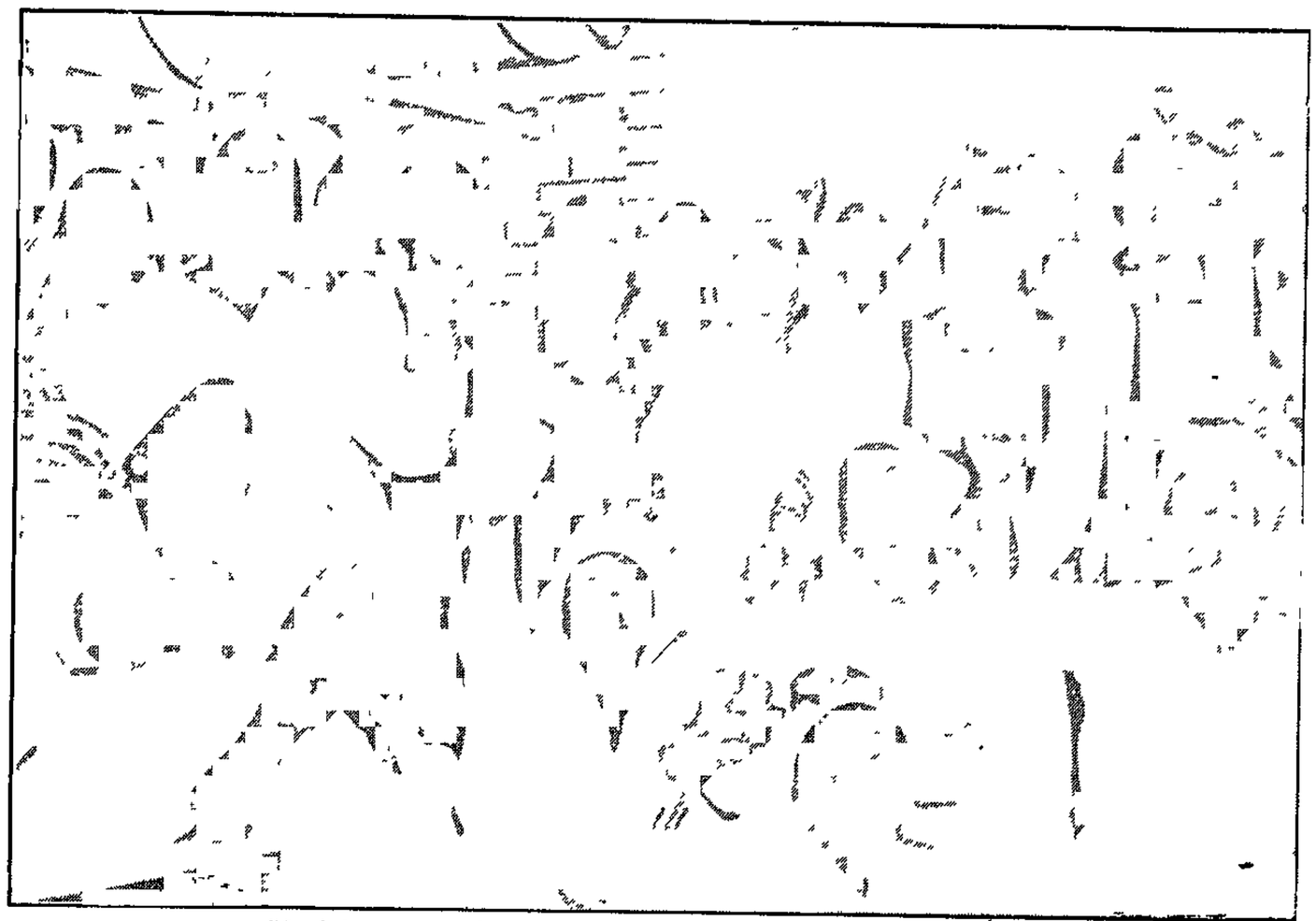
This way of operating, of democratic discussion and decision-making, of mandates and report-backs, applied to **all** the union structures, from the factory floor to the National Executive Committees

Alongside the principle of workers' democracy, stood the principle of **workers' control** Here workers were saying two things Firstly workers were saying that they should be in control of their union, and not the union officials Workers ensured their control by insisting on the democratic involvement of the membership in the life of the union Many unions said in their constitutions that there must be more workers than officials in the various structures of the union Also, in many cases, officials could not vote in the structures. Workers wanted to make sure that the unions worked in their interest, and not in the interest of a handful of officials.

But workers also wanted control over production So the principle of workers' democracy and workers' control were tied to the struggle for **socialism**

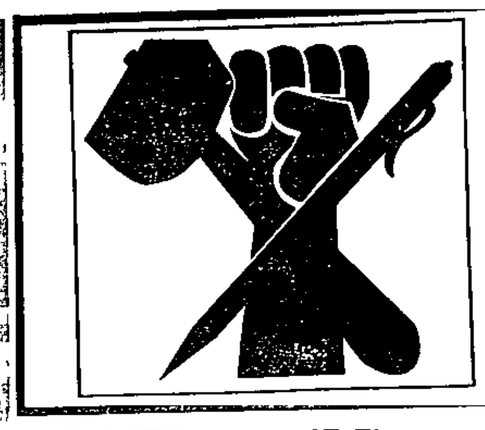
The question we need to look at is how this working class politics allows workers to develop a class consciousness in the trade unions Through workers' control and democracy, workers develop a powerful sense of control over their own lives. They begin to see that as workers they can collectively begin to change the conditions under which they live. Workers develop confidence in their own strength to struggle

Next week we will look at working class leadership and how it arises.



"An injury to one is an injury to all" say these Checkers workers In 1983 they went on strike because a (white) worker was demoted. (Germiston, 1983)

BUILD YOUR ORGANISATION



HOW ORGANISATIONS WORK

New Nation (Learning nation) 27/3 - 2/4/92

Our previous article looked at the role of organisations. We saw that organisations play a role in defending the interests of their members. Organisations also help to preserve the lessons of previous struggles. We further noted that organisations help in preparing the working class to rule in future society. In this article we will look at how organisations work.

We will look at:

- **The significance of democracy**
- **Organisational structures**
- **The role of leadership**

The Significance of Democracy in Working Class Organisations

Change cannot be accomplished without the active participation of the masses The task of working class organisations is to encourage the active involvement of the masses in the process of their own liberation. This is why working class organisations must be democratic.

Only if working class organisations are democratic will they reflect the aspirations of their membership In order to ensure this, the membership **must be actively involved in making and implementing decisions** Space must be there for members to be involved in these processes.

For the membership to be actively involved in the decision making process, there must be **proper consultation.** This process affords the membership the opportunity to shape the direction of the organisation. In the process of making decisions the membership will be able to discuss and debate their points of view.

Consultation also ensures that the membership is able to **exercise control** over the organisation. This enstires that the organisation reflects the aspirations of its membership at all times. This process exposes those leaders who are no longer acting in the interests of the organisation. The membership has the **right to recall** such leaders, that is, remove them from office even if their term of office has not expired yet.

The process of democratic debates helps the membership to learn from each other This is also important in the sense that it gives the membership an opportunity to reflect, collectively, on their experiences and in that process learn from those experiences. In working class organisations, decisions are made to be implemented Members must have a thorough understanding of decisions that have been taken so that they can implement them to the best of their ability.

In the process of arriving at a position members have the right to put forward **different points of view.** They also have a right to belong to different factions that are bound by the discipline of the organisation A **faction** is a group of members who share common views within an organisation Factions have a right to openly propagate their views whilst bound by the discipline of the organisation Whilst the organisation is in the process of making decisions there must be the fullest debate, but once a decision is taken there must be complete **unity in its implementation** Those who had been a minority in the process of debates must be bound by majority positions

Individual members must be **accountable** to the organisation Whenever tasks are allocated they must be implemented vigorously There must be regular **report backs** on the progress of implementing decisions This ensures that members are able to follow developments closely

Through debates and discussions, members are able to give **proper mandates** to their leadership and to those who have to perform specific tasks. Mandates give clear guidelines on how the leadership must take forward the tasks facing the organisation They also help the membership to test the ability of the leadership to lead the organisation These mandates also reinforce the control of the membership over the organisation

Organisational Structures

An organisation must be structured in such a way that it ensures the involvement of the widest layer of its membership. At all times the membership must have total control over the organisation through its structures.

For an organisation to operate effectively and efficiently, the role and decision making powers of different structures must be clearly defined. These structures must give the membership the opportunity to exercise **control** over the organisation. Structures are not fixed for all times but change in order to meet new challenges In most organisations, guidelines on what structures to establish are usually outlined in the constitution

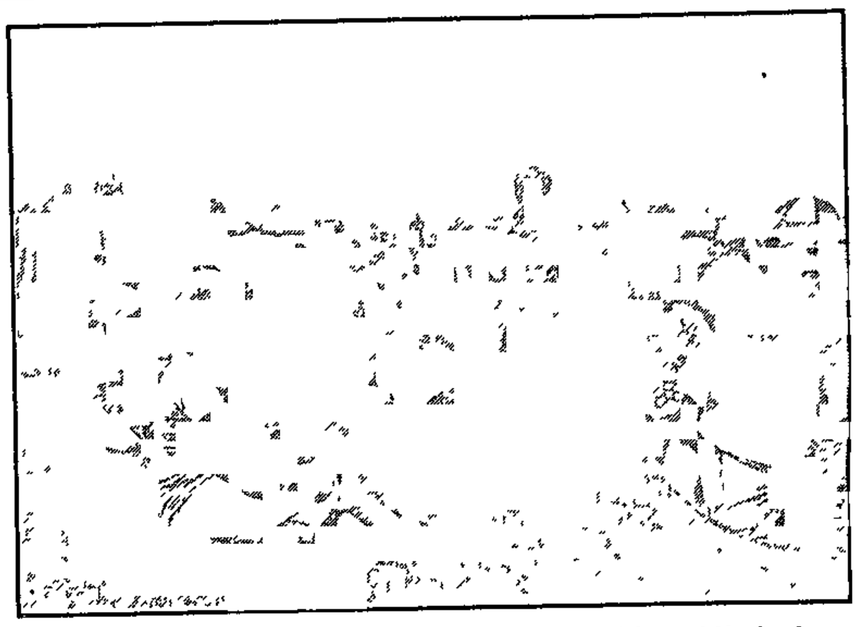
Decision-making powers of various structures must be clear to members This must be aimed at ensuring democratic practices within an organisation. So the membership must have ultimate powers to decide on everything that affects the organisation. For example the executive committee must be accountable to the general members.

The Role of Leadership in an Organisation

In any organisation, not all members are at the same level of understanding This is due to the experiences that individual members bring with them to the organisation. Some members, because of their past experiences in struggle, find it much easier to adapt to the internal life of an organisation, whereas others take time to get used to how an organisation operates

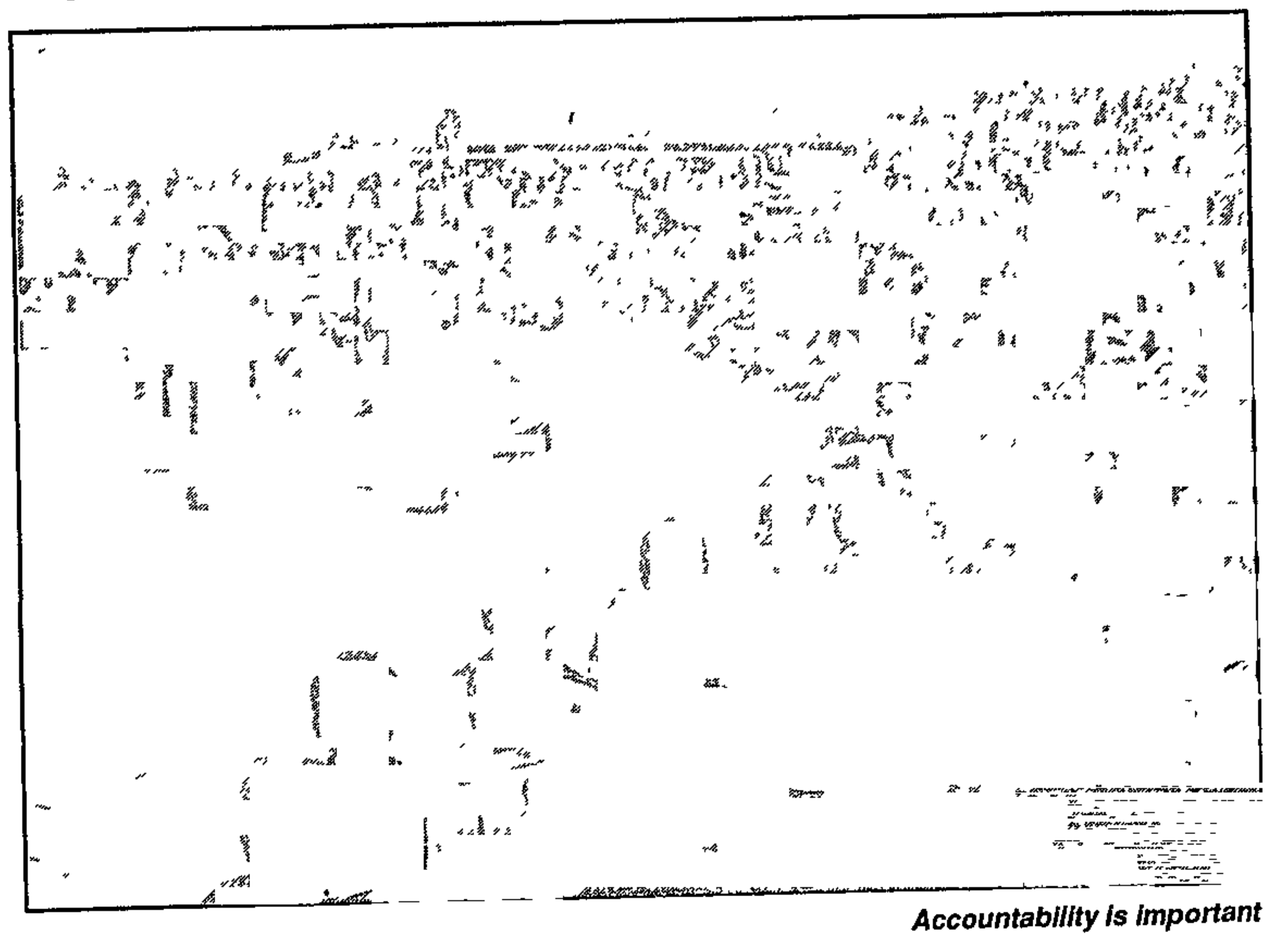
The leadership is the most **advanced layer** in an organisation This is demonstrated by its ability to analyse the situation and give clear **direction** and **co-ordination** to the organisation. This does not mean that those who have not been elected into leadership positions do not have the responsibility to ensure that the organisation executes its tasks.

A democratic leadership does not impose its right to lead on the membership The leadership must win its positions **through persuasion.** The leadership must explain patiently to the membership They must always struggle to ensure that the entire membership understands all positions that have been adopted At times the membership will reject positions that have been put forward by the leadership The leadership must ensure that such positions are implemented as well The correctness of these positions will be determined through practice



Membership put their views

In this article we have looked at the significance of democratic practices in working class organisations. We have also looked at why organisations need structures. In addition to this, we have looked at the role of leadership in an organisation. In this process we looked at how organisations operate. In our next article we will look at how organisations are built.



Accountability is important

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New Nation (Learning Nation) 27/3 - 2/4/92 (132)

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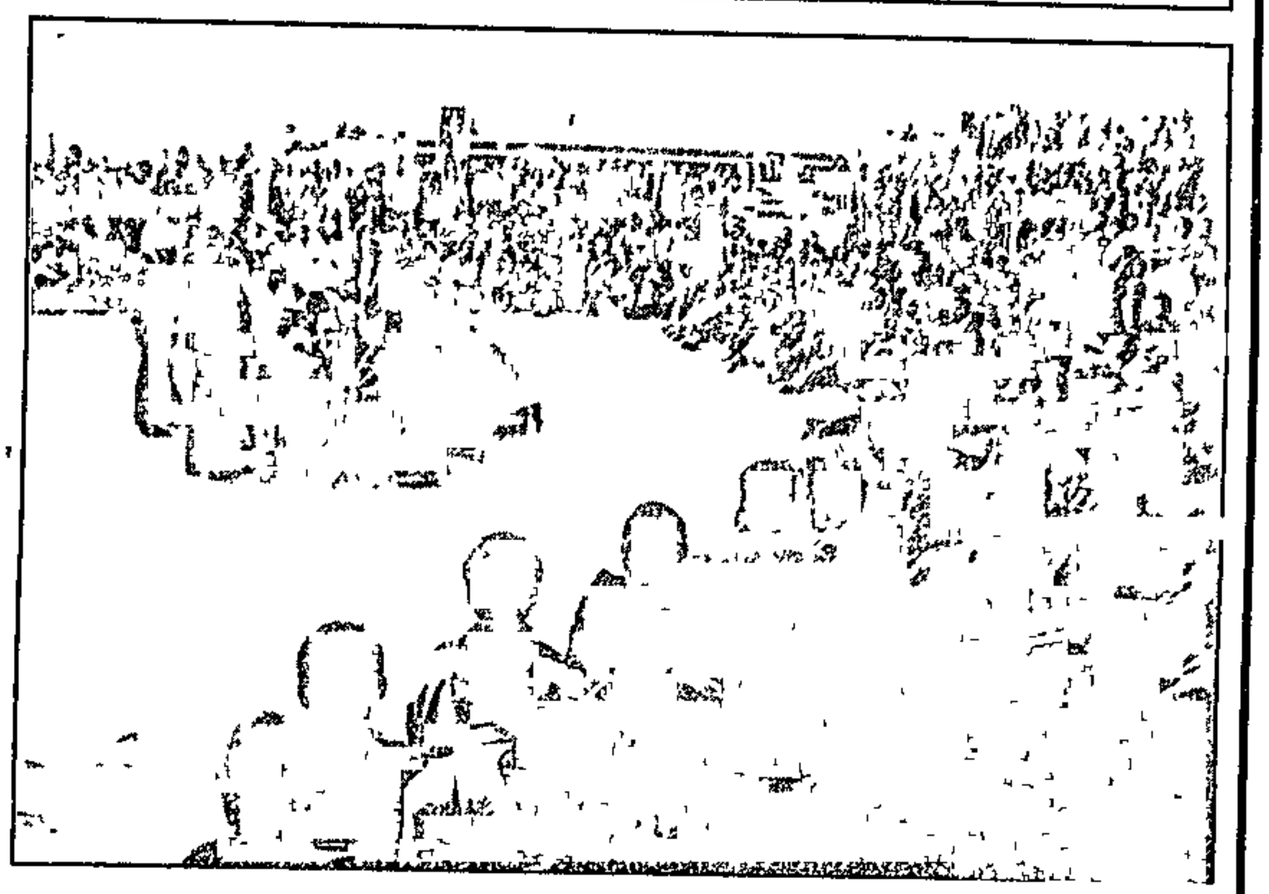


Accountability is important

Restructuring poses difficult questions for organised labour

B/Day 30/3/92 (132)

The Economic Trends Research Group has launched a major research project into the SA manufacturing sector. AVRIL JOFFE and DAVE LEWIS report.

A COUNTRY that continues to rely on natural resources in a world economy dominated by trade involving manufacturers has no long-term future. A country that cannot produce the basic technologies and equipment required to underpin its manufacturing base is heading for economic ruin. And a country with a manufacturing sector whose very existence is tied up with state subsidisation and support is unsustainable.

SA is on this road, and this is why we have to face the need to restructure the manufacturing sector

The Industrial Strategy Project (ISP), a major project launched by the Economic Trends Group — which has a long-standing relationship with Cosatu — will attempt to contribute to the regeneration of SA manufacturing by devising a set of policy proposals that address both the shortcomings of current policy and the deep-seated structural problems that have led us into the impasse This it will do through a study of 12 manufacturing subsectors, including the informal sector

Difficult and controversial questions will be asked that critically examine current policies. These include

- ☐ A serious questioning of the degree of protection and tariff policy;
- ☐ Ownership structures and the lack of competition within sectors,
- ☐ The criteria used by government institutions for the support of particular industries,
- ☐ The absence of a coherent policy for human resource development,
- ☐ The disregard for environmental considerations,
- ☐ Managerial behaviour which is characterised by short-term profitability and a lack of vision, and
- ☐ The adversarial industrial relationships governing labour relations

Restructuring is not only about factory floor organisation, or industry or ownership. It will raise important and difficult questions — particularly for labour — of adjustment

A number of disruptive factors challenge the trade union movement on several fronts decline of membership, organisational capacity, unity among workers in the face of competition, retrenchments and new technologies

It is not surprising that the unions — both internationally and in SA — have often not responded with enthusiasm to the potential restructuring of their industry Where unions have responded defensively they have been confined to negotiating redundancy procedures and severance pay with the twin aim of slowing down the pace of restructuring and attempting to reduce the amount of labour displacement

However, the experiences of countries such as Australia, Sweden and Canada indicate that restructuring is an inevitable response to the global challenges It also shows that it is only in reaching some kind of strategic accommodation between labour, the state and capital that unions will be able to extract what potential benefits the reorganisation of manufacturing production offers

This is an important difference between the approach adopted by the ISP and the restructuring programmes of the IMF and other international institutions Theirs are predicated on the lowering of the real wages through devaluation and the lowering of the social wage through cuts in government expenditure. The bases of restructuring identified by the ISP are not those of cost-cutting or simple price competition, but rest on new and different production and organisational techniques

While the one objective of the ISP is to re-establish increased competitiveness and productivity (which is not the prerogative only of management) the second objective is to extend and consolidate the organisational capacity of the trade unions in the factory and at industry level

The achievement of these objectives relies on the ability of these two actors to negotiate a "restructuring accord" This will involve balancing the winning of a greater degree of industrial democracy on the shop floor against increased productivity; establishing necessary institutional arrangements — by extending the scope of the industrial councils and enforcing management's participation in employer federations — for co-operation on the shop floor; and winning a greater degree of job security for increased flexibility

The underlying assumption of such a social accord or economic compromise between capital and labour is that, with greater industrial economic democracy, production and productivity will be increased

The implications for labour are a greater involvement in individual workplace issues as well as macro-economic issues including wages, taxation, social wage and price restraint, unemployment, child care, education and training, health care and other social development

While conflict on the shop floor cannot be wished away, a recognition of the benefits of co-operation must surely take the place of the adversarialism characteristic of the relationship between capital and labour to date. This involves a recognition that strong, independent and democratic trade unions are essential to the viability of such a social accord

The ISP is concerned not to see the role of the market as solving all problems, nor to overemphasise the role or capacity of the state A new approach is needed — one in which capital has to refashion its relationship with labour; in which new types of state involvement are required; and in which a broader institutional involvement is required with universities, technikons and research institutions, trade and industry federations, consumer organisations and environmental groups, among others

On the one hand, therefore, we will examine the distortions caused by particular state policies On the other, the ISP's policy proposals are likely to include carefully targeted interventions within and between sectors and between sectors and relevant institutions, both in the private sector and in the state

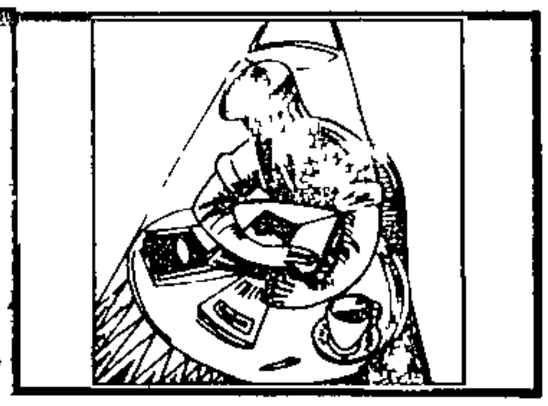
The ISP recognises that industrial restructuring of the required type cannot be achieved by bureaucrats writing the "best economic plan" It can occur only as a process, with all the major parties contributing to an identification of SA's economic weaknesses, on a sector by sector basis, and identifying the steps necessary to correct weaknesses and to take maximum opportunity of the potential for advancement

The research consultants on this project will engage manufacturers, state bodies, employer federations and relevant Cosatu affiliates on these issues Underlining this research project is the understanding that collaborative relationships between manufacturers, companies and unions, and the industry are an essential ingredient of any successful industrial policy

A challenge for the ISP is to map out a strategic path and set of policies for the manufacturing sector which ensure that such co-operation is possible and in which the role of labour can be enhanced

☐ The authors are co-directors of the ISP, although the views expressed are their own. This is an edited extract from an article in the latest edition of the SA Labour Bulletin.

WORKERS' EDUCATION



Trade Unions 5:
Working Class Leadership

New Nation [Learning Nation]
3/4 – 9/4/92
(132)

Last week we looked at the question of working class politics. We said that working class politics is the politics of collective struggle for the benefit of everybody. This approach to politics arises out of peoples' experience at work and at home We also learnt that it is only when trade unions operate on the basis of working class politics that the working class itself will become aware of its own strength.

This week we want to look at where this working class politics comes from. The unions do not automatically have working class politics. This politics must come from the working class leadership in the union.

- What do we mean by working class leadership?
- What makes working class leadership?
- Is capitalist leadership and working class leadership the same?

Workers must educate themselves to build leadership

What do we mean by working class leadership?

Working class leadership does not exist outside of the struggles of the working class itself A true leadership cannot stand on the side-lines and tell the class how to struggle Leadership should always be at the forefront of every single working class struggle, no matter how small

Leadership of the working class is made up of its most dedicated and disciplined members Different sections of the working class have very different experiences under capitalism For example, three workers working in a cafe cannot be expected to be as strong and militant as 500 workers in a Nampak factory Often, farm workers are not as militant as factory workers These different experiences teach workers different things about capitalism

The role of working class leaders is to lead the masses to a better society Their actions and guidance must prepare the working class to achieve its aim, which is to overthrow the capitalist class This fact alone shows us that capitalist leadership and working class leadership can never be the same The capitalist leaders cannot be expected to help in the overthrow of their own class

What makes working class leadership?

At the same time, capitalist ideology also prevents the majority of workers from developing a class consciousness So at any one time, there is only a small minority within the working class who see through the problems of capitalism This minority wants to fight for socialism This is the revolutionary leadership of the working class, its foremost fighters or the vanguard

New word The word, vanguard, means the leading sections of an army This is the section that is in front, leading and fighting

How does working class leadership differ from capitalist leadership?

The point about the leadership of the working class is that it is accountable to the working class This leadership does not act behind the backs of the working class It encourages active discussion and debate within the working class itself

This leadership stresses the role of the collective, rather than the individual This is the exact opposite of capitalist leadership and ideology The capitalist education and propaganda always try to tell us that history is made by "great men" The role of the masses in making history is always ignored Working class leadership always encourages the working class to solve its problems through its united strength and action Working class leadership does not act on its own or on behalf of the working class

How do we see working class leadership in the trade unions?

We see this leadership in the way the union works, and in the way the union takes up struggles The two guiding principles for how the unions work are **workers' democracy** and **workers' control** The democratic functioning of the union is important We said last week that it builds the confidence of workers But this democratic functioning also allows different viewpoints to be heard and debated It allows the best fighters in the union, the working class leadership in other words, to guide and lead the membership

But democratic discussion and debate are not just means for the leadership to influence the membership These principles and ways of working are also meant to ensure that the leadership is accountable and carries out its mandates Leaders call meetings, work according to mandates and report back to their members

Leaders and Theory

Sometimes the question of workers' democracy and workers' control have not been understood or practised properly We spoke earlier about working class leadership One of the main things we said about this leadership is that it must be guided by revolutionary ideas Working class leadership must be based on a clear understanding of socialism Now we know that socialist theory does not just jump into our heads in the factory Socialist theory is something we must study

The majority of workers do not get the chance to study socialist theory This means the majority of workers know only capitalist ideas So we can see that it does not mean we will have progressive leadership just because workers have taken a certain decision A meeting of workers who all have only capitalist ideas can easily take a wrong decision

It is through the process of democratic discussion and debate that the leading fighters of the working class can guide and convince other workers of the best way forward And the best fighters of the working class are not only the union members themselves Often they are also the union officials

This week we have looked at what we mean by working class leadership We also looked at how we see this leadership in the way the unions work Next week we want to look at how working class leadership takes up workers' struggles.

B/Day 3/4/92

(133)

Marais meets Saccola

MANPOWER Minister Piet Marais and members of Saccola met yesterday for the first time to discuss restructuring the National Manpower Commission, spokesman Ted Townsend said

COMMENT

Economic forum

BDay 3/4/92 (132)

WEDNESDAY'S meeting between representatives of organised business and labour and Economic Co-ordination Minister Derek Keys and his associates brings closer the establishment of a forum which could be as important in shaping South Africa's future as a fully representative Parliament.

Remarkably, employers and unions have not taken long to develop a consensus on the structure, powers and functions of an economic forum. In addition, their proposals do not seem incompatible with the transitional council concept advanced by government as part of its proposed arrangements for interim rule.

It is fortunate that the Cabinet has a person of Keys' stature to represent it in this endeavour His practical experience in the private sector will ensure that he has the necessary finesse to usher the proposed forum into existence. Regrettably, this is a task for which the next most obvious candidate, Finance Minister Barend du Plessis, is demonstrably inadequate In his handling of the VAT fiasco, only the latest example, Du Plessis has shown that he lacks the sensitivity and grasp of negotiation processes required for success

An economic forum brings with it much promise of more stable and certain economic and fiscal planning, and new hope for growth But it also embodies serious dangers, of which participants will need continual reminders

The forum could help build less adversarial relationships between labour and management and the state, and produce a government more responsive to the needs of the real economy. And, while the proposed forum is designed primarily to operate during the transitional period, it could be an invaluable tool later on to ensure that economic policy is debated by a broad range of interests.

Co-operation between the economy's major stakeholders has been a feature of most of the world's most prosperous nations. Here, our history of racial division has helped make South Africa one of the last bastions of Marxist thought, and this has left a gulf in economic thinking between labour on the one hand, and business on the other It may be, though, as Cosatu's Jay Naidoo suggests elsewhere on this page, that an intensive interaction of ideas could narrow that gulf considerably.

One of the greatest dangers, though, is that big business, labour and a future government develop too cosy a relationship, striking deals protecting their narrow and short-term industrial interests. This would halt any trend towards greater international competitiveness, and leave the unrepresented — the unemployed and those in the informal sector — on the margins of society with ever less hope of entering the formal economy

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Economic Codesa awaits nod from government

(132)

South 4/4-9/4/92

AN ECONOMIC Codesa may be in the making, following a meeting this week between organised labour, business and the government.

Presented to Minister of Trade and Industry Mr Derek Keys at the meeting on Wednesday was a proposal that government join a proposed tri-partite Economic Forum to negotiate economic policy. The envisaged forum would have equal representation for the parties, would work by consensus and have a state-funded secretariat.

All significant labour and business groupings backed the proposal and it remains to be seen if government ends hostility to putting economic policy up for negotiation.

Trade union movement sources are optimistic the cabinet will opt to join, although it may fall to an interim government to participate.

A statement by the key labour and business bodies said: "The major economic stakeholders need to develop co-operative mechanisms for addressing South Africa's economic challenges".

"Organised labour, organised business and the governing authority must work towards strategies for sustained economic growth, elimination of distortions, stability and addressing of social needs."

The key players said they accept Codesa is not an appropriate structure to deal with the economy, but that co-ordination between the forum and Codesa is necessary.

Business and labour sides stress different agendas for the forum.

Business emphasises taxation, state spending, investment confidence and productivity, while trade unions want to negotiate VAT, collective bargaining, worker rights, unemployment and job creation.

Enoch Godongwana, Numsa Regional Secretary (Border)

South 4/4 - 9/4/92

Both the Swedish social democratic model and the Cuban Marxist model are in crisis – for a variety of reasons It is not to them that we in South Africa should be looking for modesl for a new society in our country

In South Africa today it is widely envisaged that industrial restructuring will be a product of negotiations between the government, business and trade unions

This implies that the process will produce various agreements that could together constitute a national accord or social contract

This is an agreement by those with a major stake in the society — notably organised labour, capital and the state — to give content to common objectives of economic growth, job creation and better living standards for the whole population

What are the implications of this for a socialist transformation?

Because social contracts have been concerned with reforming capitalism, they are simply rejected and anyone who argues that they should be explored is immediately labelled a social democrat

It is important for those socialists who reject social contracts not to resort to Marxist rhetoric and dogmatism, but to provide answers to questions facing the working class today

What do we tell the 9 000 workers in the tyre manufacturing industry when tariffs are removed and their jobs are at stake Do we tell them to wait for a socialist revolution?

When workers' jobs are threatened, when bosses increase their prices, thereby attacking the living standards of workers, we should respond by putting demands to capital and, if need be, to the state If these demands are not met we must take mass action

These issues are important for mobilisation and building strong organisation — keys to the success of any revolution Such organisation is not built around abstract demands and the same should be said of socialism

Clearly, the social contract is not intended to make any fundamental transformation of society but to reform capitalism

But that is not reason enough for its rejection If the working class had seized power and instituted class rule, talk about social contracts would not be necessary

'The social contract may be intended to reform capitalism, but that is not reason enough for its rejection'

132

The issue should be approached in the context of the unfolding political situation in our country

The present negotiations will lead to an ANC-dominated government (assuming the right wing doesn't disturb the process) There is also no doubt in my mind that an ANC government will make fundamental changes beneficial to the poor But the immediate post-apartheid society will not be a socialist one

Both now and during the post-apartheid period, we need to engage both capital and state to defend ourselves against attacks on the living standards and job security of the workers

Our defence will take different forms which may include mass action and, at times, negotiations It is clear that capital will not negotiate itself out of existence

Any agreement reached will be characterised by trade-offs between the contending forces The nature of such trade-offs and the final product that emerges in the form of a social contract or accord will reflect the balance of forces

Assuming that the above characteristics of the post-apartheid society are correct, then the need arises to address tactical and strategic questions facing the working class I argue not for abstentionism but for engagement, which of course may lead to a social contract Critical to me is how that engagement takes place It must be informed by a socialist perspective

This means that a social contract reached should be seen not as an end in itself, but as a building block for advance Its contents should not therefore preclude mass action on our part

The negotiations should be characterised by mandates and report-backs The demands negotiated must be clear to workers

Social accords have been achieved in certain social democratic countries within the framework of capitalism

Social democracy in some countries, such as Sweden, did improve conditions for the working class It provided better living standards and better living conditions and a social environment for the working class

These improvements cannot be ignored But socialism must not only provide the above, it must also deliver what social democracy cannot do It must genuinely empower the producers so that they have control over what they have produced

Socialism needs to transcend social democracy We need to approach the debate on social contracts creatively, guided by a socialist perspective and working class democratic practices such as accountability of leadership, mandates, reports and mass action if demands are not met

The socialist vision means a society where the means of production are to a large extent controlled by the producers, or workers, and where social wealth is used for the benefit of society as a whole

I say "to a large extent" because I assume the continued presence of private property since socialism is a transition between capitalism and communism and contains ingredients of both

In short, I argue for restructuring informed by a socialist perspective and characterised by working-class politics, democratic practice and accountability of leadership

All approaches must be debated and hopefully some common ground will be reached **— SA Labour Bulletin**

LABOUR

State may suspend funding for NMC

By DREW FORREST

GOVERNMENT cost-cutting initiatives have emerged as a threat to the National Manpower Commission, a vital statutory think-tank on labour law

Government sources said this week an official study of the Manpower Department's infrastructural requirements was under way and that there was a real possibility that funding for the NMC's secretariat might be withdrawn

A possible response would to secure alternative funding through a levy on employers and workers, they said

The news comes as efforts to revamp the NMC move to a climax. Last week the employer body Saccola met Manpower Minister Piet Marais on the issue, and sources said Marais was likely to respond within the next fortnight

Last year the commission formally recommended its own restructuring to the government Saccola, the Congress of South African Trade Unions — at that stage an NMC member — and other parties called for it to be reshaped into a negotiating forum representing key actors in the labour field, with a direct Manpower Department role to ensure a single law-framing process

Official sources said the government's response might be critically affected by a policy decision on whether to join forums in general, including the proposed economic negotiating forum. Apparently fearing it will concede away its right to rule, and wishing to focus on the Convention for a Democratic South Afric, the state has been resisting negotiations on a range of fronts.

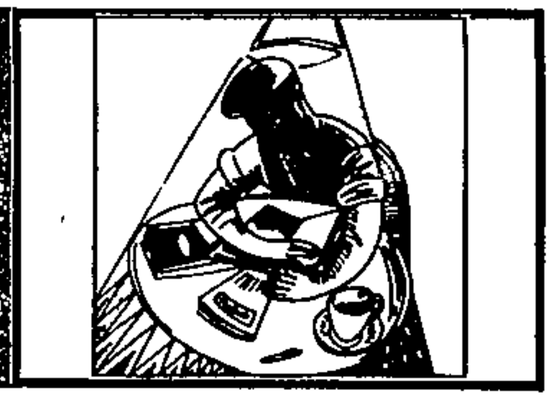
Last week Cosatu, Saccola, the South African Chamber of Business and Foundation for African Business and Consumer Services (Fabcos) tabled joint proposals for an economic forum in talks with Economic Co-ordination Minister Derek Keys

Sources said that as the NMC was its statutory advisor, the Manpower Department was unlikely to shun it completely However it might opt for observer status, rather than the more active, albeit non-voting role envisaged in the commission's recommendations.

There are two other potential areas of conflict. Cosatu wants a direct relationship between the NMC and parliament, governed by a protocol. One implication would that if the minister rejects a consensus recommendation, it would still go to the legislature.

In addition, the NMC proposed a 25-member commission with 10 seats each for employers and labour The government appears to favour a larger body with significantly more independent members

WORKERS' EDUCATION



Trade Unions 6: Leadership and Strikes

(132)

New Nation [Learning Nation] 10/4-15/4/92

So far in this series, we have looked at what trade unions are and what their role is. We have said unions are organisations of workers who have united to fight against their common exploitation on the factory floor. We saw that the strength of trade unions is that they build class consciousness among workers. The weakness of unions is that they can also *prevent* workers from developing this consciousness. What allows the unions to play a progressive role in our struggle is whether or not they have working class leadership and working class politics.

We want to continue this week by looking at how

- **working class leadership takes up struggles in the unions.**
- **this *way* of taking up struggle helps to build class consciousness amongst workers.**

Let's use the example of strikes

Strikes are the strongest weapon workers have in their struggles against the bosses on the factory floor Remember, we said that in the capitalist system, all profit comes from the labour of workers By refusing to work, workers refuse to give the bosses profit Making profit is the heart of the capitalist system If bosses cannot make profit they will be driven out of the industry and into bankruptcy Strikes are therefore the strongest weapon workers have in their struggle against capitalist exploitation

Proper preparation for strikes

Because strikes are the workers strongest weapon, they must be used effectively The one thing that makes any strike effective is proper preparation This is the thing that a truly working class leadership will give most attention. Although strikes are the best weapon of workers, we know that class struggle is fought from two sides. The bosses are well organised They can depend on the SAP, on the law, which allows them to dismiss striking workers, and on scab labour. They can also depend on their spies among the workers, who can warn them when workers are planning to strike Then they can plan production and deliveries so that they will not lose too much profit. There are times when the bosses use strikes to dismiss the best worker militants Sometimes the bosses, will simply use their immense wealth to sit out strikes, waiting for the workers to give in first.

Within the working class there are endless examples of strikes that failed. In all these cases, the workers fought heroically, against big obstacles, over long periods of time only to be defeated in the end When we look closely at any one of these examples, we will see that most of the time the workers were defeated by their own lack of proper preparation.

Lessons from previous struggles

Working class leadership always draws lessons from previous struggles, from victories as well as defeats In this case, the clear lesson is that although strikes are a powerful weapon, proper preparation is vital to make them effective.

Something to think about....

Maybe you have been in a strike, or perhaps you have a friend who has been. Think about this strike and answer the following questions. When you answer, think about what you can learn from your experience.

- **Before our strike, were we clear on why we were striking? In other words, did we have clear demands?**
- **Were the demands and the decision to strike arrived at by the majority of workers? Was this done democratically?**
- **Did we strengthen our organisation on the factory floor before the strike? How did we do this?**
- **Did we mobilise our members through pamphlets and questionnaires, asking them about what kind of increase they needed. And whether the organisation was strong enough to win such an increase?**
- **Did we make sure those workers who were not union members were encouraged to join? Sometimes these workers are critical to production, and can weaken our strike if they don't join us or at least agree to strike with us**
- **Did we organise solidarity action well before the strike itself? Did we meet with the workers who work in the factories our company deals with? Did we say to these workers that we were planning a strike and would like solidarity from them?**
- **Did we send workers to meet with the community and political organisations to discuss support from these organisations?**
- **Did we have lists of products to be boycotted or targetted before the strike?**

There are many other things to be considered before a strike For example, workers must look at how much stock the bosses have in the warehouse This will give an indication of how long the bosses would be able to hold out during the strike Workers also look at the production levels to see how busy the bosses are Sometimes the workers decide to ban overtime well before the strike, so that the bosses cannot stock-pile their products in the warehouses in preparation for the strike

In line with this, workers also consider the best time to strike The best time to strike is obviously when the factory is at its busiest But wage negotiations often do not happen at the same time as the factory is at its busiest. So workers must decide if they are going to have a legal or an illegal strike This obviously depends on how well organised the workers are.

Picketing

Those of you who have been in strikes before have probably also been involved in picketing Workers picket to stop scab workers from entering the factory They also picket to stop delivery trucks from entering or leaving the factory This kind of action needs special skill and definite tactics.

The strike is an excellent time for the leadership to sharpen the political consciousness of the strikers The strike itself does this in many ways During the negotiations, workers know their demands are justified But they see the determination of the bosses not to give up even a small part of their profits. When the strike starts, the SAP is the first to arrive. They arrest the pickets and harass the strike leaders Workers see clearly how the state is a brutal weapon of the bosses In the morning, when they open their newspaper, they see only the bosses side of the story about the strike

Workers see that the whole society is built in a way that benefits the profits of the bosses The strikers begin to see that even a struggle for a wage increase succeeds only if it is also tied to a broader struggle to break the whole capitalist system

Working class leadership builds on these conclusions When the strikers meet to discuss progress of the strike, the leadership also organises discussion on the related political questions that show the need for broader, united working class organisation.

BUILD YOUR ORGANISATION

Last week's article left off at the point where we were discussing what a campaign is and how campaigns can act to stabilise organisations We said that organis-ations can often be unstable We explained this by showing how people can rally round an organisation over a specific burning issue but then drift away from the organisation once the issue has been resolved

With this in mind let's look at how campaigns can weld together an organisation and give it a sense of continuity

New Nation (Learning Nation) 10/4 - 15/4/92

Remember

Previous articles have outlined the role of organisations and how they develop Let's remind ourselves of some of the things we learnt about organisations

We noted that

- organisations emerge out of struggle and take struggles forward
- organisations can strengthen democratic practices and accountability
- organisations can serve as training ground for the working class, enabling them to take on the task of leadership
- in the process of building an organisation, people become more conscious of issues around them and of their own class position in society
- through organisations, the membership is educated and armed with information in order to strategise and take action In this process the confidence of the membership is built

Membership and recruitment

We have seen that organisations are nothing without their membership and that people will only form an organisation or be drawn to an organisation around particular issues which are in their interests What role can a campaign play in this process? The key function and effect of any campaign is that it mobilises people We all know from the history of struggle in this country that the most effective campaigns have been campaigns which have mobilised the mass of the people Campaigns such as the anti-pass laws, Living Wage and anti-VAT campaigns had mass support because they struck a chord with the people These campaigns mobilised people to struggle around a specific issue, raised clear demands and were directed at a specific target. In the process of doing this, campaigns appeal to a wide range of people and draw them into organisations

Campaigns play a vital role in recruiting new members As people are drawn into struggles around a campaign they often join the organisation that is campaigning and so increase the organisation's membership

A campaign provides a central focus around which a wide range of people can rally and mobilise themselves As far as possible we should try to draw in all the different groupings in our communities - workers, unemployed, students, youth, women In this process of focussing our struggles around a particular campaign, the current weaknesses of our organisations can begin to be addressed

Campaigns show what people are struggling around

We have seen that organisations emerge out of struggle and in turn, take struggle forward Campaigns, as a clear expression of existing struggle, serve to accelerate and give a struggle more definition and force

Once a particular struggle has been identified as being a key issue and demands are raised, people are mobilised around the issue and the campaign can serve to accelerate a particular struggle onto a higher plane An issue may initially be seen as being purely economic or localised, but, during the course of struggle, the issue may become political and national as opposed to just economic and local

For example, the struggles over wages could initially have been understood as being purely economic When these struggles were taken up in the Living Wage Campaign and formulated in demands linked to issues such as a forty hour week and a ban on overtime, it posed the question of workers' control of the factories The campaign shifted from being economic to posing questions of ownership and control and ultimately questions of political power

In this dynamic process of struggle, organisations can themselves change their nature They might change from being defensive organs to being offensive organs of struggle Campaigns can play a role in accelerating this change

Links between campaigns and broader struggles

Campaigns will be strengthened if they are not just isolated incidents They will gather a lot more force behind them if they are taken up on a national level Smaller campaigns around a specific issue in a specific place, for example, electricity cuts in Attridgeville or the lack of decent sanitation in Phola Park can be linked to wider struggles Demands can highlight the broader struggle around electrification and primary health care and so expose the current attacks on the living standards of the working class

Democracy and accountability

Organisations can serve to strengthen democratic practice and accountability Campaigns draw in more people and expose them to democratic ways of working For campaigns to be successful, they require constant reportbacks and assessment of the gains made In this process, membership learns to participate in debates and to express their own opinions This helps to build democracy and accountability within the organisation

Campaigns will not be responded to enthusiastically if they are simply declared from above in an undemocratic way Campaigns usually emerge from struggles on the ground and are an expression of the needs and demands of the mass of the people In the same way that organisational structures can become hollow shells if the membership does not participate actively, campaigns can also not get off the ground if they do not have the backing and democratic involvement of people

Skills for leading

(132)

Organisations act as a training ground for the working class to take on the task of leadership Campaigns develop the organisational and leadership skills of people who participate In the course of a campaign, people will develop a range of skills, whether it be how to draw up a pamphlet or make a poster; how to organise a mass rally or how to speak in public All these skills equip the working class to take up the task of leadership

Class consciousness

In the process of building an organisation and in the course of campaigns, people become more conscious of issues around them and of their own class position in society We've seen how, through organisations, the membership is educated and armed with information in order to take action and to strategise In this process the confidence of the membership is built and people gain a heightened consciousness of their position and role in society People develop a clearer sense of the conditions under which they live and compare these to the conditions of other classes in society

Something to do:

This article has shown how campaigns are a key to building organisation

Write a paragraph explaining why campaigns are important for organisation building If you are finding this difficult you could read this article again or just read the sub-headings to remind yourself of the main ideas

You are welcome to send your answers in to us at

✉

Learning Nation,
P O Box 11350,
Johannesburg

Look out for future articles which will deal with how to run a campaign and the specific skills required to do so effectively

Knight for the Iron Lady

FM 10/4/92

RETHINKING LABOUR-MANAGEMENT RELATIONS *by Christopher J Bruce & Jo Carby-Hall (Routledge, 168pp, price on request),* **KILL THE MESSENGER** *by Bernard Ingham (Harper-Collins, 398pp, R89,99)*

Each of these books challenges the strike as a rational form of industrial action, one of them proposes a substitute, the other calls a halt

Bruce is a labour economist, Carby-Hill an academic lawyer with practical experience in industrial relations They propose compulsory arbitration as an alternative to work stoppages in industrial disputes This,

they argue, will produce better results in terms of both efficiency and equity

In the last resort work stoppages may be unavoidable but parties to an industrial dispute must, they say, be put to a final and binding choice between two modes of conflict resolution. a work stoppage or arbitration No strike must be called to overturn an arbitration award

The authors would make arbitration the norm No work stoppage would be lawful save by leave of a commission on which workers, employers and the Minister responsible for industry would be represented The authors claim advantages for permitting the right to a strike or lockout to survive on this attenuated basis, but do not consider how the members of an important union would be likely to react if it were refused the right to strike Many readers will conclude that if arbitration has the merits the authors claim for it, no scope exists for permitting work stoppages

A difficulty I have is this· it is through calling strikes that union leaders loom large on the national scene Where would the working class movement be if these men ceased to be news, dropped out of the headlines? And don't many workers gain a vicarious satisfaction from their prominence?

Bernard Ingham's book is an autobiography which culminates with an account of his role as Margaret Thatcher's chief press officer

He emerges as a chivalrous and indeed a comprehensive advocate of Thatcher, whom he sees as being above all a caring person

Ingham came of a working-class background, became a reporter at the age of 16 and stood as a Labour candidate in a municipal election in his early 30s Later he became a temporary civil servant and took up a position as a press officer in the Board for Prices & Incomes.

Some three years later he transferred to the newly formed Department of Employment & Productivity as speech writer for the Minister, Barbara Castle, of whom he became a fervent admirer. He says of her "Most of all Barbara Castle prepared me for the big stuff She, like Margaret Thatcher, was a substantial politician endowed with good looks, energy, fire, intelligence, determination and guts. And the greatest of these is guts Both Barbara and Margaret were made of sterner stuff than their parliamentary parties and the Cabinets of which they were members "

Castle took productivity as seriously as employment She saw that a radical change in the attitudes and behaviour of trade union leaders was essential to the performance of the British economy. She prepared a policy document called "In Place of Strife" which went to the Cabinet for approval but was rejected; only Prime Minister Harold Wilson supported it.

By 1970 Ingham had become utterly disillusioned with Labour's handling of the unions and thought they deserved to lose the election of that year. He fully endorsed the ideas of Edward Heath, the new Tory prime minister.

But to put these ideas into effect Heath would have had to make a break with consensus politics; this he failed to do.

As for the Labour government that came between Heath and Thatcher, it achieved nothing on the industrial scene. Only after 1979 were Heath's ideas on industry translated into reality by Thatcher; she believed that consensus politics were the result of woolliness and irresolution.

FM 10/4/92

When Thatcher took office in 1979, Ingham was moved from a much less prominent job to that of chief press secretary to the prime minister, he remained in this position until her fall from power in November 1990 His admiration for her was such that he could not work for any successor

Strangely enough, Ingham barely mentions Thatcher's Employment Act of 1990, it is to Bruce and Carby-Hall that the reader must turn for an account of its provisions and those of her earlier Act of 1988 Ingham leaves us to infer that she did what her predecessors had failed to do

The concern of union leaders over unemployment in the wake of excessive wage claims crocodile tears Their denial that other unions would make claims if those of the coal miners were conceded. a bromide

This is the book of a Yorkshireman who pulls no punches — which is one of the reasons why it will live as an account of British government from the inside

Radford Jordan

Union warns SA businesses on labour

(132)

JOHANNESBURG — Businesses are to be asked to attend another centralised bargaining forum to discuss labour issues, the South African Commercial Catering and Allied Workers' Union (Saccawu) announced at their rally yesterday

Speaking at the end of the movement's national bargaining and campaigns conference, Saccawu general-secretary Mr Papi Kganare said another meeting would be held "early in May subject to practicalities" CT 13/4/92

Only five percent of businesses had attended the previous meeting on March 30 and a dispute would be declared if the response was as poor, he added

BUILD YOUR ORGANISATION

BUILDING ORGANISATIONS IS HARD WORK

New Nation [Learning Nation] 16/4-23/4/92 (132)

Over the last few weeks, our series on building organisation has dealt with a variety of issues. We have looked at

- **why people organise,**
- **the role of organisation,**
- **how organisations work and are built.**

This week we will look at what makes building organisation difficult. We will look at the obstacles to building organisation.

Before we do this though, we would like you to write down a list of reasons for why you think people have sometimes struggled to build organisations. Think of your own experiences.

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If you like you can send your list of reasons in to Learning Nation. This will guide us when we write future articles.

The greatest obstacle

The greatest obstacle facing the working class is the fact that it is oppressed and exploited by the capitalist ruling class. It is the capitalist class which owns all that is necessary to produce the food, clothing and shelter for survival. It also owns the media such as newspaper companies, radio and television which are important tools in shaping the way we think and the values we adopt. The state in capitalist society exists to serve the interests of the capitalists. The police and military sections of the state are there to physically enforce the law, which at the end of the day, is in the interest of the bosses. The state also has control over the education system through which children are socialised into accepting the capitalist way of life. It is against capitalist ideology and the armed force of the state that working class people must struggle in order to build their organisations.

Ideological Obstacles to Building Organisation

Write one sentence explaining how you think television or the newspapers try to tell you how to live your life.

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Through the media the capitalists constantly preach to the oppressed classes that capitalism has always been there and that it will always be there. This view might make you feel helpless. This then in turn makes you feel that there is no point in fighting against the system because it is so strong and will always be there.

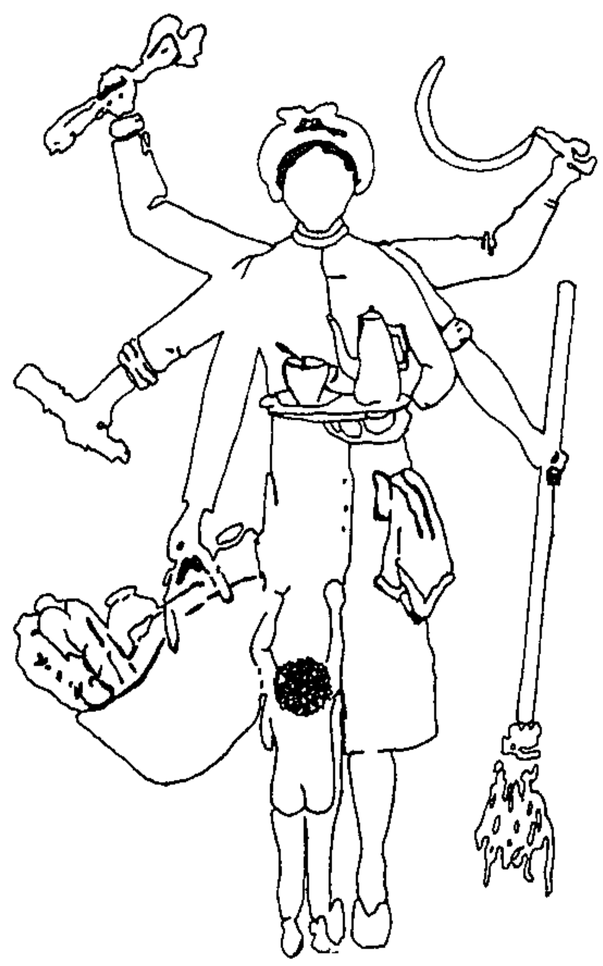
The media also tells you that in order to succeed in life all you need to do is to work hard as an individual. This instils individualism and competition amongst workers. Workers tend to see their fellow workers as an obstacle to their own individual "progress" and not the capitalist system People thus see no need to resolve their problems collectively through building organisation.

The capitalist class in South Africa has been very successful in using racism, ethnicism and sexism to sow division within the working class These divisions within the working class have proved to be serious obstacles to building working class organisations The history of our liberation struggle is filled with examples of where organisations have split or where unity could not be achieved because of racism and ethnicism and how different organisations see the solution to these problems

Something to Discuss

You might like to discuss the divisions within the working class with a friend or in your Learning Nation group

Sexism is a much ignored obstacle to building working class organisation. Current ideology promotes the idea that men are the main providers in a family and are better than women. Some people believe that only men can do certain jobs and women others. You might find that men dominate in the organisations that you work in - perhaps the men dominate the key positions. Women are expected to take responsibility for the well being of the family. This means that women have little opportunity or time to participate in organisations without having to sacrifice caring for their families.



A woman's work is never done.

The Education Crisis

In South Africa, it is clear to everyone that the state as the agent of the ruling class provides the working class with "gutter education". This education is not designed to encourage people to be critical about the world in which

they live and about what they get taught. This also applies to the skills that are taught These skills are designed to make workers efficient workers. None of these skills enable workers to build and sustain their organisation or enable them to take control over their own lives. This has led to a situation where organisations of the working class have become dependent on sympathetic intellectuals from the middle-class who have had better educational opportunities and access to skills

Another obstacle for organisations is that members must also be trained to gain the necessary skills such as chairing meetings, basic accounting, media skills and running educational workshops. This acts as a severe handicap to the building of organisations

The Impact of Class Struggle

While all of the above ideological obstacles weigh the working class down, the intensity of struggle between the bosses and the workers also reinforces or undermines these obstacles. From our own experiences of building organisations in South Africa, we have seen that during periods of intense struggle and mass action, working class organisations mushroom across the country. On the other hand, when the intensity of mass action drops, organisation collapse. People return to the routine of their daily life The experience of mass action has a powerful impact on the consciousness of people and so they see the need for democracy and accountability. Members of organisations become more self-disciplined. Corruption, which is a problem in many organisations decreases, and people are willing to carry out tasks and make great sacrifices in time and effort.

When organised mass action dies down, this level of consciousness also begins to break down. Motivation drops, leading to people not being punctual for meetings or, worse still, people not attending meetings Corruption and ill-discipline become common practice.

So we see that the shift in the level of consciousness, which in turn changes according to the level of struggle, can also advance or act as a brake to the building of organisation. When the ruling class has the upper hand, its use of ideology and physical force become even more powerful obstacles and the willingness of the working class to build organisations to defend themselves can decrease

Next week we will look at some of the more concrete obstacles to building organisations - the state, unemployment and the lack of resources.

INTERNATIONAL ISSUES

Nationalism 5

New Nation (Learning Nation) 16/4-23/4/92

132

Right-wing Nationalism

In our introductory article to this series we noted that alongside the many national liberation movements that exist worldwide, there is also a growing right-wing nationalist current. This article will focus on the rise of this form of nationalism and some of its implications.

International Capitalism: Recession and Uncertainty

A striking feature of many of the leading imperialist countries over the last few years is their economic recession The USA, Britain and France are amongst the worst hit countries On the other hand, countries like Germany and Japan have shown a growth in their economies, but there is uncertainty as to how long this trend can continue

> **A recession means that instead of the economy growing and the capitalists making bigger profits, the economy declines and profit making becomes increasingly difficult.**

Under these conditions, the capitalists resort to all kinds of measures in an attempt to secure their profits In trying to beat the recession, capitalists cut production rates or even shut down factories Sometimes they shut down a factory in one country and move the plant to another country to get cheaper labour or better tax benefits Capitalists also argue for a wage freeze despite a rise in the cost of living All these different tactics lead to workers facing a drop in their standard of living or unemployment.

Responses to the Economic Crisis - The Capitalists

Capitalism is a economic system based on competition between capitalists This competition happens between capitalists within a country as well as between capitalists of different countries For example, American and Japanese capitalists compete with each other for the sale of their products Over the last few years, the USA has bought more from Japan than Japan has bought from the USA By the beginning of 1991, the USA owed Japan about $46 billion This trend is most clearly shown up through the collapsing motor car industry in the USA More and more Americans prefer Japanese cars to US models resulting in a severe drop in sales of American made cars The capitalists who invested in the motor car industry face huge losses

American capitalists accuse the Japanese capitalists and the Japanese state of blocking the entry of American products into Japan Often these accusations are made in such a way that the Japanese capitalists and their state are **not attacked for being capitalistic, but for being Japanese** This amounts to promoting racism where the Japanese nation is made to be a nation that is selfish or greedy These prejudices can get easily re-enforced in conditions of an economic recession

Capitalists also stir up racist prejudices between nations, out of fear that their country will be dominated economically and politically by another In particular, countries like France and Britain with their weak economies, fear German domination This fear continues to grow given that by the end of 1992, countries like Germany, Britain and France together with our European countries are meant to merge into a single European Economic Community (the EEC) In America, there is a rising tide of anti-Japanese feeling A campaign to "Buy America" and to put "America First" is gaining in popularity as Americans are encouraged to buy American products despite the higher prices as a sign of their patriotism

Past experiences have shown that under worsening economic conditions, the capitalist class of one country is willing to go to war with another country The Gulf War is a recent example Iraq's invasion of Kuwait was a threat to America's oil supply and political influence in the Middle East. Imperialist invasions of another nation have little to do with advancing democracy Instead, democracy is often sacrificed to secure the political and economic interests of the imperialist country

Japan Strikes Back!

Japan is no longer willing to take the racist bashing it gets from the USA in silence Japanese capitalists have found a way in which to make a profit from all the racial abuse Japanese get from Americans

A Japanese computer company has produced a video game called Japan Bashing In the game, players must use their "skill" to convince the Japanese government to allow US building companies into Japan. Another situation involves the player trying to understand a Japanese speak "broken" English.

The makers of the video game argue that the game is meant to improve Japanese-American relations This is questionable however for when the "Americans" are offended in the game, a cowboy with his six-shooter guns shoots the "Japanese". When the "Japanese" are offended in the game, a Samurai warrior uses his sword to kill the "Americans"

Rather than improve relations, this game seems more likely to sharpen the growing racism between America and Japan.

Fascists selling their paper in Britain

Responses to the Economic Crisis - The Middle and Working Class

The most immediate impact of the economic recession for the middle and working classes in the imperialist countries is a drop in the standard of living, bankruptcy and unemployment As a result of the dominating influence of capitalist ideology, middle and working class people largely believe that the economic crisis is a fault of some other country For example, many ordinary American people believe that Japan is the cause of their economic problems The capitalist system itself is not questioned as a possible cause for the failing economy Thus fertile ground exists within the middle and working classes for racist sentiments to grow

In Germany, although the economy is not in a recession, there is growing fear amongst Germans about job security and a drop in living standards This fear comes after the recent reunification with East Germany where unemployment is as high as 50% Germans also feel threatened by immigrants or workers from countries like Poland and other East European countries who are looking for jobs, often for low wages Similar fears about loss of job opportunities and social benefits exist amongst middle and working class people in countries like Britain and France

The competition between workers for jobs or for social benefits not only divides worker against worker, but also turns workers of one nation or national group within the same country against another This division within the working class is promoted by the capitalists who are out to pay the lowest wage possible This is already being clearly demonstrated in countries such as Britain, Germany and France In recent months, there has been growing support for right-wing and fascist political parties Among the key issues promoted by these right-wing and fascist parties are demands for stricter immigration laws, deliberate discrimination against immigrants when it comes to jobs, housing and social security and the maintaining of "cultural values and standards" **It is this desire to limit democratic rights to a chosen national group at the expense of others that makes this form of nationalism reactionary**

Presently, the fascist organisations do not enjoy popular support. However there is growing support for some elements of the right-wing programme especially for the tighter control of immigration However, if the recession continues to cut more deeply into the living standards of working people and the fate of capitalism is in danger, then fascist solutions become real options

> **In our last article in Nationalism next week we will focus our attention on South Africa We have the complex situation in which the majority of people are still struggling to win their democratic rights denied them under apartheid. Under the same conditions, there exist right-wing nationalist and even fascist movements.**

LABOUR

New small business proposals endorsed

W/Mail 24/4 - 29/4/92 (132)

Proposals to ease regulations on small business have been endorsed by both the business community and the labour movement, reports

DREW FORREST

THE National Manpower Commission's recommendations to the government on small business are yet another sign of the growing common ground between labour and capital on labour policy

Gazetted last week, the proposals seek to ease the administrative burden of labour laws on micro-enterprises — defined as being owner-managed, with five or fewer workers and a 1990 turnover of no more than R250 000 — with an eye to promoting the small business sector and with it, job creation

They were endorsed both by business representatives on the NMC and the Congress of South African Trade Unions, while still an NMC member

Black labour has traditionally resisted the idea of a special labour regime for small business, seeing it as an application of free-market thinking and fearing that it will subvert union rights

The changes urged by the NMC are for the most part minor and technical — the report specifically states the aim of the inquiry as the stimulation of small business and work creation "without detracting from the basic rights of employees"

But Cosatu's endorsement is symbolically important, and signals its shift from narrow union concerns to a broad interest in macro-economic policy. "The proposals are not dramatic, but it is important that consensus was reached," said NMC chairman Frans Barker

"If they are accepted, a process will be set in motion which may bring further changes at a later stage."

In its annual report, the commission estimates that three quarters of new job opportunities are created by small business

Central to the NMC's recommendations are proposals for a simplified statutory disputes procedure for micro-companies

It suggests that in the first instance, small businesses should be encouraged to resolve differences by discussion If this fails, referral to an industrial council (IC) or conciliation board (CB), or arbitration or mediation, should be compulsory before a strike or industrial court action is launched

The Labour Relations Act should be amended to provide for mediation as an alternative to an IC or CB, it suggests

In the case of dismissals disputes, the NMC proposes, the parties should be able to choose between the industrial court or the proposed Small Labour Court Other proposals include

- A simplified procedure for exemptions from industrial council agreements, as well as a clause in all agreements inviting firms to seek exemption from provisions "restricting entrepreneurial initiative and/or employment opportunities"
- The appointment of a Manpower Department "facilitator" to monitor exemptions, investigate restrictions on small enterprise and keep the definition of "micro-business" under constant review.
- The drafting and distribution of guidelines to small companies on such matters as disputes procedure

The NMC agrees that all labour statutes should continue to apply to small business, while urging certain changes to the Workmen's Compensation, Unemployment Insurance and Machinery and Occupational Safety Acts to ease red tape

It suggests the drafting of guidelines for exemptions under the Basic Conditions of Employment Act, taking account of the nature, size and age of a firm, and whether employer-employee agreements are in force

[illegible] ORGANISATION

OBSTACLES TO BUILDING ORGANISATIONS

132

New Nation [Learning Nation] 24/4 - 30/4/92

Last week we wrote about the struggles you have had in trying to build organisations. The article then went on to explain how the ruling class tries to prevent the working class from building organisations.

It is generally believed that people should lead a structured and organised life. So why do you think the ruling class tries to destroy working class organisations? Perhaps you would like to read this article and then try to answer this question at the end.

This article will continue to look at obstacles that prevent the working class from building organisations. We will focus on the issue of the lack of resources, unemployment, education and the repressive role the state plays.

Who owns or controls these resources at the moment?

Make a list of the resources you think you would need to build your organisation:

In order to build organsiations, you would need to have access to buildings for meetings, access to the media to publicise these meetings and campaigns, and time to do all of this However, you know from experience that the capitalists own all these resources and that the role of the state is to ensure that these resources stay in their control The bosses own the factories, the transport systems, the media and have control of even the few community facilities that do exist in the townships. If you do want to use these facilities you have to pay large sums of money to hire them.

In this period of economic crisis, when the bosses are retrenching workers in order to maintain their levels of profits, many people do not have jobs and so this means that there is not enough money to pay for venues or for transport to get to meetings

Conditions of working class life

The conditions under which people live does not make it easy for people to have the time and energy to build organisations If you have to go to work early in the morning and perhaps you walk some of the way you wont have the energy in the evening to stay awake and contribute to meetings The bad public transport system in this country means that people often arrive at meetings late and need to leave early These conditions of everyday life make building organisation very difficult

Quality of education

The level of education amongst working class people is often low because they have only had access to Bantu education which means that they can probably just read and write well enough to be an efficient worker for the boss This education system did not develop the skills which one would need to write pamphlets or articles to go in the newspaper about the next meeting and debates and issues that need to be raised at that meeting Even if you can write good articles about the need to build working class organisation and know how to make pamphlets, the media, namely the newspapers and television networks are controlled by the ruling class, and so you would not have access to these To start a workers press would be the answer but that requires skill, money and organisation! Perhaps you are already in an organisation. Do you have an organisational newletter? Starting an organisational publication is not an easy task but it is something that would help mobilise people in the organisation It could deal with issues that are relevant to people in that organsation and in turn it could be used to recruit more people into the organisation.

There is another obstacle to building organisations and that is the state

Repression as an obstacle to building organisations

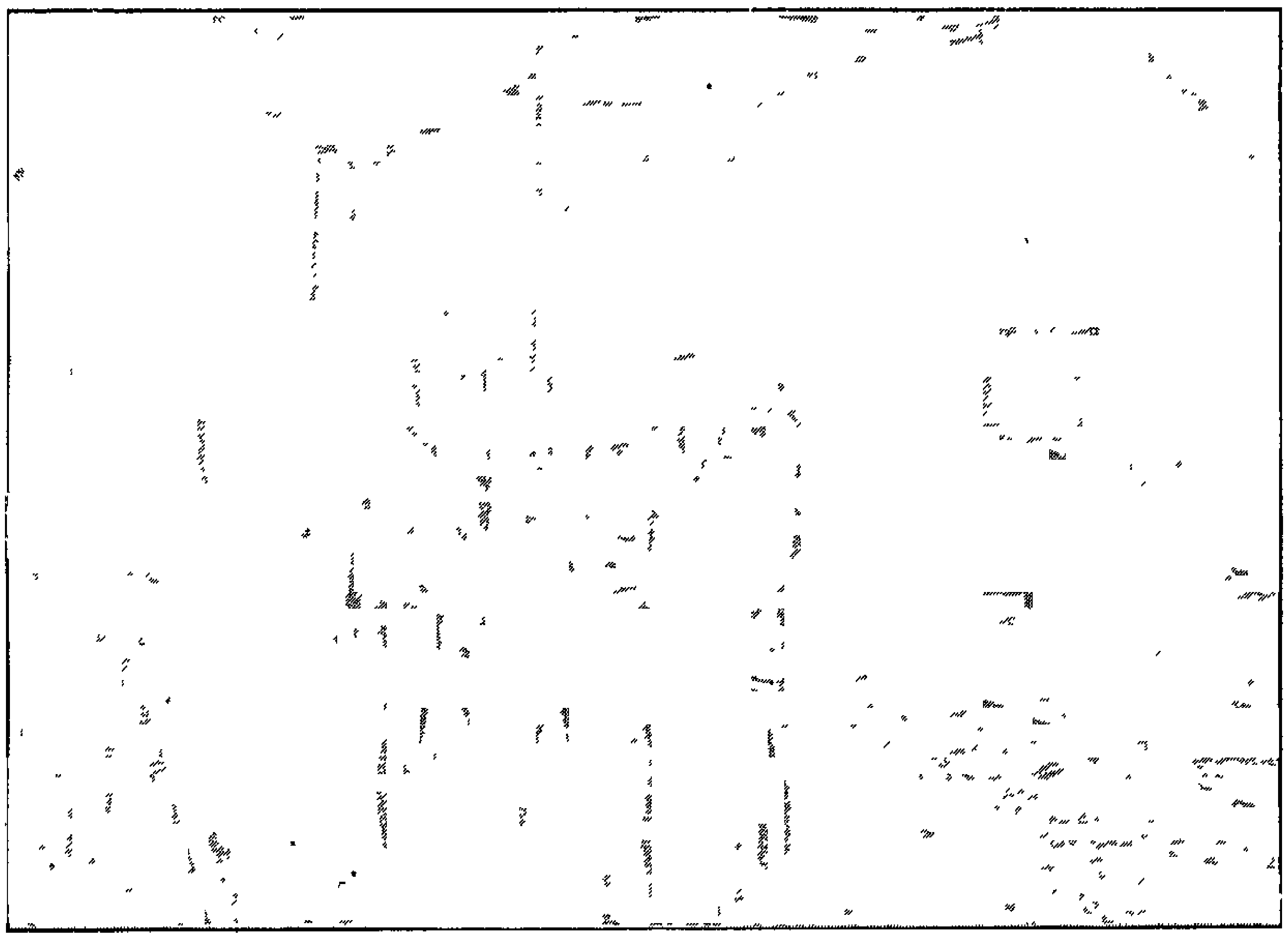
The state knows that the power of the working class class lies in its strength to organise itself To prevent the working class from bringing about social change it needs to keep the working class in a state of disorganisation The ruling class needs working class people to spend their time just trying to survive so that they can go to work the next day If the masses begin to organise themselves beyond daily issues of survival then the state feels threatened and so it uses its laws to smash and suppress the working class The role of the police and the army is to ensure that these laws are applied In this way the state is able to restrict the activites of the working class

They have laws that allow them to detain leading activists, ban strikes and break up gatherings and so destroy the devlopment of organisations. The state can restrict and monitor the activities of organisations and when it feels particularly threatened by the strength of the working class, it can ban all organisations and impose a state of emergency.

Through these means of repression, the ruling class is able to break the solidarity of the working class and demoralise it.

To make things even more difficult, the state is also able to use forms of repression beyond the scope of laws It is able to smash and demoralise the working class through violence We all know the role the vigilantes and hit squads have played in this country The majority of people now feel helpless against these forms of violence and are in some cases even scared to go to meetings This has undermined the possibility of the masses acting around issues that affect their daily lives

However, in order to survive, the working class does still need to organise itself. In the next article we will look at different ways of sustaining organisation under harsh conditions. We welcome suggestions from readers. If you are in a Learning Nation group, you might like to discuss this issue and send your suggestion in to us.



The conditions of working class life make building organisations difficult.

SOS for SA: Unions aim to save industry

South 25/4-30/4/92 (132)

By Quentin Wilson

A MAJOR Cosatu think-tank, consisting of 16 full-time researchers, is to formulate an industrial policy for South Africa

Members of the "Industrial Stategy Project", launched in January, have 14 months to find ways of reversing the declining fortunes of the manufacturing sector.

In an earlier project aimed at identifying the causes of the crisis in the South African economy, the manufacturing sector was singled out as a key contributor to rising unemployment.

For this reason, eleven areas of this sector will be studied along with those catering for the domestic and overseas markets.

Four researchers will concentrate on technology, trade, ownership structure and competition, the role of trade unions and the industrial relations system in a revamped manufacturing sector

During the project the researchers are expected to consult various government, labour, political and private sector leaders, nationally and internationally.

Mr David Lewis, a co-director of the project, said its main aim would be to compile policies that would lead to more employment, coupled with reasonable work conditions and wages.

The research should be completed by March next year.

Lewis said a report would then be compiled out of which an industrial policy would be formed.

The findings will be reported to the relevant Cosatu-affiliated unions as well as the federation.

The project is part of the work of the Economic Trends Research Group.

Launched in 1986 when Cosatu requested a group of economists to investigate the country's economic problems, the project and group are financed by a consortium of European and Canadian foundations.

Protect domestics, farm workers call

Sowetan 30/4/92

THE Department of Manpower has recommended that the Basic Conditions of Employment and Unemployment Insurance Acts be extended to the agricultural sector.

National Manpower Commission members, except the SA Agricultural Union, recommended that the Wage Act be extended to farms

The NMC also recommended that domestic workers be protected by the Basic Conditions of Employment, Labour Relations, Unemployment Insurance and Workmen's Compensation Acts.

Its annual report covering its activities ranging from labour relations to religious objection to military service - was tabled in Parliament this week.

The 154-page document reported a rise in trade union membership, advances in extending labour laws to unprotected sectors, fewer workplace accidents and increased unemployment.

An amended Labour Relations Act - agreed between Saccola, Cosatu and Nactu - was passed by Parliament in 1991, but no progress had been made on its consolidation because the National Manpower Commission had not been restructured.

The productivity-based wage agreements in the mining and automotive assembly industries could be regarded as important developments

Altogether 613 strikes in sectors covered by the LRA claimed 1,24 million mandays lost in 1991, but the numbers involved decreased by almost 50 percent on 1990 figures

Stayaway

Wages were the main cause and the manufacturing industry suffered most in terms of mandays lost.

In 28 strikes more than 1 000 workers were involved, and each strike lasted seven days on average

Strike figures did not include public sector disputes and the November 4 and 5 stayaway, when the majority of the country's workforce did not go to work

Violence in the workplace continued - 22 people were killed and about 90 injured at the President Steyn gold mine in Welkom during November 1991

The multiracial Federation of Independent Trade Unions, representing some 210 000 workers in 23 unions, was launched in October 1991 Its stated objectives included playing a constructive and moderate role in a free market economy

A meeting was held between Saccola and three major union federations to discuss setting up an economic forum to give employers and employees a say in restructuring the economy

The Minister and the Department of Manpower met twice with Cosatu to discuss a wide variety of subjects concerning trade unionism

"It is . the Department's policy, as far as possible, to consult employers and employees whenever changes are envisaged to the legislation administered by the department," wrote the Director-General of Manpower, Mr Joel Fourie

For the first time in many years, a fulltime deputy, Mr Glen Carelse, was appointed to help the Minister of Manpower, Mr Piet Marais

The number of employers' organisations dropped from 271 in 1987 to 214 last year

Trade union membership of registered unions rose from 1 879 million in 1987 to 2 750 million in 1991 and about three million employees belonged to registered and unregistered trade unions in terms of the Labour Relations Act.

Agreements

Eighty-nine industrial councils administering 141 agreements were registered at the end of 1991 They regulated wage agreements covering 36 000 employees, and the conditions of service of 488 000 workers.

The building and construction industries proved the most dangerous, with 123 fatalities in 1991, followed by agriculture and forestry with 86 deaths

In all, there were 474 work-related fatalities in 1991, compared to 435 the previous year

Only 53 percent of people who reported for trade tests actually passed It was hoped that modular training would alleviate this problem

Apprenticeship contracts increased from one in 1990 to 566 in 1991, proof that training boards could make a significant contribution to training

During 1991, 173 religious objectors were referred to the department for placement in community service Owing to a Supreme Court judgment, 389 religious objectors were sentenced anew during 1991

More than R27 million was spent on training unemployed people for the formal sector by October 31 1991, and more than R31 million on skills' training for the informal sector

Altogether 550 185 people were paid unemployment insurance benefits in 1991, against 438 292 in 1990 More than R891 million was paid out in 1991, and about R587 million in 1990

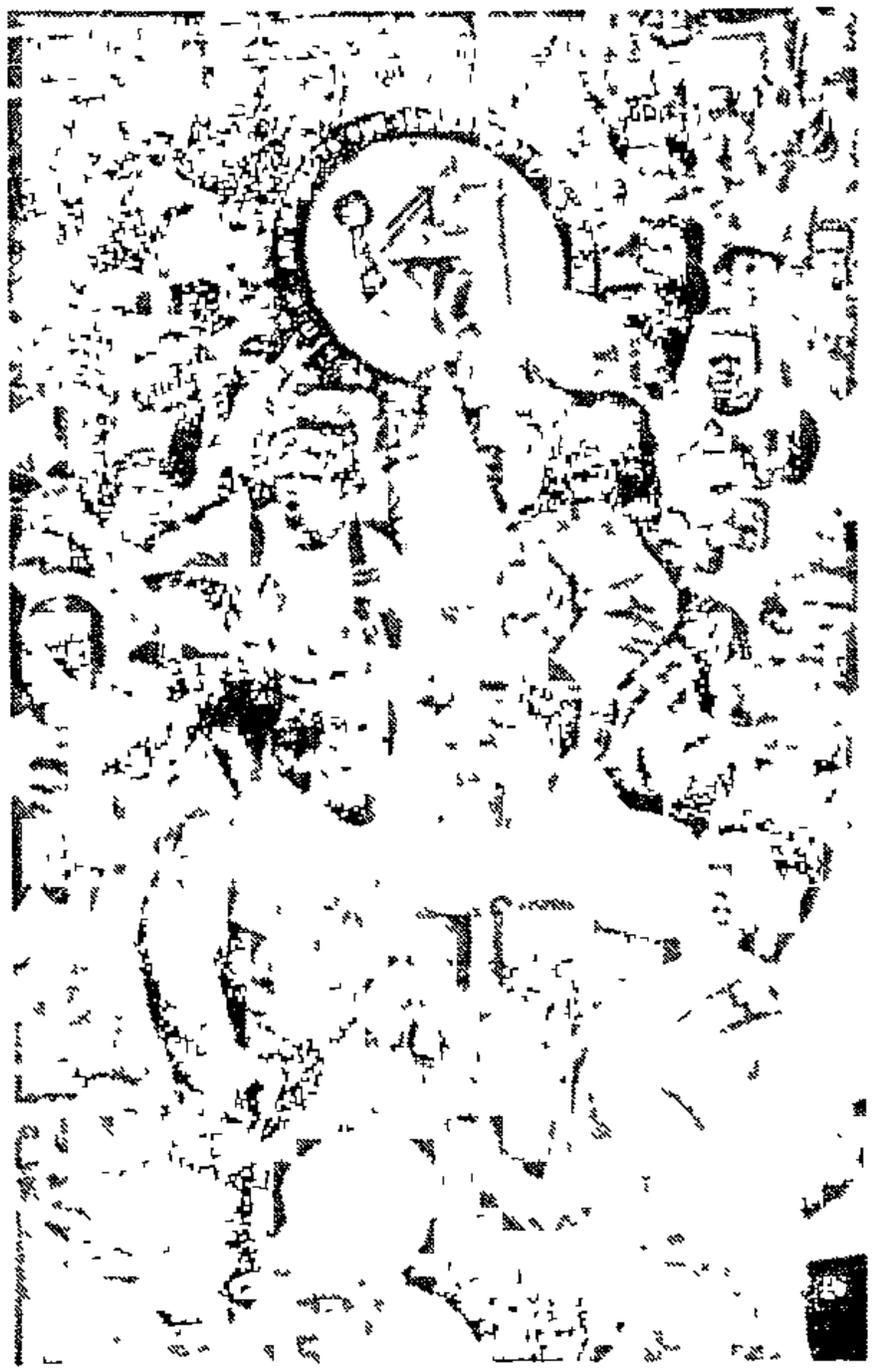
Workmen's Compensation payments for medical costs increased by about 23 percent, amounting to over R111 million, compared with R61 million in 1986

The 1991 amendments to the Labour Relations Act resulted in a decrease in the number of cases referred to the Industrial Court, but the number of matters which could not be finalised increased by 39 percent

The Labour Appeal Court heard 65 cases in 1991

Altogether 7 280 conciliation boards were established following 11 114 applications between November 1 1990, and October 31 1991

Altogether 5 209 disputes were referred to Industrial Councils, of which 2 101 were settled The rest, if not settled, were referred to the Industrial Court, arbitration, mediation or eventually ended in deadlock - *Sapa*



There were 613 strikes in 1991.

'Year of heavy wage talks ahead for SA'

(132)

ARG 30/4/92

SHARON SOROUR
Labour Reporter

RECESSIONARY conditions will continue to plague the economy for the bulk of this year, dominating wage negotiations, says the Innes Labour Brief

In its socio-political and labour forecast for 1992, the organisation said economists, who were initially predicting that the recession would bottom out last year, had shifted their view and that the upturn would be felt only in the second half of this year

"From the business perspective, the S A Chamber of Business is now predicting an annual growth rate in the GDP of only 0,5 percent for 1992."

The slow rate of economic turnaround was bedevilling the economists' forecasts, which raised the question of how substantial the upswing would be when it finally came, said the brief.

It remained optimistic that the South African economy would grow substantially on the back of a world upswing during the mid-1990s.

"But, until then, we face a rocky and volatile period of economic adjustment which will not leave this country unscathed."

The recession — and the fear of retrenchments — did not mean unions would roll over and meekly accept whatever employers were offering.

"On the contrary, particularly in the kind of recession South Africa is experiencing where stagnation is accompanied by high inflation, price increases eat into workers' wage packets.

"This puts the union organisers under pressure to win wage increases that at least keep their members' abreast of inflation."

A survey conducted earlier this year among companies in the food, beverage, retail, commercial, chemical, manufacturing, timber, wood, paper, construction and allied sectors showed that companies were looking to settle wage increases below the prevailing rate of inflation.

At the same time, virtually every sector was expecting to see employment numbers fall during the year, some up to 20 percent

"Under these circumstances, unions are going to have to try and strike deals with employers whereby they win other demands in return for accepting wage increases below the inflation rate," said the brief.

The major demand they would press for would be guarantees of job security

Unions cry out for interim rule

(132)

Sowetan 4/5/92

CALLS for a general strike and for the merging of trade union federations were made at May Day rallies throughout South Africa.

The African National Congress, Pan Africanist Congress, Azanian People's Organisation and labour federations the Congress of South African Trade Unions and National Council of Trade Unions addressed rallies nationwide together

In Pretoria, Durban and Cape Town, speakers warned of a general strike if the Government did not meet demands for a Codesa-appointed interim government by next month

Cosatu speakers said an interim government had to be set up with the brief "of ensuring fair and free elections and to limit the possibilities of abuse of State power by the Nats and any homeland organisation"

Staff Reporters and Sapa

As the central aim was an elected Constituent Assembly, Codesa II, scheduled to take place on May 15 and 16, also had to finalise relevant issues so that elections could be held before the end of the year

Cosatu and Nactu had agreed in principle to a general strike in July if the Government was not prepared to meet these demands through negotiations, speakers said

In Pretoria, Cosatu general secretary Mr Jay Naidoo told an audience of thousands that State President FW de Klerk "should know that the working class of South Africa is sick and tired of the National Party Government"

If the Government did not heed their demands, the workers would take to the streets in their millions to force an interim government, Naidoo said

The Pretoria rally was also addressed by Mr Chris Hani, PAC NEC member Mr Leswana Makhanda, Azapo's Mr Mandla Mtshweni and Nactu's Mr Tommy Oliphant, who all lashed out at Bophuthatswana leader Chief Lucas Mangope for his homeland's repressive laws on workers

In Durban, Cosatu assistant general secretary Mr Sam Shilowa threatened a strike "never seen before in South Africa"

At the same rally Azapo's deputy leader Dr Aubrey Mokoape rejected Codesa, while the ANC's Mr Ronnie Kasrils defended Congress' participation

PAC executive member Miss Patricia de Lille told about 10 000 workers that the act of bringing the liberation movements together was "concrete proof of the maturity and statesmanship of the leaders of our workers"

In Cape Town, driving rain failed to deter about 2 500 from attending the first joint May Day rally in the Western Cape

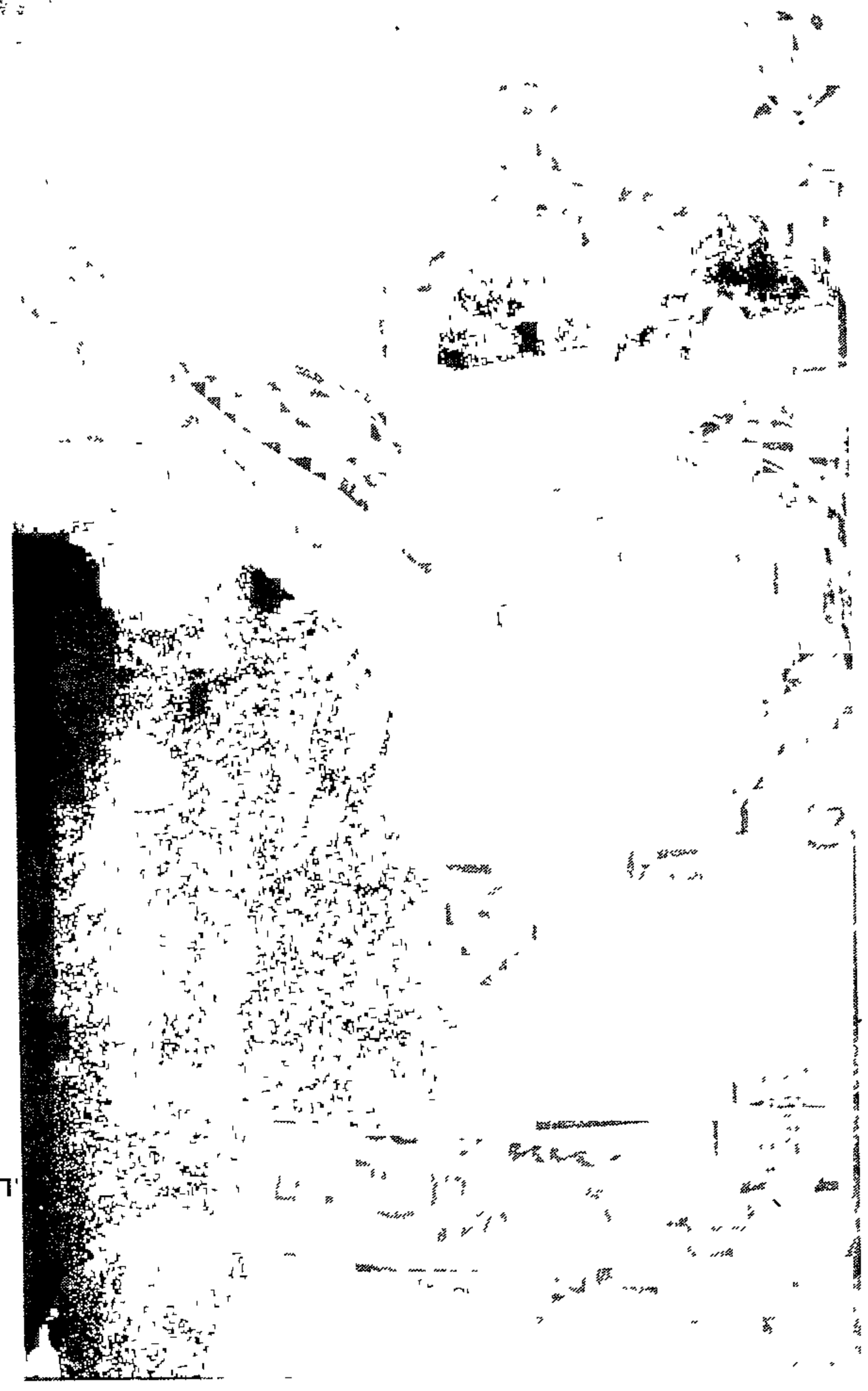
Mr Essop Pahad, an SA Communist Party central committee member, warned that political power was not enough

"Even after the black, green and gold flag is flying from Parliament, our people will be facing the same terrible economic hardships"

The ANC Women's League said the future constitution had to emphasise gender equality in the workplace

In Seshego near Pietersburg, League president Mrs Gertrude Shope called for an end to the violence plaguing the country.

Black workers should be vigilant and ensure that their achievements were not sold on the altar of neocolonialism, Azapo's Dr Gomolemo Mokae said in Warmbaths



Controversial Miss Xoliswa Falati at a May Day rally at Jabulani Amphitheatre in Soweto on Friday.

Pic MBUZENI ZULU

Trade unions set up unit trust fund

STAR 5/5/92 (132)

By Mike Siluma
Labour Reporter

Major trade unions have launched an investment fund to deploy a part of their workers' pension and provident fund contributions into socially responsible JSE-listed companies.

The Community Growth Fund (CGF), a unit trust fund to be administered and managed by Syfrets, was unveiled yesterday by Syfrets executives and officials from the seven participating Cosatu and Nactu unions

The fund could eventually attract about R15 million a month in pension and provident fund contributions by union members as well as individuals.

Union criteria

Union spokesperson Manoko Nchwe emphasised that although the fund — initiated by the union advisory group, the Labour Research Service — would seek to invest in companies which provided strong growth in earnings, such companies would have to meet union-defined criteria for social responsibility and not act in conflict with union interests

The criteria included fair employment practices, job creation, union recognition, safe working conditions, protection of the environment, equal opportunity and affirmative action policies

Ms Nchwe added that unions would not invest in companies which were involved in the production of arms or allow workers' money to be used to finance the privatisation of companies which were government-owned

Companies involved in offshore investments would also be excluded

However, said Miss Nchwe, as the unions saw investment in the fund as a long-term decision, they would not attempt to use the fund to influence the day-to-day labour disputes of companies in which they invested

Syfrets has already put R2 million of its own money into the fund, which is expected eventually to receive up to 30 percent of the cash flow of participating unions' pension and provident fund contributions.

The fund, which begins to operate next month, will also be open to individuals in the same way ordinary unit trusts are

Although neither the unions nor Syfrets would put a figure on the amounts of union money likely to flow into the CGF, it is understood that provident fund contributions on behalf of members of a key union in the venture, the National Union of Mineworkers, amount to about R25 million a month

Independents

Union officials involved in the project are confident that more Cosatu unions, as well as a number of independents, will eventually participate in the fund

Cosatu unions taking part in the initiative are the National Union of Mineworkers, the Paper, Printing, Wood & Allied Workers' Union, the Construction & Allied Workers' Union and the Transport & General Workers' Union

The Nactu unions are the Transport & Allied Workers' Union, the Metal & Electrical Workers' Union of SA and the National Union of Food, Wine, Spirits & Allied Workers.

Syfrets chief executive John Cragg said: "We are delighted that the unions chose Syfrets' expertise in this bold investment venture, which could over time become one of the largest unit trusts in the country"

First step

ANC support for the CGF was pledged by former NUM secretary-general Cyril Ramaphosa, who was involved in the initial stages of the fund before moving over to the ANC.

"This is a fund which represents a break with the past, the first step into a future where workers will no longer be mere spectators, but active participants in shaping their economic destiny.

"The formation of the fund should send a very clear message to companies, especially those with bad employment policies, that the silent giant is awakening and will challenge those who have ridden roughshod over the interests of workers," said Mr Ramaphosa.

The Registrar of Unit Trusts has in principle approved the fund, which is scheduled to start operating on June 1.

The interests of the fund will be looked after by a joint board to be chaired initially by Professor Anthony Asher of the Department of Actuarial Science at the University of the Witwatersrand

The board will make its decisions after receiving investment advice from Syfrets and acceptability research from Labour Research Service.

Unions 'want to help run things'

B/Day 6/5/92

CAPE TOWN — Trade unions would demand increased worker participation in individual enterprises in future as part of their struggle for economic democracy, ANC secretary-general Cyril Ramaphosa told delegates

They would also want to play a greater role in the restructuring of the economy and in the strategic planning of companies

"One of the greatest challenges in overturning apartheid is to combine the move to political democracy with the creation of a path towards economic democracy," he said

Both forms of democracy would entail a major shift in power towards the working class, a process which would be aided by collective bargaining

"The achievement of economic democracy will have to be underpinned by government policy and by new laws," Ramaphosa said

Government intervention would be needed for the redistribution of wealth, the alleviation of poverty and the protection of unemployed, domestic and farm workers who could not bargain collectively (132)

He cited four areas in which workers could build a measure of economic democracy through collective bargaining — training and affirmative action, greater disclosure of information, participation in planning and the investment of workers' savings and retirement funds The new Community Growth Fund was a first step in workers having a say over how their savings were invested

Ramaphosa said new laws requiring greater disclosure of corporate information were necessary to create a better environment for collective bargaining. Published accounts were not sufficient as they normally covered far more than the bargaining units

A key issue for collective bargaining would be a government-supported programme to provide basic education in literacy and numeracy as well as more advanced training for workers

He said trade unionism was likely to spread in SA, in contrast to its decline in many western countries which had substantial welfare programmes and state support systems for unemployed and disadvantaged workers

It would take many years before such a system could be in place in SA

P P

CT 6/5/92

Unions 'seek reconstruction'

By AUDREY D ANGELO
Business Editor

(132)

THE black trade union movement, with its strong commitment to economic and political [illegible] is shifting its emphasis [illegible] the call to resistance to a call for reconstruction," Cyril Ram[illegible] secretary-general of the [illegible] told the national conference of chartered accountants in the Cape [illegible] yesterday.

"But for any such shift to [illegible] tive [illegible] requires a willingness [illegible] ployers to change their attitude [illegible] well.

"Our need is for long-term [illegible] growth — but many em[illegible] simply [illegible] on achieving [illegible] profit.

"Chartered accountants [illegible] cision [illegible] companies. They need to [illegible] practice of regulating bu[illegible] by financial ratios and s[illegible] gets.

[illegible] as we use lawyers or engineers to ad[illegible]

[illegible] the [illegible] spread of trade unionism and [illegible]

[illegible] productive workforce.

Unions become players in the game of growth

B/Day 7/5/92. (132)

STEPHEN MULHOLLAND

IT IS difficult to overstate the importance of the formation this week of the Community Growth Fund (CGF), a unit trust backed by militant trade unions

Whatever gloss is put upon it, and however many investment criteria are laid down, the simple fact is that these unions are now embracing market mechanisms. Their move is an acknowledgment that markets are here to stay as a permanent part of our economy and these unions have decided to become players in the great game of growth.

Collectivism has collapsed around the world while markets have emerged triumphant as the most efficient means for the allocation of scarce resources and the generation of the greatest economic good for the greatest numbers This is not to say that markets are perfect In this life nothing is But, to paraphrase Churchill, it is the best economic system man has yet devised, calling as it does on men and women to strive individually to better themselves and thus, through Adam Smith's invisible hand, adding to the wealth of all of society

This might all sound very lofty and far removed from a decision by unions to launch a unit trust. But what do unit trusts do? They accept cash from the public which they then invest in the money markets and on the stock exchange If they are to succeed they must try to maximise the growth of the capital and income of those who hold their units. Unless they satisfy their investors they risk losing the funds they have under control to competing unit trusts.

That will certainly be the case with the R1m which the trustees of the Times Media Limited Pension Fund this week invested in the CGF. We made the investment in order to achieve a competitive return for our employees who own the fund — and our pensioners who are its present beneficiaries

We have a fiduciary duty to try to maximise the growth and income of the fund and will take decisions to invest or disinvest on this basis, as will other investors.

Through the CGF, members of the unions and — more importantly, for they must take the decisions — those who manage the affairs of the unions, will be exposed to the demands of the real world in which, however hard men try, the natural forces of the market cannot be denied. The Soviets tried for 70 years to do so, ruining their people in the process. There is perhaps no better illustration of the futility of the efforts of the communists than the fall in the rouble from the old official 1·1 parity with the dollar, dictated by the party, to the present market rate of 120 roubles to the dollar

The CGF's criteria are predictable and understandable, particularly in regard to the labour policies of companies in which they invest They should enter into debate with the managements concerned and it might be instructive for them to learn that if their investments are to grow, it is often necessary, for example, to pay the wage which clears the labour market rather than some artificially high minimum which has the immediate effect of destroying job opportunities

Another area where criteria might crumble in the face of reality is the stricture against investing abroad This makes little sense. Certainly the desire to diversify political risks is one spur to overseas investment by SA firms But there are distinct advantages for the nation as a whole to build a healthy portfolio of foreign investments.

In this way special SA skills, such as we have in mining, can be exploited for our benefit in foreign countries which need such skills Overseas investments provide us with dividends in hard currencies They also keep us connected to the latest technological developments and provide opportunities for training and development of staff

We call for foreign investment in SA We must remember that, like trade, investment is a two-way street in which funds seek out the best opportunities to maximise performance The less governments interfere, the better for the people

This week's huge investment by Sappi in the European paper-making market is a case in point Not only has SA joined the world leaders in this critical industry but, because of the way in which the deal was structured, Sappi will be placing millions of its shares in foreign hands. Thus our links with the developed world are strengthened, which can only benefit all our people

The formation of the CGF flies in the face of the policy of nationalisation It is tacit acceptance that the way to influence the affairs of companies is to own shares in them This is a really remarkable breakthrough and it deserves widespread support from the business community, in the interests of the business community, for that is how the world works people act in their perceived best interests to improve their postions

☐ **Mulholland is TML MD.**

LETTERS

Unions move into the boardroom

W/Mail 8/5-14/5/92 (132)

WANTED. Potentially massive unit trust fund seeks socially responsible company with healthy profit margin for long-term relationship. For further information contact the Syfrets/Cosatu/Nactu alliance.

FERIAL HAFFAJEE *reports*

UNIONS affiliated to both the Congress of South African Trade Unions and the National Council of Trade Unions this week catapulted themselves into the boardroom

They launched the Community Growth Fund, a unit trust which will invest in companies "that provide strong growth in earnings and capital and at the same time satisfy certain union-defined criteria of social responsibility"

High on the list of criteria are progressive labour relations, union recognition, good safety records, job creation, equal opportunity policies, black advancement and environmental protection

According to one of the architects of the fund, Gordon Young, of the Labour Research Service (LRS) — a trade union service organisation — Syfrets has been inundated with interested investors

This week, Times Media Limited (TML) pledged R1-million to the fund and two provident funds in the mining industry have indicated their intention to invest. The fund will start operating on June 1

An LRS spokesman said. "We are delighted that TML has acknowledged the superior potential of socially responsible investment. It is possible, however, that TML's own industrial relations practices would disqualify it from appearing on the unions' list of approved shares"

The fund, it is hoped, will eventually receive about 30 percent of the cash flow of union pension and provident funds But it is not exclusively for trade pension and provident fund investments

Individuals may buy unit trusts and National Union of Mineworkers representative Manoko Nchwe said she hoped unions would also invest subscriptions in the fund and that civic and political organisations would find it an ethical investment option

While ethical considerations underpin the unit trust, Syfrets was chosen as fund manager because of "their excellent track record in the investment performance of their own unit trusts", says Young Syfrets Growth Fund was the top performing unit trust over the past three years

Syfrets also gave the Community Growth Fund the best deal on the market Where the average charge of unit trust management is 0,7 percent Syfrets gave them a preferential rate of 0,5 percent

Syfrets chief executive John Cragg said "We are delighted that the unions chose Syfrets' expertise in this bold investment."

Syfrets was lucky, investments made by provident and pension funds amount to about R186-billion and account for 29 percent of the Johannesburg Stock Exchange

Day-to-day administration will be done by Syfrets who will also make investment decisions and handle the marketing of the fund together with the LRS

Unions will retain control of the fund through the Community Growth Fund Management Company This management company will be owned jointly by Syfrets and the trade unions

LRS says "The unions, through their 50 percent holding in this company, will have effective control over the management company"

South Africa has no index to rate a company's social responsibility status as exists in Europe and North America and such primary acceptability research will fall to the LRS

What it will do is devise a point system and allocate points to companies based on the 12 criteria for investment

"But companies do not have to satisfy all the criteria," says Nchwe Unions will not be inflexible or "take a bureaucratic stance"

However, certain companies are automatically excluded

They include privatised companies, arms manufacturers and foreign companies except "where there is a clear benefit to South African workers"

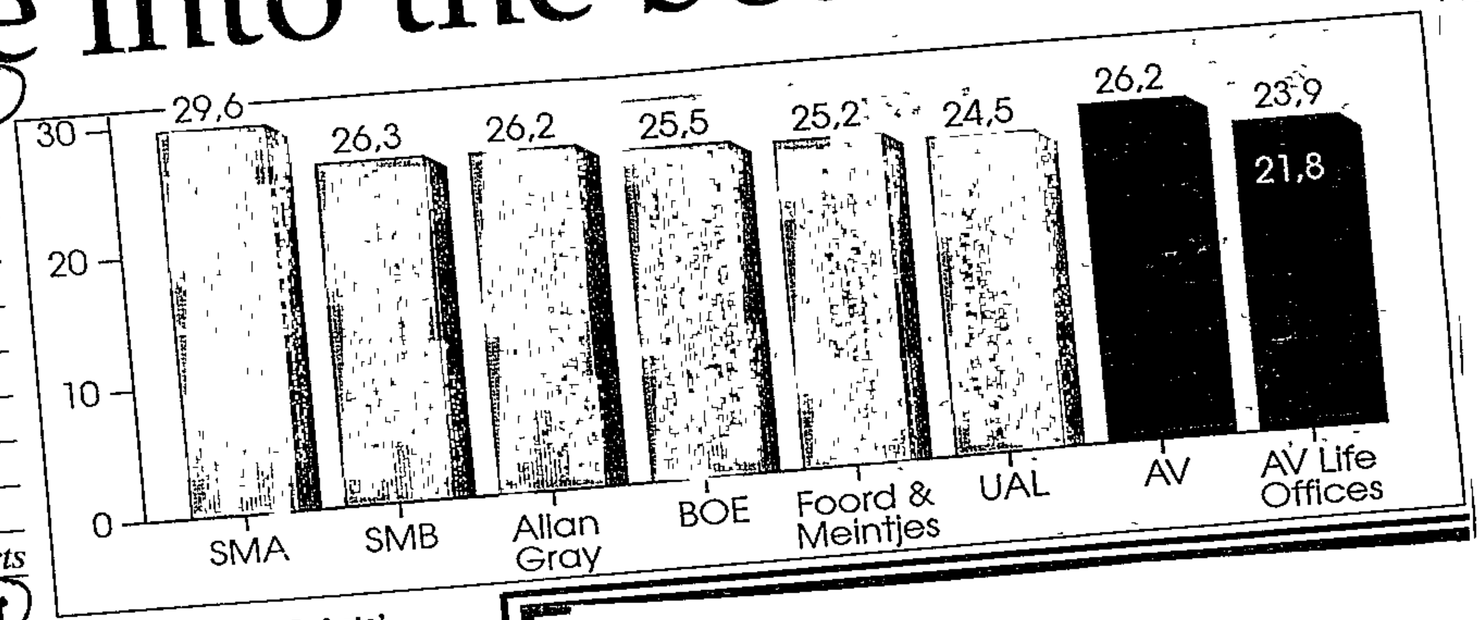
Unionist Allan Horwitz is concerned that "we must have strong democratic structures to direct and mandate union trustees"

Young says the fund will send reports to investors But it will be the responsibility of participating unions to keep their members informed of developments in the fund

Another problem which Horwitz raises is the "high degree of monopolisation that exists in South Africa . it may be that one mine or factory has a progressive policy, but that the group as a whole is reactionary"

Young agrees but says "there is no way we can avoid some investment in big conglomerates".

But the nature of the company's activities will determine how much and whether the fund invests with them. And smaller companies will be targeted for investment instead of large holding companies.



The graph shows Syfrets' outstanding performance
SOURCE Alexander Forbes

Union unit trust on the way to big time

(132) S/Times (Buss) 10/5/92.

By CHARLENE SMITH

THE Community Growth Fund (CGF) to be launched on June 1 by trade unions could become one of the largest unit trusts in South Africa, says Syfrets chief executive John Cragg

Syfrets will manage the fund

Trade unions have made it clear this is not the last move they will make with the money accumulating in pension and provident funds to which their members contribute. They could seek to increase the 30% ceiling they have put on their own pension and provident fund investments in the CGF

They are also investigating other investments.

Trade unions have long been unhappy about their lack of influence on the investment of money from workers' pension and provident contributions Few black workers had pension rights in the past, but the unions have tried to change the system Former general secretary of the National Union of Mineworkers Cyril Ramaphosa was a prime mover in bringing about change

Clout

Others involved in the new scheme include the Transport and General Workers Union, Paper, Printing and Allied Workers Union, Construction and Allied Workers Union, and Nactu's National Union of Food, Wine, Spirits and Allied Workers, Transport and Allied Workers Union and Metal and Electrical Workers Union of SA

Now that unions and their members realise they have growing financial clout they intend to make their money work — on their terms

Manoko Nchwe, collective bargaining official at the NUM, says they will not use the fund "to influence the outcome of day-to-day labour disputes"

The NUM said in its biennial report this year that its provident fund "has 330 000 members on the gold and coal mines and total investments worth over R250 million"

World

"The members contribute about R10-million every month from their wages and the employers contribute the same amount All of the money is invested by Old Mutual Most of the money is invested in firms like Barlow Rand and Anglo American The union has no say on where the workers' money is invested We need to discuss if this is correct"

Discussions are under way between the Labour Research Services (LRS), represented by Gordon Young, and Syfrets Managed Assets team

Mr Young says "The unions have been disenchanted with the performance of the economy over the last 10 years. Cosatu unions have called for more union involvement in the investment of their money

"We have established a cautious scheme that won't set the world alight, but it is not meant to This is a blue-chip investment vehicle There will be others."

Mr Young says other options are being considered — for example, "establishing greenfield projects for job creation"

But the unions realise that such projects carry higher risks than relatively safe unit trust investments

"When we have more experience we would like to try other options They may carry higher risk, but could yield higher returns"

Seal

LRS surveyed the market before choosing Syfrets

"We selected what we thought would be the best company from our point of view and made an offer We looked at four factors did it have a unit trust, a reputation for integrity, was it prepared to acknowledge the importance of unions and did it have a proven track record"

Mr Young says Syfrets — it has placed R2 million of its money in the scheme — provided a lot of support

"Union members have been extremely enthusiastic, we have had meetings with them throughout the country There is an underestimation of the savings drive among workers They are keen that we should put more than our 30% limit into the fund, but we are taking a cautious approach"

About 500 000 workers will initially invest in the fund — which is also open to the public

Merit

TML managing director Steve Mulholland put R1-million of his company's pension fund in CGF this week

Mr Young says an investment by the Community Growth Fund will "by no means be a seal of approval for the company we invest in I don't think any company would meet all the criteria we set, but we will back more progressive companies"

Investment decisions will be set according to such criteria as a company's job creation record, its industrial relations, its health and safety practices among others

"Unions will get together soon and decide on a weighting system A company that does badly on one item may fare better on others It may, for example, have a good health and safety record, but be a known union basher"

A Syfrets spokesman says it will recommend "shares with financial merit to the LRS LRS will then select according to their criteria of socially responsible companies

"We have done some research, and most successful companies have a social conscience

"Several pension funds have given us between 20% to 30% of their cash flow We cannot give more details until the official launch"

Shares lure key unions

C/P Mon 10/5/92

☐ MONEY TALK

(132)

THE founding during the past week of the Community Growth Fund (CGF), a unit trust supported by key trade unions, represents an important step forward in the evolvement of a new economic dispensation in SA.

The new fund will ensure that union members take part in top companies listed on the Johannesburg Stock Exchange

Basically the CGF will be investing a portion of the regular pension contributions of thousands of workers.

Union spokesman Manoko Nchwe said the CGF would only invest in the shares of companies with good social responsibility policies.

The fund will be administered by Syfrets, but will be controlled by the unions.

SA businessmen are pleased by the unions' decision to participate so directly in the market mechanism.

One company, Times Media Limited, was quick off the mark to authorise R1-million from its pension fund to be transferred to the CGF

Only time will tell whether the new fund will be successful, but certain knowledgeable investment analysts believe that in the long term CGF may well become one of the most powerful unit trusts in SA, because it will enjoy a large and regular flow of cash

German labour team in SA

A SEVEN-member German parliamentary labour committee arrived in SA yesterday to study developments in SA's labour and social affairs sector (132)

A statement from the German embassy in Pretoria said the delegation, headed by its chairman Gunther Heyenn, represented the three major political parliamentary parties — the Christian Democratic Union, Social Democratic Party and the Free Democratic Party — as well as the smaller Party of Democratic Socialism.

It will be meeting representatives from government, Parliament, Codesa and unions from across the political spectrum B/Day 12/5/92

The statement said the delegation would be looking into "possibilities where Germany might assist in the establishment of a democratic, comprehensive system of social justice and social security"

The delegation will be in SA until May 14 and would learn about the negotiation process for a new constitution, the statement said

□ Sapa reports that a 25-man trade mission from the Portuguese territory of Macau is visiting SA. It includes government and private sector representatives

It will look for trading opportunities for Macau's manufactured products such as textiles and clothing, toys, electronic goods, ceramics and furniture.

Blacks 'want unions to wield political clout'

B/Day 13/5/92 (132)

BILLY PADDOCK

CAPE TOWN — Political parties would have to cater to and woo trade unions if they desired significant showings in elections under a new constitution, political analyst Lawrence Schlemmer said yesterday.

Speaking at the release of the results of the Human Sciences Research Council's latest survey, he said there was overwhelming enough support among blacks for trade unions to have a strong influence on government

Results in the latest edition of Information Update also demonstrated that among blacks there was a very strong demand for positive regulated affirmative action.

The surprising result was that SACP and ANC-supporting respondents in the house-to-house direct interview survey rejected nationalisation Only 38% of ANC supporters said it was good while all the SACP supporters rejected it.

However, 91% of SACP supporters said they wanted trade unions to have control of companies

The results showed that across the board, including Inkatha supporters (43%), there was overwhelming support for trade unions to influence governments

Schlemmer, who analysed the survey, concluded that most whites, Asians and coloureds viewed an interim government with trepidation. Whites, especially, viewed the future negatively and believed that things would become worse in a new SA, while blacks were most optimistic

However, Schlemmer points out that expectations among blacks have been largely tempered over the past year and "the rose garden mentality" has all but disappeared from all groups

There was strong support for devolution of power to towns, cities and regions

He said "supporters of what might be the largest future party, the ANC, are most inclined to favour exclusive government by a majority party, but even they would see the need for curbs on power and protection of minority interests"

He said the tolerance reflected among the rank and file extended to surprising sentiments where there was a high degree of acceptance of direct ethnic representation in government by traditional leaders

Politics could divide unions

(132)

Sowetan 14/5/92

By MOKGADI PELA

IN a move that is likely to send shockwaves through the labour movement, four National Council of Trade Unions affiliates have called for a new labour federation that is politically non-aligned.

The unions are the South African Chemical Workers' Union, Transport and Allied Workers' Union, Building Construction Workers' Union and Food and Beverage Workers' Union

The unions, which walked out of a joint Nactu-Cosatu executive meeting last Saturday, said in a declaration which was leaked to *Sowetan* that both Cosatu and Nactu should dissolve

They accused both federations of leaning heavily on political groups in South Africa at the expense of workers' interests They explained, however, that they did not want a federation that was indifferent to politics as it permeated all aspects of society

They cited as an example of the two federations' sectarianism a meeting convened by both federations to discuss the forthcoming workers' summit where only Azapō, the ANC and PAC were invited

"Groups like Wosa, the New Unity Movement and IFP were not invited," the declaration stated

Mr Longway Kwelimthini, who is the president of FBWU, said "Last Saturday's step was aimed at salvaging the future of the workers in the country We are further inspired by the fact that we have support from other unions within Cosatu and Nactu," he added

Sacwu general secretary Mr Humphrey Ndlovu said it was not true that the four unions wanted to separate from Nactu

"The points raised in our declaration are among the issues we want discussed at the forthcoming workers' summit We are as committed to unity as ever," he said

Spokesmen for BCAWU and Tawu declined to comment, saying the matter was for internal discussion

WORKERS' EDUCATION

Trade Union History 1: New Nation [Learning Nation] 8/5-14/5/92. (132)

Why we should look at history

Introduction

In the last five articles on the page we discussed general ideas about trade union organisation and working class politics These ideas did not just come from somebody's head They came from the **experience of struggles** of workers across the world In the next **couple of weeks** we will look at **how workers built their organisations** and struggles in Europe at the beginning of this century After that we will have **two articles** that look at the **history of the workers' movement in South Africa** In all of these articles we will show how the traditions of worker organisation and struggle have been built

Why we should look at history

In the history of capitalism we can see times when workers have been confident One such time was when workers flooded into trade unions and political organisations in Europe at the beginning of this century This militant upsurge of workers' struggle reached a peak after the First World War and challenged the power of the bosses with international revolutionary socialism By the end of this period workers had seized political power in Russia, but the socialist struggles in other countries were defeated In many countries in Europe, bosses brought in fascist governments to smash the organisations that workers had built in their struggle

What can we learn for our own struggles today if we look so far away and so far back in history? The biggest thing that we can learn is that **we do not stand alone** Workers in other countries across the world face the same needs, challenges and struggles as we do And in their struggles they have built traditions that are the foundations of our organisations today

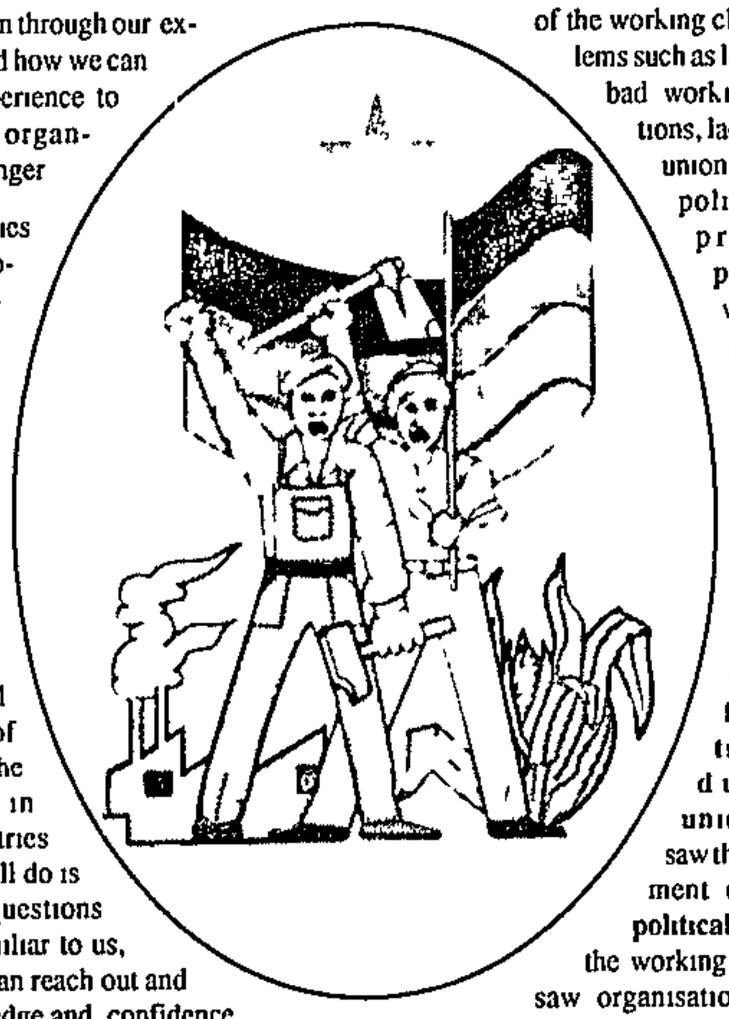
In our own trade unions and mass organisations today we often ask ourselves What can we do to bring more comrades into our struggle To answer this we must ask What are the things that bring workers into struggle and into organisations? What are the problems that turn workers away from struggle? And how can we overcome these problems?

These are difficult questions But they are questions that the workers' movement all over the world has had to answer at various times in history So we can use history to see how workers faced and answered these same questions We can see the things that made workers strong and confident and we can see what made them weak and turned them away from organisation and struggle.

There is another reason why it is important for us to look at the history of workers' struggle If we stand in the shoes of workers at another time and in another place we can see the questions in front of them Then we can see **how every experience in their struggle gave them the knowledge and confidence to look for new answers** We can see **how they changed and grew in their struggle** This helps us to understand ourselves, what we learn through our experience, and how we can use this experience to make our organisations stronger

The Great London Dock Strike of 1889 The strike inspired the union movement internationally

In this series on the European workers' movement we will look at Britain, Russia, and Italy between the 1890's and the 1920's We cannot tell all the details of the story of the struggle in those countries What we will do is focus on questions that are familiar to us, so that we can reach out and gain knowledge and confidence



The need to organise and struggle

We will have to start the story with an understanding of how capitalism developed in Europe at the end of the last century The development of a large factory system and the use of electricity and chemicals, instead of coal and steam, brought big changes in production Bosses forced more and more people into large factories and urban townships People were forced off the land, skilled workers were threatened by mass production systems, and large numbers of semi-skilled and unskilled workers increased the size of the working class Problems such as low wages, bad working conditions, lack of trade union rights and political oppression, pushed workers into organisation and struggle

Between 1890 and 1914 we saw the first **big national industrial unions** We saw the development of **strong political parties** of the working class We saw organisations of the working class turn the socialist ideas of Karl Marx into a weapon of mass struggle We saw workers develop a vision of a new kind of society that would be based on the needs of humanity and not on the selfish desire to make profits

Revolutionary struggles

The real challenge to the economic and political power of the bosses came at the end of the First World War The war between European capitalist governments brought huge misery, suffering and death to workers and peasants Every bread-and-butter issue became a political issue for millions of people Workers and peasants turned to strikes and protest actions in an attempt to gain political power The masses in one European country after another carried their new traditions of organisation and struggle into revolutionary action In Europe, at this time, the working class first showed its muscle and gave shape to history The millions of people that the bosses tried to keep silent and exploited, came out into open struggle and brought capitalist governments to the brink of collapse

Obstacles in the path of workers' struggle

But there were many obstacles in the path of workers' struggles in this period They had to build organisations with **no experience** behind them In their path stood **harsh repression** Against all their efforts to build unity amongst the exploited and oppressed, stood the bosses and their governments, trying to **divide workers according to nationality, race, religion, and gender** To weaken organisation and struggle of workers, the enemy tried to **co-opt their leaders** Against the militant and revolutionary hopes and actions of workers, lay the heavy weight of the class **collaborationist politics of their trade union and political leaders**

Conservative and bureaucratic leaderships stood in the path of workers' democracy and workers' control And, finally, in the early 1920's, workers across Europe experienced a capitalist crisis that brought **fascist leaders** like Hitler and Mussolini to power

Facing these tasks and problems, workers in Europe struggled to find answers Many of the problems they faced are the same as problems we face in our struggle Many of the answers that workers gave in their struggles at that time are the foundations of our own traditions and organisation

Next week we will look in more detail at some of the experiences of struggle of workers in Europe at the beginning of this century and the organisations they built.

This series on history is written by ILRIG
You can contact them at
Community House
Salt River
Cape Town

COMMUNITY GROWTH FUND

FM 15/5/92

Testing some uncharted waters

There might be mutual benefits - but there are also costs

132

A breakthrough for the workers and a triumph for the markets The Community Growth Fund (CGF), to be launched next month, has been hailed in these terms Can it be both?

That, ostensibly, could be the case A unit trust will invest trade union funds in the shares of listed companies that pass the test of union acceptability So it will bring together the objectives of those traditionally adversarial factors of production capital and labour

The fund, conceived by the Labour Research Service (LRS), a Cape-based research organisation that has been advising unions for six years, gives people previously alienated from the concept of markets an important stake in them Where once the only way to gain control of the means of production was to seize it, there is now a constructive alternative offering at least a means of influence

Though the amount of funds involved and the way in which they will be invested will not allow for control, CGF will give workers the opportunity to call to account the behaviour of major listed companies through the investment decisions of their representatives And, through their retirement benefits, it gives them a share in the profits of successful companies

For the markets, it means that threats of nationalisation, and various other forms of intervention to achieve "social" ends, could recede The success of such ventures will provide an incentive to keep financial markets operating freely and effectively

But CGF comes with a price — for the unions and the markets

The trade union movement has drawn heavily on collectivist ideas for its inspiration So hardline socialists will see CGF as a co-option to capitalism that concedes an essential verity

Workers already participate in the market system through contributions to pension and provident funds that are invested in quoted shares. The Metal Industries Group Pension Fund and the newly formed Metal Industries Provident Fund have assets of more than R4bn between them, while the Mineworkers' Provident Fund amounts to R594m

So far, trade unions have not had much influence on how the funds have been invested Most are guaranteed by insurers who make the real decisions, they may be sensitive to union scruples but don't consult trustees on each investment And, in most pension funds, there is no worker participation

For the markets, the investment prescription that these funds bear may undermine the efficient allocation of resources through criteria other than profitability

There is another dimension The fund is open to other investors and at least one has already announced participation

An immediate problem arises with the investment of pension funds under management control The rationale for the control is that benefits are guaranteed by the employer who is responsible for any shortfall in the funding of benefits This seems fair enough But, though benefits are stipulated by a formula, annual bonuses to pensioners and the improvement of benefits for members depend on pension fund profitability — and these are not guaranteed by the employer

This complicates the fiduciary responsibility of pension fund trustees should an employer restrict the growth potential of the fund by placing it with CGF The crucial question then is how much will the ethical criteria conflict with investment objectives?

To answer that requires scrutiny of how CGF will operate Syfrets has placed R2m of its own corporate funds in CGF and hopes to attract up to 30% of unions' pension and provident fund contributions Though they may not yet have committed their funds, several major Cosatu- and Nactu-affiliated trade unions have already endorsed the CGF

Asher

Funds — which will be placed with trustee Standard Bank — will be managed by the Community Growth Management (CGM) company, jointly controlled by Syfrets and a trade union sponsored company, Unity Syfrets representatives on CGM will make an initial selection based on the investment merits of shares listed on the JSE These will then be evaluated against a weighted checklist of ethical criteria

There are safeguards against poor investment decisions The initial choice will be provided by Syfrets, an institution which has to preserve its reputation in the investing community While trade unions may disqualify some of the companies on the Syfrets short list, they will be confined to it In other words, under present plans of operation all they can do is shuffle the pack

This does not eliminate the danger that the fund will disinvest from companies involved in disputes with its trade unions However, Manoko Nchwe of the National Union of Mineworkers, and a director of the fund management company, says CGF will not be used to bash companies It will be more concerned with overall labour policies than day-to-day issues There could be some protection in the representation of unions from various sectors

The role played by the chairman of the CGM board, Anthony Asher, will be pivotal Professor of the department of actuarial science at the University of the Witwatersrand, and formerly chief actuary of the Prudential, which in 1987 merged with Liberty, Asher will be called on to break deadlocks His decisions will be dictated by the long-term interests of the CGF, he says

Though day-to-day disputes may not disrupt investment policy, industrial relations policies will presumably be an overriding factor in decision-making

Other criteria are job creation within SA, products, health and safety, training for black workers, black advancement, reinvestment of profits in the company, care of the environment, equal opportunity for women, disclosure of information, social responsibility, political donations, and workers' participation in management decisions

The LRS's Gordon Young says evaluation started a month ago "This is not a new field for us We analyse companies for wage bargaining purposes, so we have a comprehensive database" But companies have not been scored yet as trade union representatives must still decide on the weighting

The weighting is crucial because the companies do not necessarily present a clear profile Some of the conflicts that might arise can be seen by examining shares held by Old Mutual on behalf of, among others, trade union provident funds As of October 1991, these included Anamint-De Beers, Barlow Rand, Gencor, Rembrandt, Richemont, SA Breweries and Safren

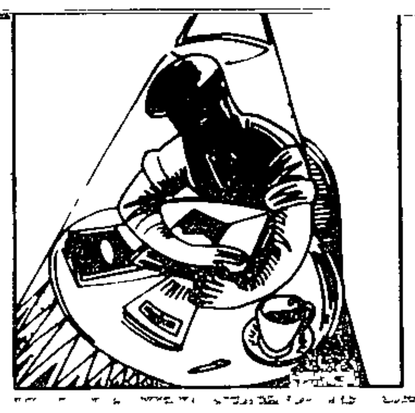
De Beers, of course, would be dragged down by its offshore Centenary investment and its poor disclosure On the other hand, the company pays wages substantially ahead of the rest of the mining industry and has recognised full-time shop stewards

Barlow Rand would be downgraded because of its extensive contracts with Armscor But management of the gold division has dramatically changed its attitude to the union, which has full recognition, and there is an open-book policy in negotiations And Nampak has softened its industrial relations approach since a strike in 1990

There has been speculation that Rem-

cont →

WORKERS' EDUCATION



The Workers' Movement in Europe 1880's - 1920's:

Traditions of Workers' Struggle

New Nation [Learning Nation] 15/5 - 21/5/92. (132)

The emergence of the Workers' Movement before the First World War

About 100 years ago there were big changes in the economies of Europe From the 1880's, new developments in electricity and chemistry produced an **industrial revolution.** Together with new techniques of production, such as the setting up of the production line, enormous factories grew, cities expanded and millions of people became workers We know from our own history how changes in capitalist production bring changes to the size, nature and struggles of the working class The working class in Europe began to grow and was forced into new forms of struggle

It was these changes that created the working class as a **powerful social and political movement.** Workers formed **national trade unions** and trade union federations. They also developed working class **political parties** and won seats in parliaments. Through their organisations and through their action, workers in many European countries won important gains.

The workers in Europe did not however win their struggles for political power. But their gains were a victory for workers all over the world. In a short time of struggle these workers learnt a lot. They found organisational and political answers to questions that faced workers everywhere They built traditions that we still hold close to our hearts today. And they left behind the lessons of what is possible when ordinary workers take control of their struggles.

Two traditions in the Workers' Movement

But we cannot look at yesterday with the eyes of today. The struggle was still young. The number of workers in trade unions and political parties was still very small Skilled craft workers and their interests dominated organisation There were almost no women workers in industry and trade unions. There was no worker democracy and worker leadership inside organisation. The leadership, which was called **social democratic,** was conservative. It aimed to win "a place in the sun" for workers next to the bosses. It was cautious and reformist

But new layers of semi-skilled and unskilled workers began to fill organisations with new life. Small local unions challenged the bureaucratic power of national union leaders. In the years before 1914 there were hundreds of strikes where workers took action without the approval of trade union leaders.

In all the different countries of Europe the new workers' movement held inside it both **conservative traditions** and a **new radical worker spirit** In each country these two traditions had different strengths In every country these traditions sometimes grew together and sometimes came into conflict

The impact of the First World War on the Workers' Movement

The First World War of 1914 to 1918 had two powerful effects on the working class in European countries.

Firstly, to produce the weapons, vehicles and goods necessary for war, the bosses had to speed up the growth of metal, chemical and electrical plants. Millions of semi-skilled, unskilled and women workers were pulled into the facto-ries Overnight the ranks of the working class swelled with a younger, more militant generation.

Secondly, the war brought incredible hardship to the growing working class. Millions of workers and peasants died in the battles. Food shortages occurred, wages fell far behind price increases, the working day was lengthened, health and safety laws were suspended, discipline in the factory was increased, and the changes brought to production threatened the security of skilled workers

These hardships made workers angry and determined to struggle From 1917, militant worker action broke out in one European country after another Every economic struggle became a struggle for political power Workers came to see that their lives were threatened more by their own bosses than by any foreign enemy. Even conservative peasants and millions of soldiers began to knock on the doors of progressive organisations The time was ripe for revolution.

Revolutionary struggles

The 1917 workers' revolution in Russia gave huge inspiration to the workers in other European countries The conflict between conservative and radical traditions inside the workers' movement became sharper On the one hand workers were saying "we must do as our comrades did in Russia" But, on the other hand, the trade union and political leaders attempted to hold back workers' struggles because they feared that the Russian example would cause workers to lose their privileges After the war revolutionary struggles spread like wildfire through Germany, Austria, Hungary and Italy A huge strike wave shook the bosses in France and Britain in the 1920's

In their struggles workers built new forms of organisation and workers' control which were different to the trade unions. The **workers' councils** in Germany, the **factory councils** in Italy, the **shop stewards' committees** in Britain, challenged the old trade union leadership with the demand for workers' control and democracy.

New trends in the Workers' Movement: Syndicalism and Communism

Many sections of the working class became frustrated with their social democratic leaders They turned to the politics of **syndicalism** which rejected parliamentary reforms and had a vision of workers taking control of society through their trade unions. Syndicalism took the lead in building worker-controlled industrial unions and developed the slogans of working class unity like "an injury to one is and injury to all".

In 1919 the Bolshevik Party under Lenin called for all revolutionary workers' parties to establish a 3rd or **Communist International** to replace the 2nd International that had supported the imperialist war The revolutionary sections of the social democratic parties in each country set up new communist parties and drew in many of the militant syndicalist comrades The Communist International also started an international body of trade unions called the **Red International of Labour Unions** (RILU) to unite the radical workers and unions who opposed reformist policies

The confidence of workers to struggle and even to overthrow capitalism was high The willingness of peasants and soldiers to join mass organisations and revolutionary struggle showed this fact. Yet, despite heightened struggles in Germany, Italy and Hungary, the tide of revolution was defeated in Europe by the bosses who found willing allies in the social democrats

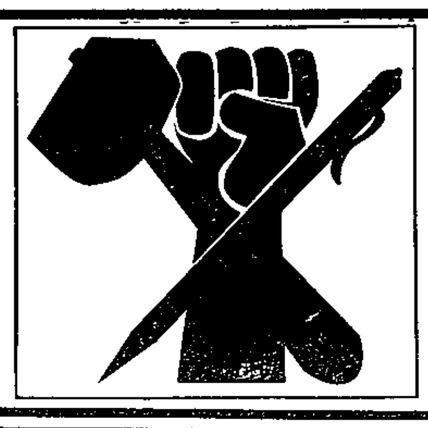
Questions arising from the defeats of the Workers' Movement

By the early 1920's the strength of workers' struggle in the European countries had collapsed Only in Russia had workers managed to seize political power. The German workers were defeated The Italian Revolution was crushed by fascism. There were many reasons for this The 3rd International and the communist parties were still small and young and were set up late in the struggle. Many workers were still loyal to a leadership which collaborated with the bosses and their governments. Worker organisations looked at one another with jealousy and did not build a strong united front These internal weaknesses ate at the strength of the workers' movement and made it possible for the bosses to roll back their struggles.

Today, in South Africa, the questions of how to strengthen and build worker unity, how to deepen workers' control and democracy and how to win real power are still debated in our movement. Should we follow the path of reform or radicalism? The choice that confronted the workers movement for the past 100 years is still posed to us today.

This article was produced by ILRIG. You can contact ILRIG at: Community House, Salt River, Cape Town

BUILDING ORGANISATION



MEETINGS.. MEETINGS.. MEETINGS...

New Nation (Learning Nation) 15/5-21/5/92

Remember, last week we gave you a summary of the articles we have run this year on the role and problems of building organisation. This week we will begin to look in more detail at the actual skills you need to build your organisation. We will start off by looking at the issue of meetings.

So we will look at:
- **what a meeting actually is**
- **an example of a bad meeting**
- **the purpose of meetings**
- **and finally how to plan meetings.**

Next week we will look at how to plan and chair meetings.

What is a meeting?

All of us have sat in a meeting at some point in our lives Perhaps we have even had to plan and run a meeting. But why are meetings so important? Why do we have meetings? Try and answer these questions before you read the rest of this article? Answer these questions in your group or write down your ideas if you are working alone.

Why do you go to meetings?

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Why do you think meetings are important?

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A meeting is an important tool in the hands of an organisation. We have meetings so that we can have collective and democratic decision making, planning and follow-up, accountability and other practices essential to running an organisation.

If meetings are used effectively then they can help an organisation to function in an accountable and efficient way. In this way organisations will grow and will achieve the needs of its membership.

Do you agree with the points being made in the two paragraphs you have just read? Why then do we often complain about bad meetings?

Read the following points and mark off the points that you have experienced:
* The meeting starts late ☐
* Other people arrive late. ☐
* There are no minutes ☐
* There is no agenda so you don't know exactly what the meeting is about. ☐
* People repeat each other and they don't stick to the topic ☐
* Some people don't speak at all
* The chairperson doesn't know how to direct the meeting.
* You leave the meeting feeling unhappy because you don't know what action needs to be taken
* You don't know what to prepare for the next meeting.

The result of a bad meeting is that it can lead to:
Lots more boring and frustrating meetings!
No practical work actually getting done
The executive is unaccountable to the membership
Individuals do not feel part of the organisation and don't feel that it is meeting their needs and so they leave
The organisation could collapse.

Without organisations and meetings we cannot have democracy and real involvement of people. Until our organisations really involve people and are democratic they will not serve the people. What we are trying to achieve is democracy and accountability in our organisations. This is not easy but good meetings will take us some way down this road.

What then should we be aiming for in meetings?

The purpose of meetings

It is important that your organisation discusses the purpose of meetings generally You also need to be clear on the purpose of each and every meeting you have.

List the purposes of the last three meetings you have been to:

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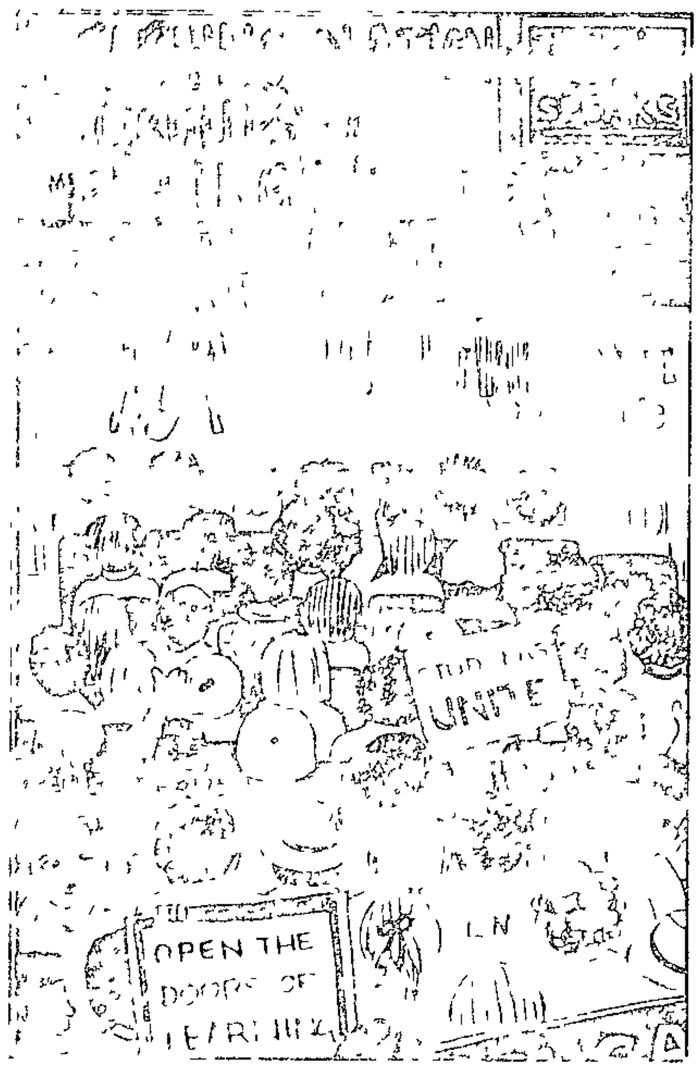


You will probably realise the following points when you make your list or discuss ideas in your organisation:

* Meetings must not be too frequent or held simply for the sake of it.
* There should be regular meetings with the possibility of calling emergency or irregular meetings when the need arises
* There should be decisions about the different types of meetings needed. For example, some meetings could be to discuss policy and others to discuss organisational or practical work. Wherever possible, the members must know what type of meeting they going to and what the meeting is for. They must know the purpose of the meeting

In this way it is also easier to ensure that meetings are generally shorter and people can decide when a longer meeting is necessary. It is possible to have other types of meetings. For example you might like to have an evaluation meeting where you look back on the last year and plan for the next year This might take a series of long meetings.

Next week we will read about how to plan and chair a meeting. We will also look at the actual procedure of meetings Sometimes this seems quite complicated and it makes people feel that they can't contribute to meetings because they don't know if they are talking about the right thing at the right time so perhaps next week's article will help sort that problem out.

This article was adapted from material written by the Education Resource and Information Project (ERIP).

Workers turn ploughshares into JSE shares

South 16/5 - 21/5/92 (132)

IT MAY be a case of turning ploughshares into JSE shares when major trade unions launch their own unit trust fund for workers next month

JSE-listed companies that are "socially responsible" will be targets of investment for part of workers' pension and provident fund contributions

The fund — known as the Community Growth Fund (CGF) — is the brainchild of the Cape-based Labour Research Service and will be administered and managed by Syfrets

Its aim is to invest in companies with strong growth in earnings and capital, but which also satisfy certain union criteria of social responsibility

These include fair employment practices, job creation, union recognition, safe working conditions, equal opportunity policies, black advancement and protection of the environment

"The aim of the fund is to marry high returns with socially responsible investment Members' pension contributions will be carefully protected," said Mr Manoko Nchwe of the National Union of Mineworkers (NUM)

Support for the fund was pledged by former NUM secretary-general Mr Cyril Ramaphosa, who was involved in the initial stages of the fund before moving over to the ANC

Ramaphosa said "This is a fund which represents a break with the past It is the first step into a future where workers are no longer mere spectators, but active participants in shaping their economic destiny

"The formation of the fund should send a clear message to companies, especially those with bad employment policies, that the silent giant is awakening and will challenge those who have run roughshod over workers' interests"

A number of financial institutions were examined and Syfrets was eventually selected to manage the fund

A spokesperson for the Labour Research Office, Mr Gordon Young, said "Syfrets is a reputable institution with an excellent track record in the investment performance of its own unit trusts"

The firm, which is putting R2 million of its own money into the CGF, has accepted the leading role of unions in the project.

Syfrets chief executive Mr John Cragg said "We are delighted the unions chose Syfrets' expertise in this bold investment venture Over time it could become one of the largest unit trusts in the country"

The fund is expected to get about 30 percent of the cash flow of union contributions to pensions and provident funds

As is the case with any other unit trust, individuals as well as trade unions will be able to invest in the fund.

Cosatu affiliates which have endorsed the CGF are the National Union of Mineworkers, Construction and Allied Workers Union, Transport and General Workers Union and the Paper Printing Wood and Allied Workers Union

The Nactu unions are the National Union of Food, Wine, Spirits and Allied Workers, Transport and Allied Workers Union and the Metal and Electrical Workers Union of SA

QUENTIN WILSON

Majority of unions open to all races

B/Day 19/5/92

(132) Political Staff

MORE than two thirds of SA's registered trade unions and all but four of the 50 unregistered trade unions were open to all races, Manpower Minister Piet Marais said yesterday

Replying to questions tabled in Parliament by Arrie Paulus (CP Carletonville), Marais said 127 registered trade unions were racially mixed

A further 37 registered unions had white members only, 10 coloured members only, one Asian members only and 17 black members only

Two of the unregistered unions were for whites only and two for blacks only, while 46 were racially mixed

This meant that there were 173 racially mixed trade unions and 59 racially segegrated unions

Marais said 613 strikes occurred between November 1 1990 and October 31 last year, involving 175 683 workers and a loss of 1 236 381 man days

It was impossible to say how many workers of each race group took part in these strikes

"The required information is not available because it is not a legal requirement that such information should the Department of Manpower on a racial basis," Marais said

Indemnity board still hearing applications

B/Day 19/5/92

TIM COHEN

APPLICATIONS for indemnity from non-prisoners would still be considered by the indemnity board, the Justice Department confirmed yesterday

This could result in people involved in officially sanctioned assassinations of anti-apartheid activists escaping prosecution

The decision was discussed in bilateral talks between the ANC and government shortly before the Indemnity Act was extended last week to May 17 next year

President F W de Klerk announced last July that applications for the release of prisoners in terms of the Groote Schuur and Pretoria minutes would cease that month

However, a Justice Department spokesman said yesterday this ruling applied only to prisoners Others could still apply to the indemnity board

Hearings of, and applicants to, the indemnity board are confidential

However, a board spokesman said yesterday there had been applications from all sections of society

The ANC, which has stated that it does not intend pressing for a Nuremburg-style war crimes tribunal, is concerned that its members will have to "confess" their "crimes", before indemnity is considered

It is understood that ANC applicants have to apply for indemnity only for acts perpetrated to further ANC policy

The same might apply to members of the security forces, although government has yet to admit that its members were involved in sanctioned covert actions

A source said security force members feared that they might be held accountable for acts committed in terms of what they considered legitimate activities at the time

The ANC is apparently sensitive to the threat to stability these members' concerns could pose

If investigation into the deaths of Matthew Goniwe and three others in 1985 finds members of the security forces responsible, they may escape liability by applying for indemnity

400 political prisoners still held, says HRC

B/Day 19/5/92

STEPHANE BOTHMA

MORE than a year after the agreed deadline for the release of all political prisoners, about 400 prisoners judged to be political on the basis of trial reports are still in jail, says the Human Rights Commission

But a Correctional Services Department spokesman, reacting to the HRC claim, said "All prisoners who committed political offences before October 8 1990, and who qualified for release in terms of the SA guidelines for defining political offences, have been released"

The HRC said in a statement yesterday that last year's mass release or parole of criminal prisoners — three-quarters of the convicted prisoner population — was intended to blur the distinction between criminal and political prisoners and to sweep the political prisoner issue under the carpet

Criminal prisoner amnesties last year resulted in the release of more than 60 000 prisoners

A statement by Justice Minister Kobie Coetsee in Parliament last month that the large-scale amnesties had been necessary to meet American conditions for the lifting of Comprehensive Anti-Apartheid Act sanctions, was confirmation of the link between criminal prisoner amnesties and the political prisoner issue, the HRC said

The HRC had the names of 400 prisoners, judged during trial as political, who, to the knowledge of the commission, were still being held

Of these, 169 were jointly audited by the HRC and the Department of Correctional Services as being candidates for release under the Pretoria agreement

"Unfortunately the audit process was unilaterally and summarily suspended by the department last year, when still incomplete, and all efforts by us to resume the exercise have been rejected," the HRC stated

Revolution losing its pulling power

Sowetan 22/5/92

132

REVOLUTION is no longer the route to a better South Africa - the country's young people believe they can improve their future through money, education and top jobs.

This is according to the results, released this week, of a research study on South Africans aged between 13 and 24

The research was developed by the Markinor group and Hunt Lascaris TBWA in conjunction with a syndicate comprising Bakers, Cinemark, Edgars, M-Net, Royal Beechnut, the SABC, the SA Communications Services, Stellenbosch Farmers Winery and Times Media

After interviews in some 860 white and black households, it emerged that more than 80 percent of those questioned believed it was important for the future of the country for blacks and whites to make an effort to get along together

A similar percentage said they were proud to be South Africans

Some of the survey's main findings were that material values rather than political ones motivated most young people

Agenda

Almost all those questioned had high aspirations, often irrespective of current educational attainment

Mr Nick Green, chairman of Markinor, said "The agenda of South African youth seems to be largely non-political, although they endorse reform

"Typically, they tend to think it is proceeding a little slowly

"But personal goal-setting is usually qualification-and career-orientated

"The young South African living in formal housing is a materialist, not a Marxist

"And, by and large, he appears hopeful that negotiation and the process of change will deliver the benefits"

Green said only a minority of those included in the survey believed that violence was the only way to achieve change

"But in general we see endorsement of the work ethic, of the idea that a good education is the passport to a fulfilling career and that the trappings of material success are worth striving for" - *Sapa*

Comprehensive labour relations reference book

W/Mail 22/5-28/5/92.

INDUSTRIAL RELATIONS IN SOUTH AFRICA (second edition) *by Sonia Bendix* (Juta, R89,99)

AS Sonia Bendix said in the 1989 edition of this book, this is no academic treatise. It is intended to fulfil a need among industrial relations practitioners and students for a comprehensive reference book on industrial relations in South Africa.

It may not be a "treatise", but it is clearly rooted in a strong academic background, which makes it authoritative and serious. While only those with a deep interest in the subject would read the entire volume, the topics are treated thematically. This makes them accessible to anyone who may have an interest in a smaller area within the broad subject area of labour relations. This accessibility is enhanced by the way each chapter begins with a clear summary of its contents, making it easy to cover the subject area quickly and read in depth where the need arises.

The subject matter is systematically covered from the ground up From an analysis of work and the labour relationship to the philosophical and historical background of labour relations, from economic theory and analyses of trade unions to collective bargaining and methods of negotiation, the background is clearly set out and well researched They may be some in the labour camp who will be unhappy with the way the general background part of the book is written — in the style of enlightened management textbooks — but this cannot be regarded as a flaw Also the part dealing with economic theory may not be popular in this constituency

It is in the area of industrial relations in the South African context that this book really shines A succinct history of trade unionism in South Africa from the earliest time, seen in its political and legislative context, sets the scene A detailed examination of employer bodies, trade unions and state structures and the legislative framework of labour relations including employment law and safety legislation follows

Finally, the book includes annexures of union membership figures, the Workers' Charter, some Congress of South African Trade Unions policy documents, the South African Business Charter, the Saccola Accord, the Laboria Minute and examples of recognition, disciplinary and grievance procedures

To her target group of students and IR practitioners, the author could confidently have added personnel managers, trade unionists and government labour officials All of these are likely to find parts of this book invaluable and many will refer to it repeatedly in the course of their work

Stephen Heyns

Keys ends state's cold shoulder for unions

(132)

W/Mail 22/5-28/5/92

By DREW FORREST

THE appointment of pragmatic former business leader Derek Keys to the cabinet is seen as the catalyst for the decisive government shift on demands for a tripartite economic negotiating forum

His appointment, first to the trade and industry and then the finance portfolio, coupled with the demise of former finance minister Barend du Plessis, is seen to underlie the government's newfound openness to state participation in macro-economic policy negotiations.

On April 22, Keys persuaded fellow cabinet members to initiate exploratory talks with organised labour and business on a forum Some sources speculate that this setback for Du Plessis — who favoured a "social contract" between labour and business but opposed a direct state role — may have contributed to his downfall

In Cape Town this week, Keys met the Congress of South African Trade Unions, the National Council of Trade Unions and Fedsal, representing labour, and the South African Chamber of Business, Saccola, the Chamber of Mines, the Afrikaanse Handelsinstituut, Fabcos, the South African Agricultural Union and the South African Federation of Civil Engineering Contractors, representing business, for initial talks

Joint union-business proposals for a transitional economic negotiating forum were forwarded to government earlier this year, and these envisage direct state participation Reportedly under Du Plessis' influence, fearing that negotiations would tie its hands and favouring the centralisation of talks under the Convention for a Democratic South Africa, the government took several weeks to respond.

At this week's talks, the government made no commitments. But it did nominate three representatives — Keys' advisor Japie Jacobs, Deputy Finance Minister Theo Alant and Deputy Trade and Industry Minister David Graaff — to sit on a joint sub-committee with unions and business, which will investigate how to expedite the forum process and report to cabinet

The focus, it has been reported, will be on addressing the immediate economic problems of transition, rather than the creation of formal structures

The seniority of the government representatives appointed to the committee is a clear sign of a government change of heart Cosatu men who attended the meeting comment on the positive atmosphere, and for the first time expressed optimism about prospects for a tripartite negotiating structure

In response to the meeting, labour has hinted at a softer line on threatened mass action around its economic demands, due to be debated at next week's "worker summit" of Cosatu, Nactu and non-aligned worker bodies

A Cosatu spokesman said the summit would consider how to "enhance" economic negotiations, with the possibility of mass action

Money talks 'a way forward'

Sowetan 25/5/92

132

By JOSHUA RABOROKO

TOP-level business and trade union leaders who met the Finance Minister, Mr Derek Keys, in Cape Town last week were optimistic about the talks which they said were "a way forward"

They agreed on joint consultations and to try to reach consensus on restructuring and addressing various problems in the economy

It was also agreed that another meeting be held possibly in Johannesburg or Cape Town within two weeks to take decisions on the issues raised

Some of the points raised on the broad agenda were the Government's economic policy, future economic investment, trade retrenchments, provident funds, taxation, housing and education

The Minister was accompanied by his special adviser, Mr Japie Jacobs, while labour was represented by Cosatu and Nactu

Business organisations present were Fabcos, Sacob, Chamber of Mines, Saccola, the SA Agricultural Union, Afrikaanse Handelsinstituut and the SA Federation of Civil Engineering Councils

Fabcos assistant chief executive Mr Zulile Makaba said the meeting was "positive and we are optimistic that future dealings will help the country's economy"

Makaba said "This was probably the first major step towards establishing an economic-Codesa that will herald another era in South Africa"

Cosatu's campaign's coordinator Ms Lisa Seftel said that progress had been made in the meeting Some of the important points they raised were job-creation, retrenchments, unemployment and VAT

Prosperity can flow from union funds

B/Day 26/5/92 (132)

WALTER SCHEFFLER

SUCCESSFUL economic empowerment of SA's black population is necessary for the future prosperity of all South Africans. The investments in pension and provident funds held on behalf of black members run into billions of rands and can rightfully be considered as a means to help achieve this end

The recent announcement of a trade union-endorsed unit trust, the Community Growth Fund (CGF) may be a small but meaningful step in this direction — provided that it is managed sensibly and reasonably.

Two aspects specifically mentioned will be the restriction to investments in companies deemed "socially responsible", and the intention of the unions to exercise their voting rights on shares held (If the first criterion is properly adhered to then, presumably, the need for the second will not arise)

There is some debate on the position of fund trustees who choose to support "socially responsible" investments I do not think trustees will be neglecting their fiduciary duties if they choose to invest some portion of their funds in the CGF or similar investment vehicle if these provide a healthy mix of normal sound investment criteria coupled with a moderation of political and social conscience

In theory, any limitation on investment decision must restrict the portfolio managers' scope to maximise investment returns In practise, if the limitations are limited — and that is the crux — it should make no measurable difference that could be identifiable beyond normal variations in returns from nonrestricted portfolios

If the approach will be to blacklist a small number of companies deemed "socially irresponsible", and this is not done on emotion but with reason, the result may be quite acceptable One may well argue that socially irresponsible and unethical behaviour by companies will not lead to sustainable long-term returns to shareholders

The token R1m investment by TML Pension Fund in CGF was probably politically motivated, but that does not exclude financial soundness It may well prove to be a very profitable investment for TML as employer which ultimately carries the cost not only of pension fund contributions but also of salaries to union members.

Responsible trade union participation in the investment markets should be welcomed and encouraged It does not require personal commitment to call for socially responsible investments with other peoples' money, but it may be a sobering exercise to have to put one's own members' money where one's mouth is, and thereby to lead by positive example rather than shouting from the sidelines

A unit trust is not, however, the most effective investment vehicle for provident fund investments The cost structure of unit funds is normally geared towards the small investor, and is far too high if applied to large investments by provident funds

Provident funds should ideally invest in balanced portfolios consisting of a reasonable distribution of shares, property, fixed interest and cash, as is typically the case with managed portfolios of insurance companies, but unfortunatley cannot be provided by unit trusts

Unit trusts cannot at present meet the prudent asset regulations of the registrar of pension funds, which means provident funds using unit trusts will have to do so themselves

☐ **Scheffler is senior GM, group benefits, at Sanlam.**

Labour bodies show concern

(132)

By JOSHUA RABOROKO

TWO labour federations have expressed concern at the desire by British and multinational companies operating in South Africa to drop the European Community code of conduct governing employment conditions

Although the Congress of South African Trade Unions (Cosatu) and the National Council of Trade Unions (Nactu) said the code did not protect black workers against exploitation, they called for a new approach to safeguarding the interests of their members instead

Cosatu called for a new code to address the socio-economic status of workers, help create jobs and restructure the economy Nactu, on the other hand, said the code was useless and urged workers to negotiate codes of conduct with employers without interference from parent companies Sowetan 26/5/92

The two federations were reacting to reports that European foreign ministers meeting in Brussels this week will discuss the argument of top companies that the code had "outlived" its usefulness and is difficult to apply because of reform in South Africa

Cosatu spokesman Mr Neil Coleman said "Those issues must be negotiated by trade union federations and multinational companies wishing to invest in South Africa"

SA labour laws still need reform — ILO

(132)

GENEVA — The UN International Labour Organisation said at the weekend SA labour laws still needed wide-ranging reform, but cited government's awareness of that fact as a hopeful sign.

A report by a special ILO commission appointed to investigate labour relations in SA also said "anti-union violence, which has prevailed in SA, is totally unacceptable". It demanded that government bring perpetrators to trial.

The rights to form a trade union and to collective bargaining were "vital attributes of a free society", the report by three law experts said.

These were among the basic freedoms that were "diminished or lost altogether" under the apartheid racial segregation system. The report urged Pretoria to push "vigorously" for reforms of the country's Labour Relations Act, which should include ensuring the independence of trade unions, the right to strike and collective bargaining rules.

It noted reforms had begun under President F W de Klerk, but said further changes should ensure that "basic civil liberties" were provided by law and guaranteed in practice in a democratic society.

SA is not a member of the ILO, whose conventions set down international labour standards. The report urged Pretoria to join key ILO conventions on freedom of association and collective bargaining.

The panel held hearings with union, employer and government representatives in SA last February

It was formed after a 1988 complaint by Cosatu, the country's biggest labour group, against amendments to the Labour Relations Act. — Sapa-AP.

More problems as Cosatu, Nactu postpone summit?

South 30/5/-3/6/92 (132)

By Quentin Wilson

A HUGE workers' summit was postponed two days before it was due to be held — with different reasons given by Cosatu and Nactu.

The two federations were due to make history on May 28, by hosting it jointly

Delegates to the summit were supposed to discuss further joint programmes as well as consider adopting a worker's charter.

A joint statement issued this week by the general secretaries of the two federations adopts a diplomatic approach

Mr Jay Naidoo of Cosatu, and Mr Cunningham Ngcukana of Nactu, said the summit was postponed to sometime "within the next three months"

"The reason for the postponement is that Cosatu and Nactu do not want the summit to be an event between a few trade unions, but part of a process which includes many trade unions outside our ranks"

The statement also said that the commitment remained to establish one federation, with a belief that discussions on workers' rights should reach millions of workers to compile a broadly representative charter

Mr Keith Coleman, Cosatu's national publicity officer, confirmed the joint statement was correct and insisted the postponement was "a joint decision between the two federations"

Mr Brian Williams, a national executive member of Nactu, disagreed

"The summit was called off by Cosatu It has a lot to do with Cosatu trying to define its own political direction, especially given the collapse of Codesa," Williams alleged

He also claimed it was Cosatu's wish to get Nactu behind the ANC's demand for an interim government

"No workers' summit will survive if the agenda is to get Nactu and other unions behind ANC demands"

Mr Alan Roberts, the Cosatu regional secretary in the Cape, said the summit was postponed "due to financial and organisational problems"

Roberts said he was not aware that tension between the two federations had been the cause of the postponement

"Sure, there was tension There always has been but in the last year our relationship was good, demonstrated recently by the joint May Day rallies

"I am not aware that there was any serious breakdown or disruption

"Tensions will always exist within any organisation — it's part of the growing dynamic — but I have not heard that it was called off because of tensions," he said

Time for a rethink on unions' role in shaping policy

B/Day 1/6/92

CLIVE THOMPSON

(132)

THE year 1991 was a wasted year with respect to social policy. It should have been a period in which the social parties — unions and employers — prepared important socio-economic ground for the imminent constitution-making process In the event, elements within the Cabinet and the Manpower Ministry, distrustful of the role of unions, contrived to block the tripartite initiative which had led to the signing of the Laboria Minute of September 1990

In terms of that Minute, it will be recalled, government agreed to accommodate the unions in the formulation of labour policy in return for a peace obligation However, by October last year, it became clear government had no intention of revamping the main statutory advisory body, the National Manpower Commission (NMC), and that it wished to outflank the unions in its attempts to restructure the economy

A disaffected Cosatu walked out of the NMC, fell back into the familiar adversarial relations of old (which took the form of the VAT stayaway), and then decided to pitch for higher political stakes

Now, in the middle of 1992, the NMC continues to languish while unions and employers have begun to direct their energies towards the establishment of a macro-economic forum Unions and business have a legitimate stake in fashioning national economic policy However, that process is convoluted, and labour is only one (and a latecomer at that) of many actors seeking a role Labour's influence will be diffuse

To the extent that the leap onto the macro-economic stage bypasses rather than builds on labour-specific institutions (existing and potential), the move represents a departure from a 20-year-old union strategy and is fraught with the risks typical of any top-down approach

Unions have an entrenched presence at plant level and a significant presence at industry level What they lack is an institutional base — statutory or independent — at national level within which to forge national labour policy

That base is necessary if unions are to play a key role in developing broader labour and social policy; the conflictual relations which characterise contemporary collective bargaining are to be converted into more co-operative ones through the conclusion of social pacts, an active labour market policy is to be developed, and unions are to commit their constituencies as part of a wider process of economic renewal

Under current conditions, union influence on macro-economic policy is likely to be marginal, and the costs of later disillusionment may be large Union influence on labour (and social) policy, by way of contrast, could be pivotal

Labour and management jointly control the major variables in the labour market, can make demands of the state, set attainable goals and, most crucially, deliver Mainly for its own worth but also, incidentally, if the macro-economic initiative is to have any prospect of sucesss, it is essential that the social parties, and in particular the state, invest a great deal of effort in restructuring the NMC and the other statutory and non-statutory institutions of national labour policy

The Laboria Minute demonstrated a fatal deficiency within the existing NMC a body which purports to be representative of labour and business, and which wishes to negotiate its way to consensus positions, cannot be located within the labour ministry and cannot be a creature of the Minister of Manpower To play a useful role in a changing society, a refurbished labour council will need to enjoy a different status, be entrusted with new responsibilities and be composed on a new basis

In terms of status, autonomy should be a defining feature of any new body It should not lie within the embrace of a labour ministry but should be constituted as an independent statutory body drawn from civil society and set apart from both the state administration and the legislature Autonomy requires financial independence and this should be achieved through a dedicated levy on commerce and industry

Its principal function should be to advise all ministries dealing with labour matters and Parliament on labour and social policy Conversely, all state ministries dealing in a substantial sense with labour matters should be obliged to confer with the council in arriving at departmental policy This consultative process should, ideally, be carried out in co-ordination with any future macro-economic forum (a successor to the Economic Advisory Council?), where unions should have a separate, though attenuated, representation

Another function of a council would be to co-ordinate policy in respect of all other statutory bodies dealing with labour matters, such as the Unemployment Insurance Board, the National Training Board and the Advisory Council for Occupational Safety and Health These other bodies, which are generally bilateral or tripartite in character, should play a larger role in transitional SA and should, by rights, already be receiving a substantial slice of development funding

To mention just one example in terms of the Manpower Training Act, provision has been made for a "fund for the training of unemployed persons" and a "manpower development fund", finance in both cases coming from (among other sources) Parliament.

Unions and employers should be pressing for the enlargement of these funds and a role in overseeing their deployment Some important demands relating to interim government and administration could be addressed by exploiting the possibilities in this entire area

A council should also have a research function to enable it to discharge its obligations of advising all ministries and Parliament competently and authoritatively

Finally, a council should play a key role in the appointment of judicial officers in the labour courts Those tribunals must enjoy legitimacy to play their proper role as arbiters of last instance in the industrial relations system The current Ministerial appointment process detracts from the stature of the labour courts With regard to composition, drawing generally on European and particularly the Netherlands experience, there seems to be much merit in comprising a council equally out of employer, union and "public interest" representatives

The last category should serve as a bulwark against some of the excesses of social corporatism Representatives here could come from constituencies such as rural workers, women's groups, small businesses and independent experts The presence of these representatives would force the business and labour elites of the formal economy to develop policies which reach both the urban informal sector and the countryside

Although a labour council's principal function would be advisory, one would expect the political convention to develop, over time, that ministries and Parliament would not lightly depart from a consensus position reached in such a council Parties represented on the council would be those most intimately involved in and affected by labour policy, and this social fact should be implicitly recognised in any new constitutional dispensation

☐ Thompson is associate professor and director of the Labour Law Unit, UCT, and was a member of the NMC legislation committee.

Beware minimum wage

Sowetan 4/6/92 (132)

The Steve Mulholland Column

A MINIMUM wage, or a living wage or whatever you want to call it is the clarion cry of many trade unions and political parties.

On an emotional level it is difficult to argue against the principle of a minimum wage

Lifestyle

Why, it can be asked, should a man or a woman work for less than what is generally regarded as the minimum needed to maintain a basic lifestyle?

The question carries added weight in our society where a few earn very high salaries while the vast mass of the people earn very little.

There is also no doubt whatever, that many, mainly white employers, took advantage over the decades of apartheid to pay black people less than they would have had to in a free market situation.

Apartheid, it must never be forgotten, was the opposite of a free market system. There was a free market for whites and they prospered. But for blacks there was no free market.

They were instructed by law as to where they could live, for how long they could live there and under what conditions And they were also told where they could work and what sort of work they could do.

I do not have to tell readers of this newspaper of the evil labour discrimination inflicted on blacks. One of the results of this has been the powerful growth of trade unions and an equally powerful insistence on a minimum wage.

But when one thinks about it, a minimum wage is a system which discriminates against the poorest and the least skilled of our people. A minimum wage law forbids a willing employer and a willing worker from coming to an agreement on a rate for a particular job.

Activity

In the face of the minimum wage many employers will clearly prefer to stop a business activity which will lose money paying the minimum wage EVEN if there are thousands of workers at the factory gate willing to work for less than the minimum wage

A minimum wage acts against the worker as much as it does against the employer. It says to the starving unemployed man: "You may not work for less than a minimum wage even if you want to. You must rather starve so that those who have better skills than you can demand the minimum wage."

In this way the poor and unemployed become the human cannon fodder in an ideological struggle. The winners are the few privileged workers whose skills and output make it possible for employers to pay them above the minimum wage

Victims

But they themselves, whether they realise it or not, can also become victims of the minimum wage for if this wage rises above what the firm can afford to pay them, the firm will close down and they will lose their jobs.

There are many examples of jobs that have been destroyed because of the demand for a minimum wage which was more than the particular business activity concerned could afford to pay

There are now more than 5 million people unemployed in South Africa This figure is expected to rise to 7 million over the next few years.

Prohibition

Does it make sense to have a law which prohibits these people from working if they are willing to do so at a rate lower than the minimum wage? Beware of the minimum wage It is a two-edged sword which can cost you your job.

Unionising small business

Sowetan 4/6/92

By JOSHUA RABOROKO

THE impact of trade unions on small business and the need to link small and big business were the major themes at this year's National Industrial Chamber held at the Jan Smuts Holiday Inn at the weekend.

The NIC, which is an affiliate of Nafcoc, represents more than 4 000 small manufacturers, industries, parastatals and large corporations in South Africa.

Co-ordinator Mr Phil Machaba said that the intention of the conference was to link big and small manufactures because of the important role they would play in the post-apartheid South Africa.

Speakers included; Barlow Rand's Mr Robert Robb, Habakuk Cane's Mr Habakuk Shikwane, and representatives from trade unions

The impact trade unions have on small manufacturers was also discussed.

"Many entrepreneurs see the unionisation of their labour force as an area of concern, especially in the prevailing climate of widespread unemployment," Mashaba said.

According to Get Ahead, informal manufacturing in South Africa accounts for half of that found elsewhere in Africa, for example in Maseru and Nigeria.

NIC's president said they intended putting black manufacturing on the map as people usually associate black business only with retailers or taxis.

He said the critical unemployment situation in South Africa meant there was a need to learn how to maximise small business promotion

'Strikers' barred from Baragwanath

CT 6/6/92 (172)

JOHANNESBURG — The Transvaal Provincial Administration yesterday afternoon obtained a Supreme Court interdict effectively barring striking workers from Baragwanath Hospital premises

Baragwanath workers have embarked on the industrial action in support of wage demands

The Transvaal Provincial Administration's hospital spokesman, Dr Pieter van den Berg, said a "strike" had forced the hospital to put emergency plans into operation, including the admission of as few patients as possible and the early discharge of other patients

The National Education, Health and Allied Workers' Union (Nehawu) approached the TPA to discuss their demands, a TPA statement said last night

A closed-door meeting will take place this morning at the hospital

However, Nehawu spokesman Mr Phillip Dexter denied that workers had embarked on a strike

"What is happening at Baragwanath, Kimberley and Frere Hospitals is that workers are picketing and demonstrating in support of their wage demands," he said

The union has not decided on strike action Instead members were protesting against the Commission of Administration's alleged intransigent attitude about real collective bargaining, he added — Sapa

Union management needs to modernise in the changing SA

B/Day 11/6/92 **BOBBY MARIE** (132)

THERE have been significant changes recently in the context in which unions organise in SA — changes which challenge the traditions of militancy and democratic participation

Progressive trade unions in SA have been remarkable for their political militancy as well as their success in attending to the day-to-day needs of their membership The union movement is distinguished from other mass organisations by the level of accountability to membership shown by its leadership and by the active participation of its membership in the decision-making process and negotiating campaigns

Over the past five years, unions have grown to three or four times their original size through mergers and recruitment of new members This has set off a series of changes

- There is a larger proportion of new members, shop stewards and staff,
- A larger membership has necessitated complex and nationally centralised structures;
- A bigger and more complex organisation creates more issues for meeting agendas, and decision-making has become tortuous and inefficient. The level of understanding and participation among rank and file is declining The inability to devise effective solutions to information flow, and internal communication problems, accelerates this decline, and
- The demand for services from membership has increased significantly, and inexperience, coupled with organisational inefficiency, threaten the image of the unions as organisations that "deliver" on the day-to-day problems

Up to the mid-'80s, unions focused on recruiting members, establishing basic trade union rights and improving wages and working conditions at plant or factory level The issues were simple and allowed workers and shop stewards direct participation in the negotiations Those issues have now been clarified in law, and have become simple procedural ones But new patterns have emerged Today decisions tend to be implemented, rather than devised, at plant level and policy is now formulated at the national level

The restructuring initiatives of the state and capital have forced the issue of job security and job creation high up on union negotiating agendas Unions are devoting a fair amount of their skilled personnel and resources to research and national negotiation The economic negotiating forum is a logical next step in this progression.

This has had a significant impact on the participation of the members on the ground The issues appear abstract If made real, they are seen as too complex The negotiations are long and drawn out and the forums are not visible from the ground

The nature of management has also changed The '70s and much of the '80s saw an insecure management terrified of the "communist onslaught" However, management has since learned it can get a better advantage over union leadership serving them tea across shiny boardroom tables than paying spies to record the goings on in canteen toilets or dark hostel corridors

Management has begun to put more money and more sophisticated strategies into dealing with labour Bigger companies are starting to develop long-term plans related to "worker participation" as a solution to productivity problems The young, inexperienced organiser, expecting to face an aggressive *boer* on the other side of the table, now has to deal with professional, well-informed consultants There are cases where organisers discover, to their great confusion, managers who are card-carrying ANC members

February 2 both gave and took away from the union movement. The freeing of political space opened the way for unions to expand their influence beyond industry to the national economy itself But it took away the political challenge which provided a natural bond and coherence

These changes have had an impact on union organisation — challenging traditional organisational forms and practices.

The local shop stewards' councils were the vibrant melting pot for ideas and actions that later developed into major national campaigns Now local agendas are dominated by the many issues that come from "head office" Given the fact that a large number of these issues are complex, or of only long-term importance, there is very little discussion and the local agenda often turns out to be a long briefing session

"Worker control" in union practice meant that every issue, whether political or administrative, was first to be discussed in the local councils where a position was taken only after a mandate was received from the factory floor

This approach to representation was functional in the early period of the unions' growth when the organisations were smaller and the issues simple However, the usefulness of the old process is today seriously questioned It has become cumbersome if not impractical

In the early days unions, building on scarce resources and limited skills, evolved an organisational approach that was well adapted to working within these limits New staff, largely recruited from among shop stewards, developed their skills "on the job" There were no formal systems, procedures or approaches Integration was facilitated by the more experienced working alongside the new Today staff, thrown in at the deep end, do not necessarily learn to swim More often than not they simply learn to keep afloat.

There was also a strong tendency to see division of labour, levels of authority, systems of work, disciplinary procedures and codes of conduct as bureaucratic practices that could not be applied to "comrades in the struggle" These ideas of the old still prevail in the new political and organisational context

Union leadership has tended to resort to the "quick fix" when faced with the maze of organisational problems and a simultaneous escalation in the demands on the organisation to deliver services

The "quick fix" approach means

- Diverting major resources and personnel time to what are perceived to be urgent, strategic national and political policy issues to the neglect of all others,
- Placing responsibility on very few people to be involved in several issues at the same time, and performing none of them in a systematic and intensive way;
- Drawing in "experts" from outside the unions to deal with matters that could and should be handled by the organisation,
- Seeing the problem of staff efficiency and effectiveness as a problem of discipline and the lack of authority of national officials, and
- Reducing the problem of participation in the union to one of communication from national to local

This improvised approach simply perpetuates the problem National leadership becomes overloaded and increasingly ineffective Local leadership becomes passive and uncreative An alternative approach is sorely needed It will have to involve restoring base creativity and building national initiative in a simultaneous process, making appropriate structural changes, strengthening worker leadership, and devising an alternative leadership style

In particular, those full-time officials with a wealth of experience will have to transfer this experience to the large army of new staff employed by the unions How they will do so is a complex question But a starting point would be for them to treat organisational issues as being as important as the new political issues, and to become accessible to other staff Structural changes, training programmes, and the creation of systems of work are meaningless without the supervision of the inexperienced by the experienced

Marie is Numsa national organiser with responsibility for staff development This is an edited version of an article in the latest edition of the SA Labour Bulletin.

Government agrees: Law must change

W/Mail 12/6-18/6/92. (132)

The government has responded positively to recommendations which would make South Africa's labour system one of the more advanced in the world. **FERIAL HAFFAJEE** *reports*

IF South Africa's labour legislators — both present and future — heed a recent International Labour Organisation report, the country could soon have a body of labour law to match the best in the world

In a statement issued in response to the report, the government this week concurred with the ILO commissioners, who said· "The government is aware of the need for reform in the trade union and labour relations field. This provides a hopeful framework within which the various issues and problems identified in the Commissions Report can be addressed "

The government also pointed out that important developments had taken place since the ILO commissioners' visit in February. These included negotiations on legislation concerning farmworkers and towards the establishment of a national economic negotiating forum.

The government added that it is considering ways of extending inter-im basic conditions of employment to domestic workers and that problems relating to trade union registration will be dealt with in the new Labour Relations Act currently being drafted.

The statement welcomed the ILO's offer of assistance in restructuring the labour courts and added that this was hopefully the start of a healthy relationship.

Shamima Saley, an attorney who acts for the Congress of South African Trade Unions (Cosatu), commented this week "It's a good report because it places our labour law in the context of international norms

"The message seems to be that we can reapply for admission to the ILO if certain criteria are met If we take heed of the recommendations, we could have one of the more advanced labour systems in the world".

The ILO commission came to South Africa at the invitation of Cosatu and after three months of tough deliberations, its report was issued last week

The report states that the exclusion of farm and domestic workers from the labour statutes "poses one of the most serious problems affecting freedom of association in South Africa" and recommends the "early enactment" of appropriate legislation

With municipal workers marching countrywide and the threat of a strike by civil servants, legislation for the public sector has become more pressing The commission recognised that — in line with international standards — an unfettered right to strike in the public sector is not feasible But it recommended that "adequate, impartial and speedy conciliation and arbitration procedures be set in place"

It also recommended the speedy negotiation of terms and conditions of employment for the public sector, as well as a redefinition of "essential service" workers

Other key recommendations of th ILO report are that trade unions should be prohibited by law from restricting membership in terms of race and that the labyrinth of legislation for the "homelands" should be brought into line with South Africa's labour law

The report lists a number of ways in which the authorities' discretionary powers impinge on freedom of association. Among the more serious infringements are

- The right to refuse the registration of a trade union
- The right to conduct an inquiry into the affairs of a union
- The provision that companies have to apply for permission to implement stop-order facilities where trade unions are not registered

On the right to strike, it recommended·

- The streamlining of pre-strike procedures.
- That a simple majority in a strike ballot is sufficient.
- The inclusion of the right to strike over socio-economic issues
- The amendment of the Act to provide protection for strikers against dismissal.

SA 'least safe African country for unionists'

Political Staff (132)

CAPE TOWN — Despite improvements in SA, it remains the least safe place on the continent to carry out trade union activities, says the International Confederation of Trade Unions.

In its annual review, it said 47 trade unionists were murdered in SA between March 1991 and March 1992.

Most of these murders could be attributed to right-wing death squads B/Day 23/6/92

However, union sources quoted in the survey stated that the highly organised nature of the violence and professionalism shown by the killers suggested the existence of a third force, including elements of the police and security forces.

The survey, released in Brussels, said revelations about the secret funding by government of the Inkatha-linked trade union Uwusa and other groupings, including an "intelligence service on trade union activists", were confirmation of dirty tricks against trade unions.

It referred to plans, uncovered in February, for the assassination of prominent union leaders.

Collective arrests and mass dismissals completed the grim picture of SA given in the survey, questioning the government's commitment to the reform programme upon which it claimed to have embarked, the union body said.

In many African countries trade unions had been in the forefront of the fight for democracy.

In some of them the rulers, resisting the winds of change, had resorted to the use of force to suppress the pro-democracy movements.

Worldwide, 200 people were killed as a result of anti-trade union repression, and the survey rated Colombia, China, Guatamala, El Salvador, Iran, Peru, Sudan and SA as the world's most dangerous places for trade unionists.

Two thousand cases of detention of trade unionists were documented in the 45-page report which described many instances of death threats, abduction, disappearance, harassment and spying aimed at trade unionists.

BUSINESS

Disunity over union fund

W/Mail 26/6 - 2/7/92.

(132)

A union-initiated avenue for investment was launched to acclaim. But not all unionists are overjoyed.

FERIAL HAFFAJEE *reports*

LEADING unionists have questioned the timing and the rationale of the union-initiated Community Growth Fund

The fund was launched with much fanfare recently as a socially responsible way for unions to invest in the Johannesburg Stock Exchange

Some unionists argue its launch is premature and that the time is not right for union investment in the JSE Others accuse the National Union of Mineworkers — one of the unit trust's biggest proponents — of blazing ahead and taking other unions by surprise when other investment options are still being considered.

Only seven affiliates of the Congress of South African Trade Unions and the National Council of Trade Unions endorsed the fund

A number of wealthy and well-organised unions are notably absent from the list of endorsements Among these are the following Cosatu affiliates the National Union of Metalworkers of South Africa, the Chemical Workers Industrial Union and the South African Commercial Catering and Allied Workers Union

Nactu's largest affiliate, the South African Chemical Workers' Union, has also not endorsed the fund

A Numsa member, who did not want to be identified, told *The Weekly Mail* the discussion on union investments had been left open-ended after a Cosatu workshop a year ago

"At the time people believed the JSE was problematic and there was no way to identify socially responsible companies The JSE is precarious Your money is never safe, you are gambling with workers' money," he said

The same workshop considered the establishment of community banks, which offer guaranteed returns albeit at lower interest rates, an option which now seems to have been forgotten

"You cannot invest money now, especially if you don't support the country's present growth path," he concluded Other union leaders contacted by *The Weekly Mail* agreed that the National Union of Mineworkers had jumped the gun and not considered other investment options

A Cosatu representative said the federation may discuss the fund at its central executive committee meeting next month But he added the Fund had taken Cosatu by surprise and that it would have been preferable if the launch had been co-ordinated and been endorsed by the whole labour movement

Nactu assistant general secretary Mahlemola Skosana said his federation was "still looking at the CGF" But Skosana believes the CGF is premature "It puts the cart before the horse," he believes

"It uses the economy to tame black people and favours employed workers over the unemployed"

He also thought it was was problematic that only individual members of provident funds benefited from the profits of the fund and suggested that a percentage of the profits should go to union coffers

But Skosana did concede the fund's plans to invest only in companies with sound social responsibility programmes and industrial relations practices was positive "It will force companies to listen," he said

Gordon Young, of the Labour Research Service (LRS) which designed the fund, said "We followed the correct channels through both federations and consulted properly"

He said that discussions with Cosatu about the fund had "gone into limbo" The LRS had also met Nactu head office officials as well as with representatives of all affiliates.

Young believes only a limited number of unions have joined the CGF because provident funds are at different stages of development Unions which have endorsed the fund all have well developed funds

Young knows that "a couple of individuals are not convinced of the merits of the Community Growth Fund", but added "When we address workers, they immediately understand what we are trying to do"

Responding to the accusation that the LRS and the NUM had jumped the gun in launching the fund, he said "There is a lot of competition in the financial market When you move, you have to move fast."

He also added that if union funds wanted to beat inflation, they had no choice but to invest on the stock market.

"Many of the reservations about the CGF is that is does not solve all the problems We know that there must be other options as well," says Young

To this end, the LRS is also considering ways in which unions can invest in co-operatives and fixed interest funds which could make low interest loans available to members

In the meantime, the CGF is going full steam ahead It has had indications that three more unions will soon join the fund and Cyril Ramaphosa also pledged African National Congress support for the fund.

The LRS also recently launched a provident fund training programme for provident fund trustees

PROFESSIONAL APPOINTMENTS

Living dangerously

SOUTH AFRICA, along with countries like Colombia, China, Guatemala, El Salvador, Iran, Peru and Sudan rank as the most dangerous places in the world for trade unionists.

The survey of 85 countries by the International Council of Free Trade Unions found that 200 people were killed in anti-union repression, 2 000 detained and 50 000 fired worldwide. 132

In the year under survey, 47 unionists were killed in South African making this country "the most unsafe place to carry out trade union activities".

W/Mail 26/6-2/7/92

Labour hobbles unions

Recession, inflation and drought

27/6-1

TRADE UNION describing 1992 as the worst year since unions were legalised in South Africa

Amid recession, huge retrenchment, rising prices and a devastating drought, trade unions have been severely hampered in their ability to effectively challenge employers.

Wages have remained at an all-time low while increments have declined compared to the early days of legal trade union activity

Labour consultant Mr Andrew Levy says the downward trend is likely to continue this year since wage hike limits for 1991 will be the base of negotiations this year

Levy attributes the downward trend to determination by employers to "break the wage spiral" and to their reluctance to agree to inflation-linked hikes without corresponding rises in productivity

Unions have also been threatened with retrenchments while negotiations take place. Says Cosatu information officer Mr Keith Madonsela "It is clear that employers want to impede progress in negotiations"

In mining, employers are constantly threatening to close shafts which they describe as producing marginal profits Cosatu says it is examining this threat which will "inevitably result" in a setback when "battalions of unionised workers become unemployed"

Cosatu spokesperson Mr Neil Coleman says the federation demands a moratorium on retrenchments and wants an agreement to this effect to be signed by affiliated unions and employers.

In sectors like mining and metal, Cosatu wants employers to retrain workers so that when they are retrenched they have skills to offer on the job market

Job losses in mining continue to rise According to National Union of Mineworkers (NUM) information officer, Mr Jerry Majatladi, the industry had 750 000 employers in 1987 Today 495 000

A tough battle could lie ahead in the mining industry as wage negotiations continue NUM's wage demands range from a 20 to 100 percent increase for different employers and includes a 20 percent minimum increase on gold mines and 55 percent on collieries

In a show of strength the union marched through Johannesburg on Monday to the offices of SEIFSA, the National Industrial Council for the Motor Industry and the Department of Manpower

Negotiations have been in the balance after Numsa rejected employers' offer of a 6,4 percent across the board wage hike

Strike ballots are due to start in July if the deadlock is not resolved

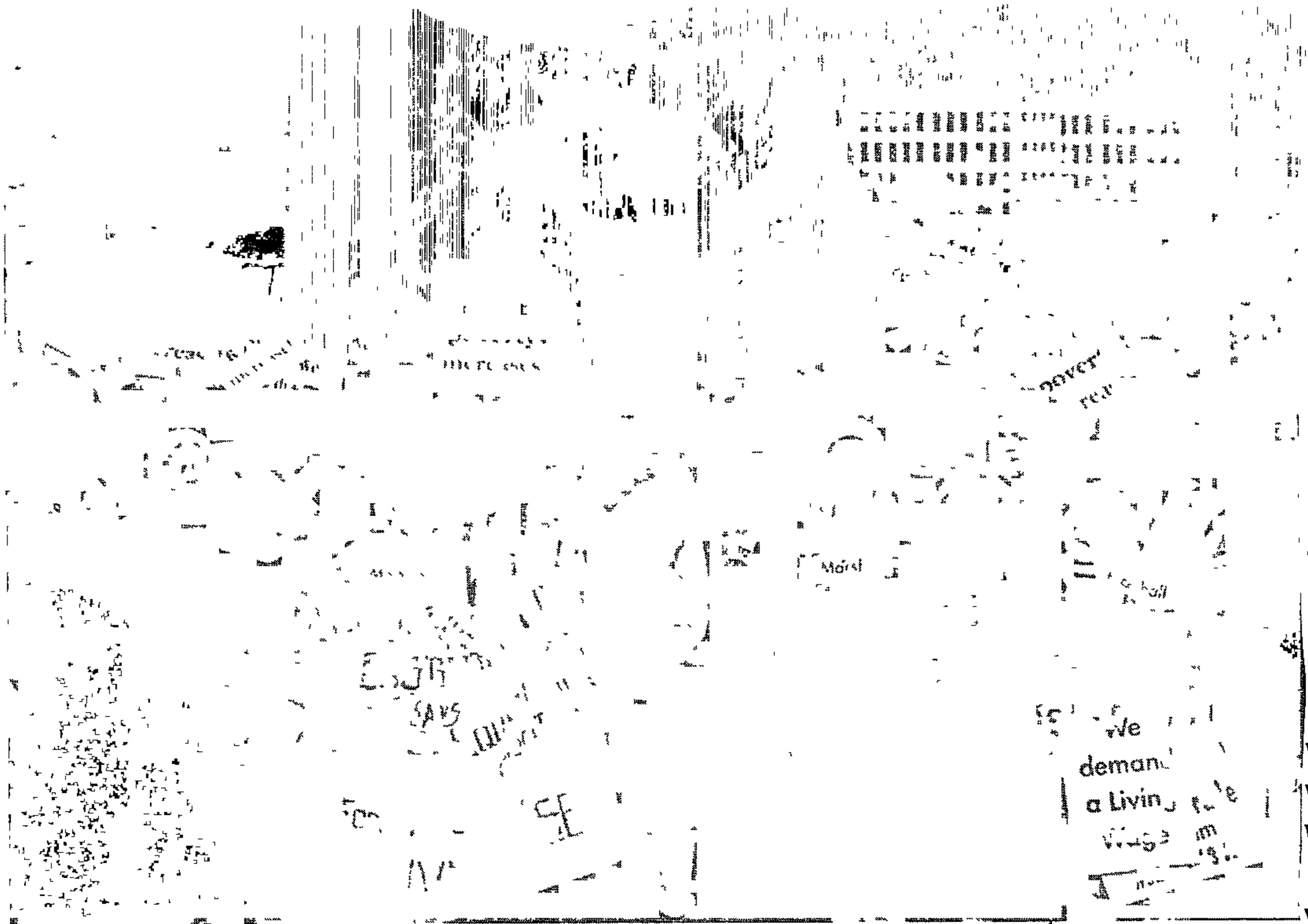
In the public sector, however, a settlement has been reached after three months of negotiations between Cosatu affiliate Post and Telecommunications Workers Association (Potwa) and management boards of the South African Postal Service Potwa pushed the minimum wage beyond R1 000 with a 19,5 percentage increase

Despite the economic recession, statistics indicate increasing preparedness for mass action

According to Levy there has been an increase from 21 percent to 29,4 percent in the use of mass action as a means of exerting pressure on employers to concede to workers' demands

Figures for work stoppages reflect an increase of nine to 12 percent in the past year, while the number of illegal strikes in the past 12 months was 18 percent above last year

MBULELO SOMPETHA



South 27/6 - 11/7/92

TAKING IT TO THE STREET: Part of the 15 000 clothing workers who participated in Sactwu's march in Cape Town last Thursday. One of their demands was a R30 a week wage increase

(132) [redacted]

Strike activity up by more than 70%

(132)

CAPE TOWN — Strikes increased by 73,3% in the second quarter of 1992 over 1991 with grievances being the main reason and with the motor industry being hardest hit. B/Day 30/6/92

An Andrew Levy & Associates report released yesterday, said strike activity was expected to increase when the Cosatu/ANC/SACP mass action programme clashed with a general hardening in employer attitudes towards stayaways.

Wage negotiations in the metal and mining sectors were expected to contribute to a rise in man-days lost. The second quarter figure was 650 000 compared with 375 000 last year, but 45,83% lower than the 1990 high of 1,2-million

Commenting on the mass action programme, Levy & Associates said "As a result of this, it is anticipated that there will be an increased potential for conflict in companies housing unions with different ideological viewpoints, as workers who do not support the campaign will come under severe pressure to do so.

"It is also envisaged that because of a noticeable hardening in employer attitudes towards stayaways in general, further disputes will arise as a result of discipline meted out.

"It is interesting to note that grievances (39,8%) are the main trigger factor, followed by wages (32,3); recognition/bargaining levels (13,9) and dismissal/discipline (10,5).

"Wages traditionally dominate the trigger scene but during a period marked by a high degree of confrontation and political tension, a number of strikes have taken place over issues such as unfair protection of white employees, calls for the dismissal of white management and differential

☐ To Page 2

Strikes

B/Day 30/6/92. (132)

☐ From Page 1

treatment between the race groups."

The motor industry accounted for the largest number of man-days lost (35,3%) mainly as a result of the Toyota strikes in May and June The retail sector was next (14,7) and the state (13,9) next due to an upsurge in hospital strikes and that between the SABC and Mwasa Intermittent strike action at Impala Platinum Mines contributed to the figure of 12,9% for the mining sector

The most active unions in terms of man-days lost to the economy were Numsa (37%), Saccawu (14,8), the NUM (13,4), Nehawu (10,4), Fawu (9,2) and Mwasa (6,4) The unions responsible for the greatest number of strikes were Saccawu, Nehawu, Numsa, Fawu, CWIU and Sacwu — Sapa

Strike: Bid to 'break the logjam'

(132)

ARG 14/7/92

SHARON SOROUR Labour Reporter

LAST-MINUTE negotiations between labour and business are continuing in a bid to produce a joint strategy to "break the political logjam" and limit the affect of a prolonged general strike.

Leaders of the giant trade union federation Cosatu and employer body Saccola (SA Consultative Committee on Labour Affairs) are on the verge of agreeing on a joint document which could speed up a transition to democracy.

The parties met in Johannesburg yesterday.

Saccola represents nine major employers including the Chamber of Mines, SA Chamber of Business, Afrikaanse Handelsinstituut and Seifsa (Steel and Engineering Industries Federation of SA).

The document sets out a jointly developed programme of action to break the cycle of conflict which has led to the collapse of negotiations, rising violence and increased confrontation across the political spectrum.

It proposes practical steps to combat violence and poverty and commits the signatories to mobilising support for a transition to interim government and an elected constitution-making body by the end of this year

The parties are also considering a proposal that assemblies for "peace, economic reconstruction and progress to democracy" be convened jointly by participants on August 3 — the starting date of the general strike.

Cosatu general secretary Mr Jay Naidoo said the parties were trying to finalise a proposal on joint action to "break the political logjam and get movement towards a political democracy".

● See page 4.

Labour a worry for Keys

S/Times (BUSS) 19/7/92 (132)

By ZILLA EFRAT

THE "disturbing" rise in labour costs was SA's major economic problem, Finance Minister Derek Keys said yesterday.

He told a Taiwanese Association meeting in Johannesburg that this was also the opinion of Reserve Bank Governor Chris Stals — "a warning given greater point by recent events on the labour front".

A key question was whether the new SA could improve productivity of labour and capital to the extent where a high growth rate could be sustained.

Because capital took flight easily and was highly mobile, SA would have to build up foreign confidence in its stability and make its industrial environment more "user-friendly".

Mr Keys quoted ANC leader Nelson Mandela as saying "any political settlement cannot survive unless we can turn the economy around so that it generates the jobs and the wealth which will make a rapid and visible impact on the standard of living of the black people especially".

Useful analysis of labour in SA

B/DAY 20/7/92. (132)

THE SOUTH AFRICAN LABOUR MARKET — Critical Issues for Transition, by Frans Barker (J L van Schaik, R49,97).

THE SA labour market is a prize Cosatu and its labour allies are contesting with vigour.

In the '70s and '80s institutions that regulated and monitored the various aspects of the labour market — like the National Manpower Commission, the Unemployment Insurance Fund, the wage boards, the training boards, workmen's compensation and so on — were regarded by Cosatu unions with suspicion and hostility, and were boycotted

Now these unions are engaging the whole area in line with their vision of restructuring the labour market and its institutions Their participation will give credibility to the transition process And it will help to concentrate the attention of all affected parties on this critical area of the SA economy So a clear and simple book, which outlines the major components of the labour market and highlights the issues that need to be addressed in the transition period, is both timely and welcome

Commission chairman Frans Barker's book is the only comprehensive examination of the labour market It is also written with the insight of someone — widely respected in trade union and employer circles — who has a bird's-eye view of the market and access to all the official information on the labour market

The book deals with some of the principles of labour market supply and demand, productivity, problems surrounding unemployment, human resources and the demand for skills, industrial relations, wages, inequalities and discrimination

Inevitably, readers from different sides of the industrial relations divide, as well as labour market academics and commentators, will find an axe to grind with some of Barker's assumptions — even though he is careful to present the pros and cons on various issues

The book is packed with useful information that students, trade unionists, industrial relations managers and politicians will find useful

DIRK HARTFORD

of labs

ANC, Cosatu back compromise

Business to seek support for shutdown

B/DAY 20/7/92

132

ADRIAN HADLAND

EMPLOYER body Saccola and trade union federation Cosatu will attempt this week to sell to their constituents a proposed 24-hour shutdown of business and worker stayaway in place of a five-day general strike.

The proposal is the result of two weeks of negotiations between Cosatu and Saccola. If approved, it will be adopted by the two organisations at a meeting tomorrow.

It is a compromise on earlier ANC/Cosatu intentions to stage a longer strike in support of an interim government and an elected constituent assembly.

Saccola spokesman Bobby Godsell said yesterday Saccola and Cosatu "had been asked to do things which for each of them were unusual".

For Cosatu it meant watering down its industrial action, for Saccola it meant officially sanctioning a stayaway.

"We've all got to try and turn around our constituents," Godsell said.

"The proposal has some potential and some problems. In the end its acceptance will depend on the reaction the ideas evince from our constituents."

The 24-hour shutdown was discussed by the ANC's national working committee last week The committee agreed there would be no other stayaway if Cosatu and Saccola received their constituencies' backing.

The committee said "This 24-hour closure would mean a form of general strike with the support of business and other such forces, demonstrating the isolation of the regime." Other actions planned for a week of action, starting with the 24-hour closure on August 3, would go ahead.

These include regional initiatives to blockade towns and cities on August 5, factory demonstrations on August 6-7, a "local assessment" on August 8 and religious activities on August 9. ANC spokesman Gill Marcus said the actions would be taken during lunchtimes and breaks and would not interfere with production.

The stoppage would take place on August 3 which the ANC has billed a Day of Peace, Democracy and Economic Reconstruction.

A decision to hold a one-day stoppage in place of a longer general strike would be taken amid signs that a number of key strikes could be resolved soon — on terms favouring employers rather than workers. These include the Toyota, SABC and hospital strikes

In a parallel agreement, the two parties are set to adopt a social charter which commits business to backing the ANC's demands, taking steps to end violence, expediting the establishment of an economic forum and job creation programmes. This agreement would set an end-September deadline for actions to be taken before new possible union action.

Cosatu general secretary Jay Naidoo said last week an agreement with Saccola would enable Cosatu to stage a shorter general strike than originally planned.

Mass action received a further setback at the weekend when trade union federation Nactu indicated, after its national consultative conference in Soweto, that it was reconsidering its participation.

● Comment: Page 8

Union's trust fund halfway to target

STAR 20/7/92

(132)

Finance Staff

CAPE TOWN — Just a month after its launch by seven trade unions, the Community Growth Fund is already halfway to its first year target of R100 million.

R50 million has already been pledged for the fund, set up in June by four Cosatu-affiliated unions — including the powerful National Union of Mineworkers — and three Nactu affiliates for the placing of workers' provident and pension fund money.

The CGF plans to invest in JSE-quoted companies which satisfy social as well as profitability criteria.

Job creation, wages, trade union recognition, health and safety and affirmative action programmes to promote blacks and women will all be taken into account.

Through their representatives on the trade union-controlled company Unity which controls the fund jointly with Syfrets, workers will have a decisive say in where their money is invested.

Thirty to 40 companies are under investigation for the final list, says Ian Hamilton, senior manager of Syfrets, which administers the fund and which is contributing R2 million

"Management attitude towards unions is emerging as a key selection factor," he says.

But, insists Mr Hamilton, the first criterion is one of profitability: "We've been approached by companies which claim to satisfy all the social criteria. If they don't have the growth record we're looking for, we don't consider them."

Cash flow

The fund is looking for cash flow rather than lump sum investments, says Mr Hamilton. "We recommend that the provident funds leave their capital sums in guaranteed funds so if the market slumps, members don't suffer losses when they leave or are retrenched. Cash flow can be invested in non-guaranteed funds which offer better returns."

"The public's interest in the fund has been remarkable, especially considering that we haven't yet done any advertising," said Mr Hamilton.

Syfrets is technically ready to start investing on the JSE, but Mr Hamilton says he is in no hurry. "With the market likely to go on see-sawing in the immediate future, there's no reason to rush."

The fund's first quarterly report will be published at the end of September.

Groups meet on labour accord

(132)

CT 21/7/92

Own Correspondent

JOHANNESBURG — Business and labour groups meet here today to decide whether to adopt a draft Saccola-Cosatu accord aimed at averting a general strike and gaining business backing for political demands.

Today's meetings take place against a background of business concern that it is tying its fortunes too closely to the ANC/Cosatu camp

The government yesterday indicated it was in favour of the accord which sets aside August 3 as a 24-hour stoppage

Constitutional Development Minister Mr Roelf Meyer said business would not be choosing sides politicially if it signed the accord

Senior representatives from business chambers countrywide meet today at a special Sacob summit here to discuss the accord and the 24-hour shutdown Sacob's recommendation will be passed on to Saccola in time for its meeting with Cosatu tonight

Saccola chairman Mr Bokkie Botha said he was not aware of business opposition to the accord on political grounds

Sources said some business chambers were unhappy with the political aspects of the accord and were unlikely to agree to a paid holiday on August 3

Free State Chamber of Business president Mr Abie Koch said his members strongly believed politics should be separated from business

Cape Town Chamber of Business chief executive Mr Alan Lighton said many companies had adopted a "wait-and-see" attitude

He said the Cape Town contingent would attend the Sacob meeting with particular views on the accord and stayaway but were prepared to discuss the proposals

He said the MWU would approach the CP for support

● Last appeal as strike looms — Page 10

Bid to stop mass action, strike fails

(182)

CT 23/7/92

Own Correspondent

JOHANNESBURG — Saccola and Cosatu failed to reach agreement last night on their planned charter and programme for peace, democracy and economic reconstruction

The ANC-Cosatu alliance said it would go ahead with its planned general strike on August 3.

The general strike will take the form of a two-day national stayaway on August 3 and 4 with mass mobilisation to occupy major city centres and strategic points on August 5 On August 6 and 7, workplace-based protests are planned, while big rallies are planned for Saturday, August 8

The parties were aiming to reach an agreement for everyone to observe August 3 as a day of peace and democracy.

Significant differences

It was understood that this would involve some form of voluntary shutdown. In exchange Cosatu would call off its general strike programme But by the time Cosatu and Saccola went into the talks last night, significant differences were apparent.

Cosatu wanted August 3 to be a voluntary nationwide closure — including all enterprises and the public sector — with workers being paid for the day.

Saccola wanted employers and unions to decide at local and regional level how to mark the day. It also said it could not speak for employers outside its ranks — including the public sector

● JSE reels as world markets reflect jitters — Page 10

Unions outline criteria for testing social responsibility

B/DAY 23/7/92 (132)

IRENE BARENDILLA

SEVEN trade unions launched SA's first socially responsible investment fund, the Community Growth Fund, in May this year.

The fund takes the form of a unit trust and will aim for high capital growth while applying social criteria, determined and monitored by the participating unions, to the selection of investments.

The fund has been enthusiastically received Provident funds — the main market for the fund — have already committed more than R50m to it after one month in operation

But how exactly will the fund operate and the criteria be applied? Seventeen criteria have already been adopted in outline by the unions. Their interpretation and application are being discussed inside the unions The process of selecting shares has already begun

The Community Growth Management Company — which controls the fund — has trade unionists on the board in addition to investment professionals And these trade unionists representing the main investors in the fund, will be looking at investments from a different point of view A share selected by our investment advisers, Syfrets, will already have passed their stringent tests Thereafter it must pass the unions' tests.

There are 17 criteria Each has a different weighting Normally, a company will be examined on its overall "score", so that weak performance on one criterion will not disqualify it from approval if it scores well on others

But some criteria are important enough to be considered separately and companies which fail the test on these may not be selected

The first is industrial relations A company that has a hostile attitude to trade unions to the extent that it fails to recognise them, will be rejected out of hand The unions are not looking for perfection, but recognition and a reasonable attitude to trade union rights such as access to company premises, stop order facilities, union meetings, and acknowledgement of shop stewards are the basic minima.

A company whose assets are wholly overseas will not be selected unless there is a clear benefit for SA workers We shall want to know that the workers in the overseas plants are unionised Our investment advisers will seek rand hedges in exporters instead.

The product of the company is also critical For example, companies manufacturing tobacco products exclusively are likely to be rejected The fund will also not finance the privatisation of companies from the public sector

The other criteria will be considered together Employment practices include the wages paid in comparison with other companies in the same sector A company paying below-average wages will be marked down Other conditions of employment, including maternity benefits and retirement provision, will also be considered

A large weighting will be given to the company's job creation record This does not include employment added through acquisitions The fund will try to invest in companies which are growing by creating new jobs Obviously, cyclical factors affect employment levels and full recognition will be given to them, but then the company ought to negotiate with the union about retrenchments

Wherever possible, the fund would like to participate in rights issues where these will finance new job-creating projects. During the coming years, the fund will progressively raise its standards in relation to job creation

Training of workers is a key union demand Unions recognise that skills are the key to upliftment They are often frustrated by management complacency on this issue The company's budget for training, especially for black workers, will be examined in relation to turnover

Affirmative action for black workers is related to training Companies which have carefully planned and meaningful affirmative action programmes will be getting the most out of their workforce — at the same time offering an upward path for their employees The fund will look behind the ringing phrases to the reality of affirmative action programmes For example, the number of blacks in line management will be given more weight than window dressing in peripheral departments!

Of great importance to the union movement is equal opportunity for women workers As with affirmative action, we will be looking for real action, not cosmetic displays

Consideration will also be given to retention of profits Workers have seen too many companies pay vast special dividends in one year, then plead poverty at wage negotiations the next A company which wants to grow needs large retentions to finance fixed investment and this will score high in our investigations

It goes almost without saying that disclosure of information is a key factor Information that cannot be had from a company's annual report will be sought from the company itself Companies which fail to disclose the information we need to assess their compliance with fund criteria will score badly here

Worker participation is relatively new in this country and still extremely rare Co-option does not come under this heading At the most basic level, we shall be asking whether workers are represented on the pension fund's board of trustees

The political profile of a company will also be considered The unions cannot be expected to invest in public companies which use shareholders' money to promote the managers' private political objectives, especially when these conflict with union policies

Health and safety is obviously a key issue for unions Companies' performance will be judged by objective standards and reports from the unions involved As with all the other criteria, full recognition will be given to a company whose safety record is improving, even if the level has not yet reached satisfactory standards

Attention will also be given to a company's social spending programme In particular, we shall ask about the degree of community participation, and whether the programme is genuinely social, or merely promoting the company's own ideology

Workers are increasingly paying attention to environmental factors So companies' records and practices will be examined and monitored on these issues

Finally, racial discrimination will be a major factor and will be examined across all the other criteria. We shall be looking for evidence that companies are making determined efforts to get rid of all traces of racial discrimination, and to destroy the entire legacy of apartheid in all its forms

For example, an equal opportunity programme for women will also be considered for the assistance it gives to black women specifically

The seventeen criteria require much investigation These investigations will be carried out on companies already selected by Syfrets as good investments

The investigations will be carried out by the Labour Reserch Service, which will visit companies, interview trade unionists and extract written information from annual reports, stockbrokers' reports and the like Companies will be asked to assist, for example by giving us sight of National Occupational Safety Association reports or environmental audits done for the company Finally, a detailed analysis will be considered by the union representatives

In this way, the fund will build up a portfolio which meets the requirements of the investors for socially responsible growth assets

☐ Barendilla is a board member of Unity, the union-controlled entity which applies social criteria to investments of the Community Growth Fund. She is an NUM official.

Course for unionists

23/7/92 Sowetan

A UNIQUE management course for shop stewards has been launched by Rhodes University's business administration department and Nampak (132)

According to Mr Phillip Court, course coordinator and senior lecturer in the business administration department, the success of this venture illustrated the need for education at lower levels of management - Sowetan Correspondent, Sapa and Elnews

SA unions 'world's most militant'

B/DAY 24/7/92 (132)

LINDA ENSOR

CAPE TOWN — SA labour unions were the most militant in the world and their militancy was expected to continue throughout the period of political transition, labour consultant Andrew Levy told a conference yesterday

He said that about 750 000 man days had been lost in the past few months merely as a result of the hospital, Toyota and SABC strikes.

Levy said there was a close correlation between political instability and labour militancy and this was even closer at a time of recession and job losses.

"Trade unions are moving into a different dispensation and approach to negotiations, they are more serious and want to discuss important and big issues," Levy said.

He warned that employers were increasingly opting for capital intensive methods, and a solution had to be found which balanced a number of factors including wage increases, productivity and the security of employment

Unions were also beginning to accept the need for deregulation and the exclusion of certain enterprises from labour provisions in the interests of job creation, Levy said

He warned that 50% to 60% of jobs lost in the recession would be permanent or long term, as employers were slow to increase employment to earlier levels.

Levy said there was a move towards a more direct style of negotiation to replace the "egg dance" of the past He urged companies to lose the moralism which characterised their relationships with workers, as labour had come of age and was now competent, organised and militant.

Andrew Levy & Associates consultant Larry Palk said a noticeable trend over the past 18 months had been the greater engagement of the negotiating parties and the higher level of discussion on issues

The young, intelligent and articulate union leaders wanted to discuss major issues in depth and were relinquishing the rituals of keeping apart.

UCT professor of political studies Robert Schrire told the conference that there was a danger that mobilised social forces would move beyond the control of the institutional framework

He warned that rationality was a diminishing asset in a context of economic decline and communal violence, and said passions aroused would become increasingly difficult to contain

Dismay over talks deadlock

(132) ARG 24/7/92

The Argus Correspondent

JOHANNESBURG. — Widespread dismay has greeted the breakdown in negotiations between the Congress of South African Trade Unions (Cosatu) and the South African Co-ordinating Committee on Labour Affairs (Saccola) over the planned ANC-led mass action campaign

The Cape Town Chamber of Commerce's Mr Herbert Hirsch appealed to all employers and employees to show understanding for each other's problems and approach the proposed August 3-4 general strike on the basis of "no work, no pay" Disciplinary action should be used as a last resort

Premier Group chairman Mr Peter Wright said he was "most disappointed" by the breakdown in negotiations and he believed business had lost a "golden opportunity"

Premier remained committed to peaceful transition to a democratic society and believed business could play a crucial role.

Mr Wright urged business to commit itself to the principles underlying the draft charter and programme for "peace, democracy and economic reconstruction" and exercise restraint and responsibility in the light of the planned mass action.

Democratic Party spokesman Mr Brian Goodall warned that the absence of a joint initiative by the two parties indicated the start of South Africa's slide into Third World status.

"Mass action, strikes and escalating violence can only lead to a further deterioration in an already fragile economy and a further delay in any improvement in the standard of living of the people of South Africa," he said

Business, unions in talks

(132) CT 24/7/92

Own Correspondent

JOHANNESBURG — Several top companies are to begin talks with trade unions on ways to implement the charter and programme over which Saccola and Cosatu deadlocked on Wednesday.

The charter was meant to head off the threatened work stayaway.

Yesterday, after the breakdown in talks beween Saccola and Cosatu, the ANC and its alliance partners, Cosatu and the SA Communist Party, announced that it would go ahead with a two-day general strike for August 3 and 4.

However, both sides pledged their support for a resumption of negotiations on the broad principles of the draft charter, after the general strike.

Saccola chairman Mr Bokkie Botha said yesterday there had been substantial agreement on the draft charter, but the rift had become too wide when Cosatu insisted on a national 24-hour shutdown, including the public service

He said some businesses supported the shutdown while others, including some concerned about essential services, did not. Saccola had been willing to call for a no work, no pay, no discipline approach by businesses which did not support the shutdown.

Cosatu general secretary Mr Jay Naidoo said there had been active moves from some members of the cabinet to discourage the signing of the charter and accused the reticent Saccola constituents of acting on a purely party political basis.

Anglo American spokesman Mr Michael Spicer said the corporation would be exploring arrangements which sought to im-

To page 5

Aids, smoking: Burning issues

CT 24/7/92

Own Correspondent

LONDON. — A study has found that HIV-positive people who smoke develop full-blown Aids twice as quickly as non-smokers because smoking damages defence cells.

The study was conducted by Dr Richard Nieman of the National Heart and Lung Institute.

● WHO to probe new virus — Page 7

SA unions 'world's most militant'

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day, July 25 1992

Anglo to pursue charter's goals

CT 25/7/92. (132)

By PETER DENNEHY

ANGLO-AMERICAN Corporation subsidiaries will be talking to unions at a local level to see whether the goals of the charter that Saccola and Cosatu failed to agree upon can be pursued "in a way that does not interfere with production"

Anglo's group public affairs consultant Mr Michael Spicer said the charter was a far broader document than just a failed agreement by employers to shut down for a day to head off a longer general strike — which has now been called for August 3 and 4

"We regard the charter as a major achievement, despite its imperfections," Mr Spicer said. "We want to see if we can apply its common set of values and goals in a limited way"

Anglo-American had objected to shut-downs, strikes, stayaways or boycotts, as these were seen to be "unimaginative, old-fashioned and destructive"

The many companies in which Anglo had a financial interest were autonomous and should take their own decisions, he said, but "we are taking a lead and we hope others will act in the same spirit"

A limited phone-around indicated yesterday that several prominent companies in Cape Town are adopting a policy of "no work, no pay, no disciplinary action" for August 3 and 4

Some companies, including major oil concerns, were still waiting for SA Chamber of Business (Sacob) guidelines yesterday.

● The Cape Chamber of Industries (CCI) said in a statement yesterday that it intended asking all its members to give special attention to making August 3 "a day of genuine reconciliation dedicated to the aims of the charter together with their workforces, whether these be Cosatu affiliates or not"

The CCI would also ask its members to make it clear to their workforces that they, as management, also believed in peace, democracy and economic reconstruction

The CCI said it had not been known from the beginning of the Saccola/Cosatu talks that the union would be expecting all employers to close their establishments "on a wages-paid basis"

This "impossible demand" raised the question of whether negotiations had taken place in good faith at all times

City firms: No work, no pay

Firms use 'plants' to fight theft rings

(132)

ARG 25/7/92

Business Staff

AN increasing number of companies are resorting to dangerous cloak-and-dagger operations in a bid to reduce shrinkage losses and keep tabs on union activities.

SHRINKAGE is estimated to cost South African retailers well over R1 billion a year

The current turbulent state of the country's labour relations and the harsh economic conditions — in better times companies could afford to write off shrinkage losses — has spurred the trend

The public ultimately pays for company theft as retailers must raise prices to cover losses

Secretive undercover operations usually involve private investigation by security firms which control "plants" — people employed to infiltrate the workforce

A private investigator told Weekend Argus that due to the risky nature of the work he was selective in who he hired to infiltrate a workforce

"The plant's life is on the line If it is discovered he is an informer, he is history For that reason I only use professionals — ex-policemen or ex-police informers"

He said there was a high demand for these services His firm controlled about a dozen plants

To avoid the risk of the plant blowing his cover as a result of haste, the investigator insisted on a minimum three-month period in which to obtain results

To avoid suspicion being raised, a plant often spent a couple of days outside the factory gates, mixing with job hunters

He was then selected from a supposedly random group of interviewees for "employment"

In the case of shrinkage, numerous methods are used from false invoices to bribing of security guards

The investigator said a plant was the only effective means of cracking a ring which stole from a company

"Dealing in goods stolen from companies is a big business Like drugs, it is difficult for the police to tackle the problem without positive information"

He claims a 90 percent success rate

Once the informant has gained sufficient information on the methods used and the shrinkage syndicate has been identified, the police are called in

A Durban-based industrial relations firm said the use of plants to monitor trade union activities had also increased and was being practised by major corporations

According to the finding of a six-month investigation in Natal by the publication *Work In Progress*, infiltration of unions was widespread

In its report, WIP quoted a marketing letter sent out by a Durban security firm "The objective of an undercover investigation is to bring to the attention of management, the attitude of the staff and their feelings about various management decisions, shop steward and union activities

"This enables management to act quickly and to make the right decisions before negotiating with shop stewards and unions"

The firm said there was an "ever increasing demand for information on labour relations and to this end many of our investigators are committed full time to industrial relations"

WIP said its investigation showed that some of the plants were shop stewards

Geoff Tyler, executive director of the Durban Regional Chamber of Business, believed such methods were unavoidable in terms of combating shrinkage

"Regrettably, because shrinkage is such a major factor, firms have to resort to 'undercover' methods What other choice do they have?

Attempt to avert stayaway

(132) ARG 28/7/92

Meeting of employers, Cosatu

SHARON SOROUR Labour Reporter

MAJOR employers in the Western Cape meet regional leaders of Cosatu today in a last-minute attempt to avert next week's mass stayaway or limit its effect on the economy

This comes as employers begin to consider wide-ranging options to deal with employees who support the mass action campaign next week.

Employer representatives, including the Cape Town Chamber of Commerce, the Cape Chamber of Industries and the Afrikaanse Handelsinstituut, will attend the meeting, according to Chamber of Commerce human resources manager Mr Charl Adams

Meanwhile, the SA Chamber of Business (Sacob) has issued a five-page directive of guidelines to employers on how to handle the general strike, marches, demonstrations, workplace occupations and pickets.

Mr Adams said the document was a directive for members of both the Chamber of Commerce and the Chamber of Industries and presented employers with several alternatives.

Sacob suggested employers respond to the general strike in the following ways Implement a "no work, no pay" policy and consider disciplinary action based on previously discussed criteria, as outlined in the document.

"The attitude of business towards stayaways is hardening in the light of their frequency and the poor economic situation however, it is recognised that many companies may not wish to jeopardise the sound relationship they have developed with either their workforce or trade unions."

Management had the right to impose a sanction on any of its employees who took part in the action as it was "essentially illegal and amounts to unlawful absenteeism".

However, if disciplinary action was taken, it was important that:

- Employees were warned in advance, clearly, preferably in writing, especially if it represented a change to the company's disciplinary policy, for example, where the precedent of "no discipline" had been set over the years
- All disciplinary action taken should be consistent with the company's disciplinary code, if there was one

Sacob said the appropriate forms of disciplinary action included either final written warnings or dismissals, depending on the details of each case

Final written warnings might be implemented if employees were given clear advance warning that the action might be taken if they took part in the strike

Dismissals might take place subject to advance notice and depending on past actions.

Sacob suggested management discuss the impending action with workers timeously, making it clear that participation in the general strike was illegal and a breach of the employment contract

Written notice should be given well in advance to all employees clearly stating management's position, especially if a move away from previous approaches was contemplated

Grading the job

W/Mail 31/7-6/8/92 (132)

Weekly Mail Reporter

SOUTH AFRICAN trade unions are increasingly becoming interested in job evaluation and management may not be ready for this change of face, according to an Ernst and Young's *In Touch* newsletter.

This process — whereby employers evaluate employees for promotion, demotion or salary adjustments — has in the past been widely rejected by unions Unions saw grading systems and job evaluation as managements' means of maintaining employees' upward mobility It was also perceived as a mean of undermining workers' collective bargaining power and dividing workers by stimulating completion among them.

Also, says *In Touch*, employers have in the past misused job grading to "deskill" job categories by removing the more skilled elements of jobs from the grade Also, there is little understanding of job grading and unions confuse this with upgrading

But unions have recently realised that they can use job evaluation to prevent victimisation and discrimination, reward workers for skills as a well as boost wages

Therefore, recommends *In Touch*, employers should begin educating workers about job evaluation and dispel negative perceptions about it.

"The challenge facing management today is that of how effective involvement and participation can be achieved, while at the same time maintaining the integrity of the system," Ernst and Young comments

Labour's special role in transition to a democracy

B/DAY 3/8/92. (132)

GLENN ADLER, JUDY MALLER and EDDIE WEBSTER

IN A COMPARATIVE study of southern Europe and Latin America, academic Samuel Valenzuela argues that the labour movement occupies a special place among the forces of civil society during the transition from authoritarianism

However, for labour to achieve its specific objectives and an overall transition to democracy, the labour movement needs to be able to mobilise in certain circumstances and restrain its membership on other occasions. For this mobilisation/restraint sequence to happen several conditions are necessary

First, it requires a strong labour movement. Secondly that movement must be relatively united Thirdly, a close alliance should exist between the labour movement and political movements Finally, and most important, the labour movement needs to have a close working relationship with the transition elites during the transition process, but should not be in government itself

"This should insure," says Valenzuela, "that the labour movement's narrow goals will not be completely neglected in the course of redemocratisation, while the fact that the transition's leading elites are not directly identified with labour should facilitate the creation of labour-related institutions that business will accept."

All the conditions identified by Valenzuela are present in SA With regard to the fourth condition, indications are that the labour movement is increasingly likely to want to maintain its distance from any government that emerges during the transition process. Cosatu negotiations co-ordinator Jayendra Naidoo argues that the nature of the tripartite alliance will change. An ANC government, Naidoo writes, "will have a broader responsiblity and constituency beyond the working class — including people who are our so-called class enemies"

As Valenzuela argues. "Not forming a direct part of the government should spare the labour-linked political leadership from becoming identified with possibly unpopular economic measures, allowing the labour movement leadership as a whole to focus more on rebuilding and extending labour's political and union organisations."

The combination of these factors can lead to a situation where labour's goals and the process of transition are complementary rather than antagonistic The labour movement has the power to shape policy in the interests of workers and the capacity to restrain its members when its actions are likely to antagonise established interests. But this restraint depends on the possiblity that labour can achieve its objectives within the transition process If this occurs, Valenzuela argues, the labour movement will accord legitimacy to the transition process itself, which will be a strong foundation for the ensuing democratic regime.

In SA the labour movement has been a crucial actor at the centre of the challenge to apartheid, employing a strategy of non-violent direct action, especially in the form of the political strike — the "stayaway".

However, the use of the stayaway tactic changed in the late '80s — symbolising a significant shift in union strategy from one of demonstrative opposition to one of conditional participation with employers and state structures such as the National Manpower Commission.

By treating state structures such as the commission as negotiating forums, and backing up its bargaining position with actions such as stayaways, labour has developed practices of radical reform rather than adhering to the Leninist notion of revolutionary rupture.

In terms of this practice, labour engages with capital and the state, but is able to challenge their dominance through the mobilisation of an independent power base. This has led to a change in the balance of power in the workplace and beyond that has not led to revolution, but to compromise and radical reform.

The stayaway emerged as a specific tactic of black resistance to apartheid in the '50s, with seven of them in a decade Thereafter, stayaways re-emerged as a tactic only with the return of mass mobilisation in the early '80s, but this time the labour movement was centrally involved.

The first was in November 1984. Following the formation of Cosatu in 1985, Cosatu and the UDF launched a number of successful stayaways. These actions were generally demonstrations of power — pure protests — and were not tied to the achievement of specific goals.

The change in the nature of the stayaway first occurred in 1988 with the mass action campaign against the amendments to the Labour Relations Act, ushering in a new era characterised by the politics of reconstruction. More recently this strategy has been employed to influence state policy

"It's another stage of advance in the negotiating process," according to Naidoo, "that we've been participating in for the last 20 years, moving it logically onto a higher level"

The move towards a negotiated transition fundamentally changed the political terrain in SA Goverment was no longer able to restructure economic and political life unilaterally The political changes — and the seemingly insoluble economic crisis — opened up the possibility of labour and its political allies influencing the direction of the economy

Cosatu's ability to mobilise its mass base was demonstrated once again in the November 1991 stayaway, called to protest against VAT. What distinguished the November stayaway was that the labour movement was mobilising to protest against a state policy not directly related to the workplace, but against a general economic policy which affected everyone.

Union initiatives culminated in meetings with employer organisations during early 1992 to establish an economic negotiating forum

The new strategy employed by the labour movement since the 1988 stayaway indicates a significant shift in its politics and those of the anti-apartheid movement in general, from a historical policy of abstention from participation in policy formulation to one of active engagement

The labour movement is hardly the poor relation of the transition In Valenzuela's terms, it is powerful and united it is arguably the largest, best organised and most strategically placed actor in SA society, with proven capacity to mobilise — and as conditions demand, to restrain — members It is perhaps more developed and powerful than any labour movement in countries undergoing fundamental political transition

It has developed traditions and practices of democracy which have been reliable means to mobilise mass support Its social movement character has seen its growing political engagement and influence as the only member of the tripartite alliance with a proven mass base And the labour movement has thus far maintained relative independence of decision-making In combination, these factors have elevated labour's status within the alliance

The shift in the strategy of the labour movement in the late '80s foreshadowed and laid the foundations for the negotiated restructuring of SA's economic and political institutions in the early '90s

Through this process of radical reform, new institutions have emerged which enjoy a high degree of legitimacy The recognition agreement between a union and an employer — the embryo of a social accord — is one example The non-violent mediation of conflict is another The labour movement's most significant achievement is the set of procedures which ensures the democratic representation of the interests of ordinary workers

Through the strategic use of collective power it has created democratic practices that provide SA with a model for a negotiated transition to a new democratic order

☐ **The authors teach at Wits University's sociology department. This is an edited version of a recently published paper.**

Unions, employers agree on strike losses

(132) CT 3/8/92

THE impact on production of this week's mass action — particularly from Wednesday to Friday — will be limited by several agreements which have been reached between employers and unions

National Union of Mineworkers (NUM) assistant general-secretary Mr Marcel Golding said at the weekend that agreements for overtime to compensate for lost production had been reached with various mines in the Anglo American and Rand Mines groups

These agreements were aimed at marginal mines

A spokesman for the Federation of Furniture Manufacturers, whose members employ about 35 000 countrywide, said some members have indicated they would open their factories on Saturday to make up for Monday and Tuesday

Western Cape employers expect workers to turn up from Wednesday It is possible that shop stewards will be allowed to take part in city-centre demonstrations on Wednesday

Similar arrangements have been made in the retail sector

Various Natal employer organisations and Cosatu have signed a declaration to "ensure that the risk of violence and intimidation is minimised"

They will jointly monitor the stayaway

In the Eastern Cape it is likely that workers will work on Thursday and Friday and hold lunchtime demonstrations

Coinciding with the start of the mass action, Numsa members in the metal, engineering, motor tyre and rubber industries begin a national strike over wage and job security demands — Own Correspondent and Finance Staff

'A-team' here for stayaway

CT 3/8/92

JOHANNESBURG — Seven members of the UN observer team — described as the "A-team from New York" — arrived at Jan Smuts Airport yesterday and were quickly dispatched to posts around the country where they will monitor the ANC alliance's two-day stayaway

The seven members join three other UN monitors who are already in the country after assisting UN special envoy Mr Cyrus Vance, who left South Africa on Friday

Mission head Mr Hisham Omayad said the team members would act primarily as observers, although they would mediate between groups during the stayaway if called on to do so

He stressed that team members would act in accordance with National Peace Accord structures and would be briefed by the chairmen of the local and regional dispute resolution committees

They would be free to go anywhere in their areas and observe all activities related to mass action

They could also attend meetings of the dispute resolution committees and would report daily to the team's temporary head office in Johannesburg

Mr Omayad conceded that the number of monitors was small but said "this is the A-team from New York", expressing confidence that they would be able to play a positive role in limiting violence

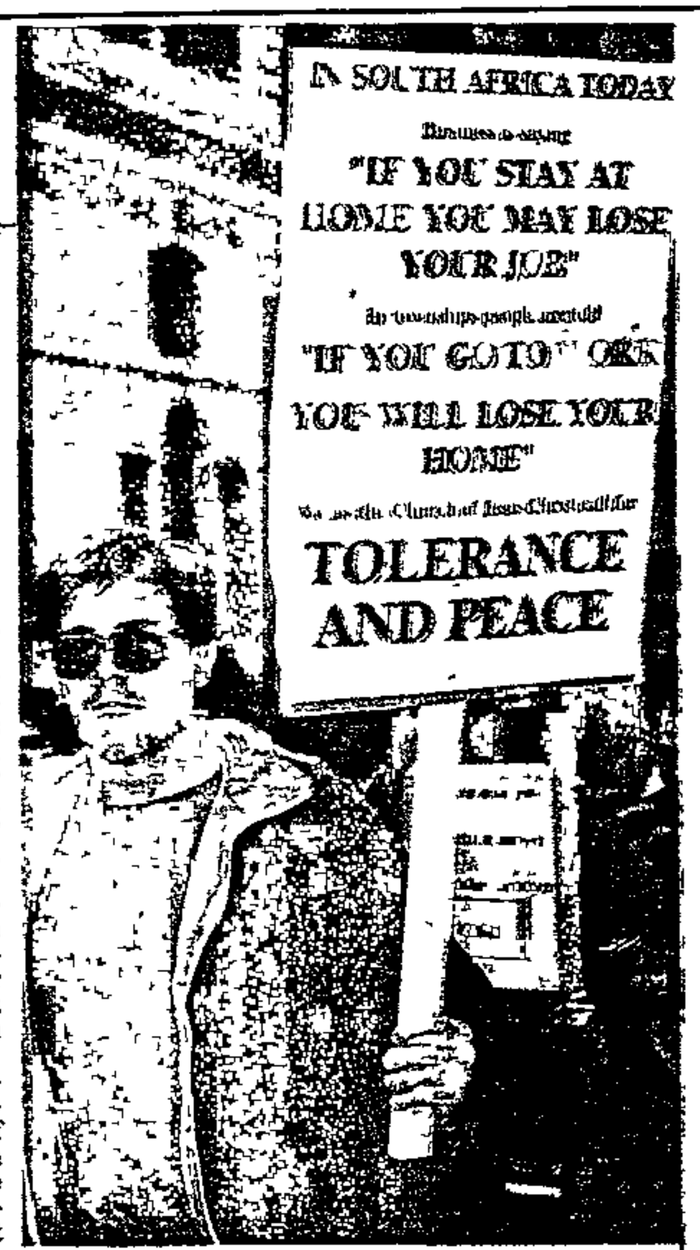
UN PRESENCE Head of the UN monitoring team Mr Hisham Omayed of Ghana (righ) and team member Mr Shola Omoregie of Nigeria address journalists after arriving yesterday Picture AP

The team was welcomed by NPS chairman Dr Antonie Gildenhuys, ANC head of international affairs Mr Thabo Mbeki and a government liaison officer

"For us the most appropriate representation at the airport was that of the National Peace Secretariat Dr Gildenhuys with whom we are working very closely," Mr Omayad said

● The UN observer assigned to the Western Cape is Mrs Joan Seymour, a former member of the Untag group that oversaw the Namibian transition

A senior political affairs officer with the secretariat's department of political affairs on Africa and the Middle East Mrs Seymour arrived in the city last night and expects to be here until "at least Wednesday" — Own Correspondent, Sapa and Staff Reporter



CHURCH MARCH About 500 churchgoers marched for peace in the city yesterday Picture BENNY GOOL

Heckling at peace service

Staff Reporter

A SERVICE for peace was disrupted by loud heckling and a walkout by about 40 people in St George's Cathedral yesterday

The service was hosted by the Western Cape Council of Churches to pray for peace during mass action today and tomorrow, and conducted by Dr Lionel Louw, of the WCCC, and a lecturer in Social Sciences at UCT

The service was preceded by a short march for peace from the Parade and was attended by about 500 people

In his sermon Dr Louw said that although the image of the leader of the oppressor had changed since the finger-wagging days of Mr P W Botha, the present leader (Mr F W de Klerk) was unchanged in substance

At this point groups of people began leaving, and others interrupted to object to his political references

The service was suspended for one minute to allow those who wanted to go to leave

ANC 'closed

typically to provide deferred compensation or keyman protection — are not affected by the proposals. ■

ECONOMIC OUTLOOK

FM 7/8/92

Signs of sanity

Since the breakdown in political negotiations, attention has been focused on renewed violence, threats of mass action, a nationwide stayaway — and the deepening recession as investor and consumer confidence slumped further. In the gloom, a number of positive developments have passed almost unnoticed

There is a spirit of increasing realism abroad. This was evident in an agreement reached, in principle, between the Chamber of Mines gold mining members and the

continued →

National Union of Mineworkers (NUM) last month It provided for a 5% increase in workers' wages, plus the proceeds of profit-sharing schemes which are being negotiated

If the deal is struck, it will build on progress made last year when the level of increases to mineworkers was linked in part to productivity and the gold price By establishing an important link between profit and pay, this type of agreement ensures workers can share in the good times and it allows wages to fall, in real terms, in the bad times — an important antidote to inflation

Spicer

In that environment, restrictive monetary policy can operate more effectively Over the past few years, the Reserve Bank has been obliged to apply what many believed was undue force to rein in inflation This was because structural flaws were drawing out the usual cyclical lags — and important among these was that upward pressure was coming from wages when output was falling So stringent monetary policy was effective in cutting back money supply growth but far less so in reducing inflation.

At last, in past months, inflation has been subsiding — though reluctantly and not consistently And there is evidence that immediate pressure will not be coming from wages Says Pat Stone of Andrew Levy & Associates· "The trend of recent settlements has been below 15% and, by the end of the year, the national average may be about 12%" — levels which are below the present and expected inflation rate

If inflationary pressures are being contained, there is more room for real growth in the economy — and, therefore, in incomes

So progress has been made on a number of fronts, despite the recent political upheavals And even these have had their good points

The attempts of Saccola and Cosatu to reach an agreement on the stayaway may have foundered but they were not fruitless Though talks broke down on a number of issues, they generated agreement on many others Says Anglo's Michael Spicer. "There is a determination to take forward new initiatives, to press on with concrete programmes for upliftment and to get politicians back to the negotiating table"

Also encouraging were the attempts made to minimise the damage caused by the stayaway Says labour analyst Duncan Innes "I know of companies where managements, shop stewards and union officials worked out arrangements to allow the stayaway to occur with minimum disruption to the production process"

He points out that, on the gold and platinum mines, "workers did not participate significantly in the stayaway because of the critical situation faced by those industries This starkly highlighted that both workers and employers have a joint interest in keeping those industries alive and avoiding further closures"

Clothing is another troubled industry — the size of the labour force in the four major urban areas has shrunk from 120 000 last July to 100 000 — where special arrangements were made to minimise damage

Says Seardel's group industrial relations executive Johann Baard "In the two major areas, though there was no agreement on factory closures, employers undertook no work, no pay and no discipline and the union was prepared to be flexible in special circumstances, as, for instance, when there were pressing delivery deadlines and a late delivery could result in cancellation of an order In the western Cape, the biggest region, attendance on both days exceeded 75%."

The signs are that, in seeking a solution to the political impasse, people are gaining valuable insights into underlying economic realities This allows the protagonists to evaluate their own interests more accurately and plan their strategies more effectively After all, there is no point in painting an opponent into a corner if you have to share it with him. ■

Opening the book on sexism in unions

MEN in trade unions beware! There's a book on the streets which exposes a host of embarrassingly frank details of sexism in your organisations

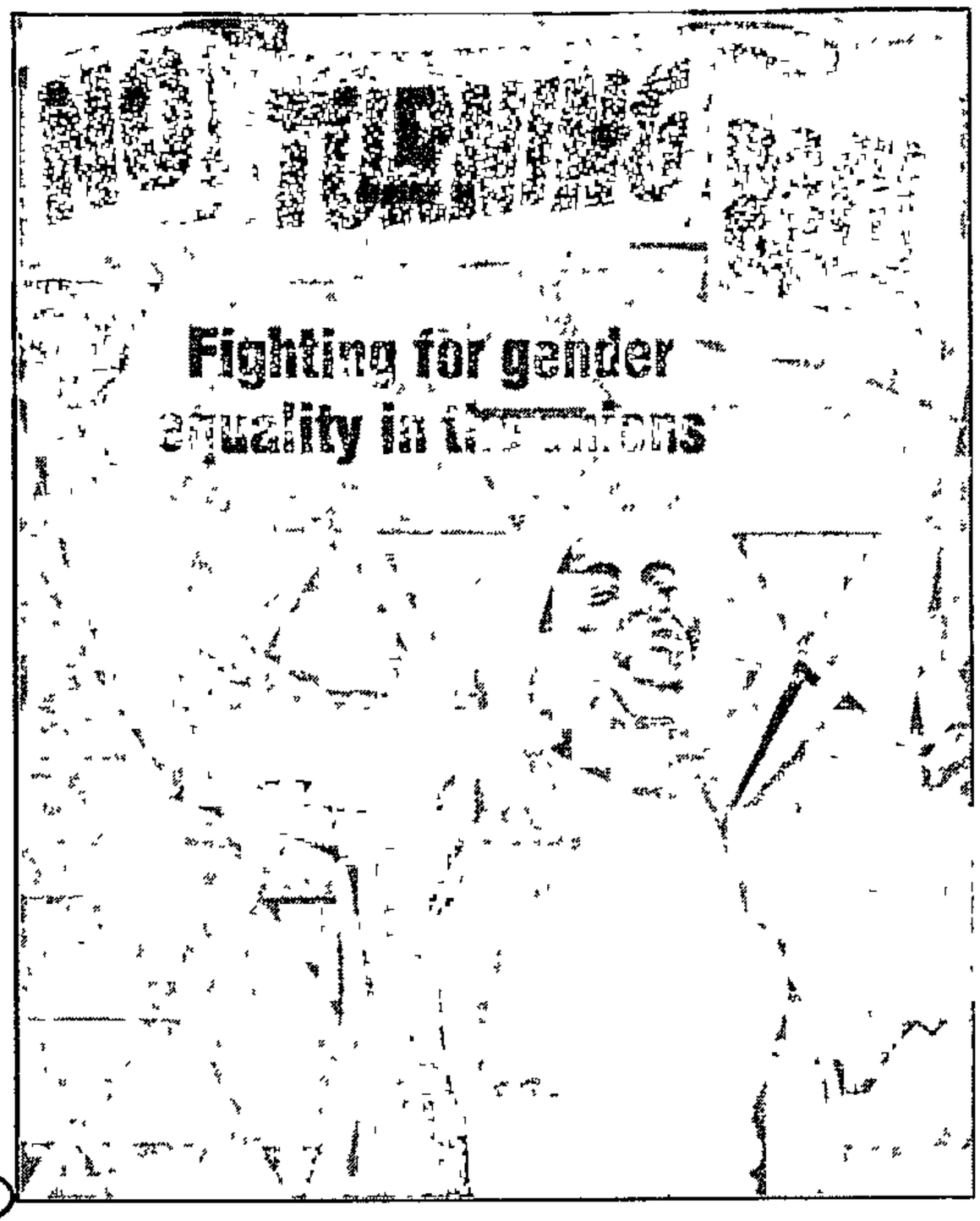
"No Turning Back — Fighting for Gender Equality in the Unions" was written and produced jointly by Cosatu, Wits Women's Forum, Sached and Speak Magazine SOWETO 15/8 – 19/8/92

Say the authors in the introduction "We have written this book because we believe the struggle for equality between men and women is part and parcel of the broader struggle for national liberation.

The experiences shared in the book come from Cosatu members across the country

The organisations involved in the project met over 16 months until the book was launched last month

South African Domestic Workers Union member Ms Claire Slingers, detailing her experience of sexism in trade unions, says in the book. "I am scared to socialise with a male comrade because then they think you must go to bed with them"



(132)

Unions are forced to settle for less

W/Mail 21/8-27/8/92

By MONDLI MAKHANYA

UNIONS have had to settle for below-inflation wage increases this year as the recession continues biting into workers' bargaining power

With most sectors now having completed wage negotiations, settlements appear to have averaged 12 percent — four points below the inflation rate and way below the 27 percent food inflation rate This figure may drop to single digits after settlements have been reached in the strike-hit engineering industry, where employers have indicated they will not budge from their 8,6 percent offer.

Apart from the engineering industry, where the National Union of Metalworkers of South Africa (Numsa) has revised its demand from 20 to 16 percent, unions' opening demands were moderate, indicating their expectation of low awards Instead, they have concentrated on working conditions and issues of job security.

Econometrix economist Azaar Jammine notes that, in the past, unions usually added the growth rate to the inflation rate as their bottom line for wage increases — meaning that this year's increases should have averaged 18 percent.

The lowest increases in a major industry were granted in the gold-mining industry, with workers settling for a five percent increase plus a 20 percent profit-sharing scheme.

Coal miners accepted an 11 percent wage hike, while hotel and public-sector workers settled for 9,8 percent and 9,6 percent respectively In the retail and chemicals industries, average settlements were 15 percent.

Motor-manufacturing workers accepted a 12 percent increase and concentrated their energies on pushing for a renewal of the retrenchment moratorium. In the end, Numsa managed to secure a fund for retraining retrenched workers.

Gavin Brown and Associates consultant Andre Jooste predicts the trend will continue beyond the recession

The virtual bridging of wage gaps between black and white workers and the hardening of employer attitudes as a result of the politicisation of industrial relations have also contributed to the lower settlements, Jooste adds

Public service labour deal

Political Staff

A BREAKTHROUGH labour agreement between 10 public service employee organisations and the government, including the right to strike in non-essential services and the ending of all discrimination, was reached yesterday.

The broad agreement on the Draft Labour Relations Legislation for the Public Service had been reached after intensive negotiations since the beginning of last year, the 10 organisations and the state said in a statement.

They said the proposed legislation would provide for the confirmation of certain fundamental rights of employees and representative employee organisations such as the freedom of association and protection against discrimination on grounds of race, colour, sex, religion and political opinion.

It would provide for collective bargaining structures and conciliation boards.

It would also provide for "legal strikes by Public Service Act personnel who do not render essential services".

(132) CT 22/8/92

JOHAN NAUDE

Penalties for enterprise

FM 4/9/92 (132)

Johan Naude is senior manager of development promotion at the Small Business Development Corp

Efforts to revitalise the economy can benefit from a hard look at the impact of labour law on the small, or developing, business sector.

The statutory framework for labour relations evolved during the Eighties, within formal collective bargaining structures These were dominated by the larger employers, the benefits of labour democracy were secured for thousands of employees

But to what extent can our labour legislation be reconciled with the need for economic growth?

The recent report of the National Manpower Commission (NMC) on the influence of labour law on the small business sector accepted a number of important principles

The report says it is imperative that more South Africans become involved in the ownership of the means of production It stresses the need for accelerating the development of entrepreneurs

One way to achieve this would be to acknowledge legally the special circumstances and structural weaknesses of smaller businesses

The NMC report recommends that micro enterprises (those with no more than five permanent employees), as well as new small businesses still in their first year, should get automatic concessions in terms of the Workmen's Compensation Act, the Unemployment Insurance Act and the Machinery & Occupational Safety Act More fundamental are proposals to make the system of exemptions more accessible

A compromise is necessary between protecting jobs and protecting workers Here a distinction must be drawn between

- Costly legal requirements that undermine start-up and growth prospects, and
- Principles that ensure fairness

The report says there should not be interference in the autonomy of industrial councils However, it recommends that where parties to an industrial council have requested the promulgation of a wage agreement, the Manpower Minister may refuse this unless the council has tried to meet the needs of small business

To what extent will such an approach be followed in practice?

Industrial councils are inherently biased against competition The development needs of the small business sector are not being accommodated because of the centralised nature of industrial bargaining Negotiation forums are dominated by larger employers (and unions) Their agreements impose requirements more suitable to big companies — though some small employer bodies have recently acquired representation on industrial councils to try to rectify this

More emphasis should be placed on regional or geographic agreements Micro enterprises should also be exempted from such cost requirements as minimum wages, social security contributions, prescribed equipment and record-keeping — or have them phased in gradually

The reliance on existing exemption procedures is over-optimistic — despite the recommendation that such applications should be treated more seriously and that micro businesses be made more aware of their exemption rights

Industrial councils need to become more accountable for their decisions It may be necessary to impose statutory requirements on them to comply with the rules of natural justice

Wealth creation through small business development can happen only if structural inequalities are removed For example, it is not entirely clear to what extent the interests of the small business sector will be represented on a reconstituted NMC

Equity has often been cited as a primary reason for strict compliance with all provisions of the labour law But surely there is merit in determining compliance based on size and affordability

We cannot go forward with a burdened small business sector There has to be consultation, negotiation and compromise in order to achieve the goals of economic development

Godsell finds hope in streets of despair

LINDA ENSOR

CAPE TOWN — There were significant avenues of hope in the streets of despair, Anglo American executive director Bobby Godsell told the annual MBA dinner of Cape Town University's Graduate School of Business last night

While crime was high, the recession deep and the political conflict ravaging, it was also true that racial desegregation had proceeded "at a bewildering pace and with stunning success" B/DAY 11/9/92.

"Of even greater significance all over SA, individual South Africans are sharing power and responsibility in highly constructive ways," he said The workplace was the crucible of the new SA and labour relations was proof that power-sharing could work.

(132)

Collective bargaining had resulted in agreement — recently in highly responsible agreements, for instance in the gold mining industry where basic increases were under inflation.

Government had abandoned its mismanagement of the economy and Finance Minister Derek Keys had acted "courageously", he said

Trade unions told of strategic future role

(132)

B/DAY 23/9/92

SA TRADE unions have a crucial role to play in helping the country avoid being stuck in a stagnant industrialisation phase

This view was expressed by Wits University professor of sociology Eddie Webster at the weekend at a seminar hosted by the SA Labour Bulletin in Johannesburg and attended by Cosatu, Nactu and the Federation of Salaried Staff Associations of SA

Webster said SA was in a similar position to the Philippines and Argentina where, he said, industrialisation had "stalled"

The trade union movement had a strategic role to play with business and a future democratic government to stave off further economic contraction.

"Strategic unionism" was essential for the achievement of growth and wealth creation and an equitable distribution

That required the trade unions to go beyond narrow collective bargaining They would have to enter labour market institutions and national tripartite bodies with management and government to take on broader macro-economic issues

Those issues included matters such as full employment and goals and policies outside the traditional industrial relations arena like educational reconstruction, Webster said

Cosatu general secretary Jay Naidoo, his Nactu counterpart Cunningham Ngcukana and Fedsal general secretary Dannhauser van de Merwe agreed.

They supported Webster's prerequisite that trade unions would have to have strong organisation and develop their own effective education and research capacities — Sapa.

New dawn for trade unions

THE progress towards political democracy in South Africa will gradually depoliticise the demands of trade unions, labour law specialist Professor Nic Wichahn said yesterday (132)

He said the deep recession in the economy would have a marked effect on the nature of union demands next year Sowetan 25/9/92

"Employers can expect that job security, employment, moratoriums on retrenchments and staff rationalisation will be high on the list of demands, probably as important, if not more so, than wage increases," he said

SA in danger of joining the drop-out countries

C/Press 27/9/92 (132)

SA is in danger of remaining stuck in the group of Third World countries in which industrialisation has "stalled", warned Wits Sociology profesoı Eddie Webster at a seminar hosted by the *SA Labour Bulletin* in Johannesburg last weekend.

General secretaries of the three major trade union federations – Jay Naidoo of Cosatu, Cunningham Ngcukana of Nactu and Danhauser van de Merwe of Fedsal – took part in the seminar on "The Future Role of the Trade Unions in SA".

Webster said the Third World no longer existed and that such countries were now clearly divided.

There were two major industrialised groups: the "late industrialisers" or Four Tigers, Hong Kong, South Korea, Singapore and Taiwan; and the "newer industrialising countries" including Malaysia, and Indonesia.

If SA were to avoid falling out of the third group, where "industrialisation has stalled" and down into the fourth group that has simply "dropped out", the trade union movement had a strategic role to play in conjunction with business and a future government.

At this "watershed period" in our history, he said, "strategic unionism" is essential to achieve growth and wealth creation together with equitable distribution. This requires the trade unions to go beyond narrow collective bargaining.

They have to enter labour market intitutions and national tripartite bodies with management and government to take on broader macro-economic issues – such as full employment – and goals and policies outside of the traditional industrial relations arena, such as educational reconstruction.

The trade unionists stressed the need to strengthen internal democracy, and membership participation and control within their organisations.

There was a lively debate, however, on the best approaches to achieve the kind of in-depth economic research and training that is essential to enable the unions to implement what *SA Labour Bulletin* editor Karl Von Holdt called a "labour-driven transition".

While all present agreed on the urgent need for "capacity development" within the trade unions, the participants differed over the need for the unions to hire specialist consultants or to develop their own in-house capacities. Nactu's Cunningham Ngcukana focused on the latter as the means to empower trade unionists themselves.

Cosatu general secretary Jay Naidoo accepted the need to "harness" also the skills of intellectuals outside the trade unions to such internal research and training programmes.

But he stressed that such a strategy fundamentally demanded trade union unity and co-operation within SA that is "not conditional or tactical", a closer alliance with the civics which at present was "too diffuse", and essential international trade union co-operation and support.

Van de Merwe said that trade unions "should endeavour to separate themselves from party politics". – *SA Labour Bulletin.*

Wessels breaks with Cosatu

(132) ARG 21/10/92

The Argus Correspondent

JOHANNESBURG — The Minister of Manpower, Mr Leon Wessels, angered by what he called Cosatu's confrontational attitude and lack of sensitivity to sound labour relations, has suspended all direct contact with the labour federation.

Mr Wessels also accused Cosatu of having contempt for bilateral meetings because of the status of the federation's delegations to talks

The minister was reacting to decisions adopted at Cosatu's central executive committee at the weekend.

One of the key decisions taken at the meeting was that Cosatu urgently re-enter the restructured National Manpower Commission (NMC), subject to conditions, including the demands that the Cabinet take NMC recommendations seriously, progress be made in extending the basic conditions of employment to farm and domestic workers and that the public sector be included in the NMC

"They have unilaterally moved the goalposts It is obvious that they are negotiating in bad faith"," said Mr Wessels.

The minister said that since his appointment, he had agreed to meet Cosatu regularly and had meticulously kept appointments

"Cosatu repeatedly illustrated their contempt for these bilateral negotiations by not including in their delegation their president, vice-president or their secretary-general"

Mr Wessels said he saw no benefit in continuing with the meeting scheduled for November 5 in the light of Cosatu's contempt for negotiations

The meeting would now be conducted by the Director-General of the Department of Manpower, Mr Joël Fourie.

Reacting, Cosatu expressed surprise at the tone of the minister's statement It said the minister had acknowledged that inadequate progress had been made on several issues discussed at a meeting on September 29. He had, therefore, agreed that they be addressed at next month's meeting

"We are prepared to address these issues at the highest level with the minister where he is also welcome to raise his concerns so that we can clear any obstacles to the scheduled meeting on November 5."

Challenge demands all share load

Sowetan 22/10/92. (132)

By Isaac Moledi

■ Government, business and workers must no longer be enemies:

A CHALLENGE facing the country demanded that the government of the day, business and workers accept a shared responsibility and sacrifice, and understand themselves as no longer enemies but partners in development.

This was said by the director of the Centre for African Studies, Mr Eugene Nyathi, during his address to more than 900 delegates attending the Institute of Personnel Management's annual convention at Sun City yesterday

Presenting a paper on *The Cost and Challenge of change· South Africa in Transition* Nyathi said that change in the country was unavoidable and the price to pay for it was multi-dimensional

"Past antagonism should be replaced by a shared value system and shared destiny," he said

He added that more than ever before the country needed the acceptance of shared sacrifice and responsibility at the leadership level and embrace democracy and accountability

Nyathi warned leaders and their followers to develop new a "ethos" that would qualitatively improve the leadership even at grassroots level

"Followers of political and trade union organisations need to develop a new ethos," Nyathi said

Keys meets major players

(132)

DIRK HARTFORD

WHETHER the proposed national economic forum gets off the ground or not depends on today's critical meeting between Finance Minister Derek Keys and delegations from labour and business.

It is the first tripartite meeting since government blocked plans in September to launch the forum because of Cosatu's promotion of a PAYE boycott and mass action. B/Day 22/10/92.

Today's meeting is between the proposed forum's process committee and Keys and his advisers. Sacob director-general Raymond Parsons, Chamber of Mines president Bobby Godsell and Cosatu general secretary Jay Naidoo are part of the process committee.

Naidoo said the meeting — which would address issues blocking the formation of the forum — was critical.

"It will determine whether co-operation or confrontation is on the agenda in the medium term. We want constructive co-operation and we hope that is where the meeting will take us," he said.

Although he rejected the link between Cosatu's anti-PAYE campaign and government's refusal to endorse launching the forum, Naidoo said the postponement of the boycott should make agreement easier

Business sources also described the meeting as critical. It was imperative the forum got off the ground as soon as possi-

☐ To Page 2

Keys

B/Day 22/10/92. (132)

☐ From Page 1

ble on the basis of pursuing economic growth

If the forum failed to get the go-ahead, it was possible business could discuss proceeding with bilateral discussions with the trade unions on issues the forum was meant to address.

Cosatu is pushing for the full participation of government as it believes this is the only way to get the talks to "deliver"

Keys had said that once parties to the forum were committed to speedy economic growth, to not taking action that harmed each other and to obeying the law, government would be ready to participate

He said yesterday issues that needed to be addressed included

☐ Effectively using the unemployed in communities,

☐ Making it easier for the unemployed to get work in the formal sector;

☐ On-the-job training for workers,

☐ Ways to minimise unrealistic expectations,

☐ The reintroduction of normal commercial relations between financial institutions and house buyers,

☐ The stopping of other boycott actions, and

☐ The raising of agricultural productivity on high potential land

Keys said other issues that could be addressed were agricultural exports, tourism, financing of big and small business, achieving national consensus on investment and long-term growth and promoting an entrepreneurial climate

Keys said the formation of the forum would create confidence and be an important step forwards

He warned, however, that it would take a great deal of negotiation to get there

FOCUS

Making affirmative action work

B/DAY 4/11/92

CHARL ADAMS

(132)

THE problem with the concept of affirmative action is that it is interpreted to mean whatever its proponents or opponents wish it to. This can cause confusion in the minds of many employers and employees who are genuinely looking for guidelines to apply in the workplace.

In addition, a range of seemingly synonymous terms such as black advancement, social responsibility, economic empowerment, positive upliftment and equal opportunity are being bandied about — all with their own social, economic and political nuances yet totally justified in the eyes of their respective advocates.

It may well be that the heterogeneous nature of the debate reflects the complexities involved On the other hand a wide array of terms and titles have done much to confuse the real issues Affirmative action ideally should be a means to an end and a temporary measure designed to facilitate the process of creating equal access to work through the eradication of racism and sexism.

If we agree that the final destination of the affirmative action debate is the overall development of the country's greatest resource — its human resources — then we have a common point of departure from which a meaningful exchange of thought and counter-thought can emerge However, if a paradigm of thought exists that insists on the status quo being retained, and that merit be the only criterion according to which all groups are evaluated, we end up in a cul-de-sac debate

A prerequisite to a meaningful debate on the topic is undoubtedly a liberal dosage of humility and the inevitable acceptance that no individual input is going to provide the ultimate solution, but that through a synergistic process of inputs from a wide range of convictions, a broad consensus will emerge.

At a recent symposium held by the Cape Town Chamber of Commerce, entitled Affirmative Action and Black Advancement in a Democratic SA, it became evident that creative minds and a willingness to consider the points of view of others is an essential ingredient for a meaningful and constructive debate.

The two most important legs of the affirmative action debate today are race and gender. Underlying the debate is the vexing question of whether affirmative action programmes should be voluntary, prescribed by central legislation, or perhaps a combination of the two

The protagonists of legal intervention to redress past imbalances hold to the view that a voluntary approach to upliftment has, with a few exceptions, not benefited the wider black/-female community, and that an inadequate educational system places the black job applicant at a distinct disadvantage at the recruitment level Furthermore, they argue, Afrikaner nationalism was nothing less than legislated affirmative action applied to a minority group that had attained political rights and had skilfully engineered society and the world of business to their own advantage

Despite some of the indisputable facts that underpin this argument, it was most heartening that speakers at the symposium were not in favour of what one presenter called "now-it's-our-turnism" It was clearly not in the interests of SA to apply reverse apartheid, with all its concomitant advantages and disadvantage for different groups, but rather to develop an ethic of nation building which would include and benefit all communities.

In the meantime, however, how do you level the playing field? It's one thing getting it right constitutionally and giving political franchise to all adults, but how do you redress the decades of inferior education and resultant under-representation in commerce and industry? Many believe the developmental aspects of affirmative action programmes are long overdue, and should be actively incorporated in company objectives, strategic plans and mission statements.

Unfortunately, in the past many companies gave lip service in company statements to equal access for all, without taking practical steps to ensure that justice was seen to be done.

Ways in which an affirmative action strategy can be approached could include a clear and unequivocal commitment to affirmative action and a directive by management, with the support of the chief executive officer, to pursue affirmative action at all levels of the organisation Without support from the top, programmes are stillborn and become no more than an externally imposed list of "Sullivan principles" that irritate more than motivate

In this light, recruitment and selection policies must reflect a more realistic demographic mix of race and gender in the workplace.

It is often at the point of entry that marginalised groups are discounted and demoralised Of the final list of candidates for a vacancy in the company, all of whom are "acceptable", should it always by the "best one" who gets the job, or should the overall needs of the company and required demographic mix not be paramount in making such a decision?

Assuming that the black/female applicant eventually gets beyond the doors of the personnel recruitment department, it is encumbent on the employer to treat that employee in a way that no or little selective criteria are applied in his/her advancement in the organisation. However, the assessment and appraisal of the encumbent black/female must be accompanied by the same assessment and appraisal of the immediate superior in terms of contributing to the success/failure of the subordinate. In other words, assist the superior to "grow managers" and become a mentor to the inexperienced black/female.

This approach will ensure that the self-fulfilling prophecy of many superiors that blacks/-females "won't make it" is actively countered.

It also behoves organisations to embark on career development and succession training programmes at all levels and not only in the traditionally "liberal areas", such as human resources, public relations and training. An overriding principle should apply at all times that encourages a culture of participation and inclusive decision making, so as to give "ownership" to policies and practices that have to be implemented by blacks/females

The challenge of business is to find ways to facilitate a process of normalisation in the workplace and still retain its competitiveness in the open market, by developing our vast human resources for a prosperous future SA.

☐ **Adams is an official of the Cape Town Chamber of Commerce.**

Labour supply outruns economy, says forecast

B/Day 4/11/92 (132)

DUMA GQUBULE

A MEDIUM-term macroeconomic forecast by Stellenbosch University's Bureau for Economic Research (BER) expects an average 2%-3% annual economic growth rate for the country over the next five years to 1997.

BER economist Nils de Jagger said the gloomy scenario implied the growth in employment in the formal sector would not match that of the labour force over the same period. Consequently, the growth in domestic demand would be insufficient to stimulate economic growth.

Gross domestic fixed investment (GDFI), expected to fall to 16,5% of GDP this year (from 22% in 1989), was not expected to reach 1989 levels by 1997 due to uncertainty that would prevail even after after a successful political transition.

The country would have to rely on exports to boost growth prospects over the next five years, he said.

De Jagger said an economic kick-start in the form of a Marshall Aid plan or a surge in foreign investment would prevent the gloomy forecast from becoming reality.

The root of the country's low-growth problem was the low levels of GDFI — itself a function of low levels of confidence.

Meanwhile, SHARON WOOD reports that the SA bond market does not appear to offer tremendous value at current price levels and value will re-emerge only if inflation drops to 10%, Investec Asset Management's Guy Toms says in the bank's latest Economic Focus.

But he adds the fundamentals supporting a decline in inflation to 10% are largely in place. The foreign balance is in a healthy position, the exchange rate is stable and the depressed economy and rising unemployment are limiting wage awards to single digit figures.

"One cannot, however, be confident of inflation falling to 10% in the course of 1993. Inflation inertia is still a critical and often underestimated factor in the inflation equation."

He concludes while the balance of supply and demand should continue to ensure an excess demand for bonds at the short end of the yield curve, the large fiscal borrowing requirements next year suggests a more cautious view on long-term bonds.

Details of labour accord out today

(132) CT 9/11/92

Own Correspondent

JOHANNESBURG — Cosatu and Manpower Minister Mr Leon Wessels will today announce details of a "ground-breaking" agreement covering the whole gamut of legislation and institutions affecting the labour market.

A source close to talks between the parties said on Friday the agreement was the biggest yet reached between the government and labour and dwarfed the Laboria Minute in its scope

He said while the Laboria Minute laid down "broad agreement" on general issues, the new agreement deals with specific issues — right down to clauses of legislation affecting workers

The agreement covers the Labour Relations Act, the Unemployment Insurance Fund Amendment Act, the Workmens' Compensation Act and legislation for farm, domestic and public sector workers

Agreement was also reached to make the restructured National Manpower Commission a working body by the end of January.

Agreement has also been reached to establish various task teams to tackle "outstanding issues" between the government and Cosatu

In terms of the agreement, Cosatu will now be involved in preparing legislation for public sector workers A meeting has been planned between Mr Wessels, Cosatu and National Health Minister Dr Rina Venter to take this process forward

A draft law on labour relations in the public sector, which Cosatu rejected, was due to have been promulgated in the recent parlimentary sitting, but it was not Cosatu will now be able to contribute its ideas before the law is passed

Agreement to extend the Basic Conditions of Employment Act to domestic workers is likely to be implemented now and draft legislation for farm workers could also be on the cards

In addition, the end-of-year deadline for a progress report on implementing the recommendations of the International Labour Organisation commission, which visited South Africa earlier this year, was discussed

Labour deal extends rights to millions

(132)

B/Day 10/11/92.

DIRK HARTFORD

AN AGREEMENT between government and Cosatu to extend basic labour rights to millions of previously unprotected workers was a major breakthrough for SA labour relations, Cosatu general secretary Jay Naidoo said yesterday.

Manpower Minister Leon Wessels said the agreement paved the way for all players on the labour terrain to work to establish reasonable and just labour relations compatible with international standards.

And DP manpower spokesman Robin Carlisle described yesterday's announcement as the most notable agreement for some time, which could have far-reaching consequences for economic growth.

However, organised agriculture greeted the agreement with "shock and indignation" The SA Agricultural Union (SAAU) said it had not been consulted on the plans for new legislation which will extend labour rights to farmworkers

The Centre for Rural Legal Studies and Lawyers for Human Rights welcomed the "momentous nature" of the announcement and called on Wessels to immediately promulgate the Basic Conditions of Employment Act for farmworkers to prevent arbitrary dismissals before it was made law

Naidoo said although much of the agreement had yet to be implemented, it represented major progress towards an equitable labour relations system

One aspect of the agreement, which involves government in the dispute over Bophuthatswana's proposed labour legislation, will be implemented immediately Cosatu will attend a meeting today, convened by Foreign Minister Pik Botha and attended by Wessels, Finance Minister Derek Keys and Mineral and Energy Affairs Minister George Bartlett, with the Bophuthatswana government to discuss the proposed new law.

Other aspects of the agreement include:

- Extension of the Basic Conditions of Employment Act (by March) and the Unemployment Insurance Amendment Act — by January — to farmworkers Draft legislation to extend the Labour Relations Act (LRA) and the Wage Act to farmworkers will be published by the end of the year with a view to passing it next year;
- Promulgation of the Basic Conditions of Employment Act for domestic workers by the second half of 1993, the extension of the Unemployment Insurance Amendment Act and Workmen's Compensation Act to domestics by 1994 Committees will investigate the extension of the LRA and Wage Act to domestics and report to the Minister by April and October respectively;
- The establishment of a committee to consider how the recommendations of the

To Page 2

Labour deal

B/Day 10/11/92 (132)

From Page 1

International Labour Organisation's fact-finding mission — which made recommendations to bring SA labour law into line with internationally accepted standards — may be implemented;

- Amendments to the LRA to enable registration of public and private sector unions by February, and
- Allowance for Cosatu to make an input on the Public Sector Labour Relations Bill.

There was also agreement on processes and committees to investigate problems regarding industrial council agreements, the Industrial Court (including the appointment of court personnel), the harmonisation of labour relations in SA and the homelands and the introduction of a labour appeal court next year

In addition, it was agreed the restructured National Manpower Commission should start working by February.

Naidoo said Nactu and Saccola were not part of the agreement because the "sticky points" in negotiations had been between Cosatu and government.

GERALD REILLY reports SAAU manpower committee chairman Chris du Toit said the decision had been taken without consultation with organised agriculture.

The SAAU had submitted its own draft legislation to the Minister and had arranged to discuss its document on November 20 "It was, therefore, with shock and indignation that agriculture learned that the Minister had, before his discussion with the agriculture sector, made a decision in consultation with Cosatu, especially in the light of the fact that Cosatu has virtually no members among farmworkers

"All the good work of the recent past has now been rendered worthless by an ill-considered decision."

JOB MARKET

The lion tamer wants to be a CA

S/Times (BUSS) 15/11/92.

By TERRY BETTY

CLERGYMEN, jewellery designers, engineers, nuclear physicists — even lion tamers — can become chartered accountants.

This is a sample of some of the 24 people enrolled for the University of Cape Town's (UCT) two-year conversion course UCT is the only university in SA to offer the course

Course director Josephine Taylor says the degree crams three years of BComm into one

"The students attend all lectures and write the same examinations as the hundreds of full-time students"

After this they do the fourth year full or part time

Miss Taylor says the last group of conversion students had a 100% pass rate in the Public Accountants and Auditors Board examination, which is done at the end of the course — way above the 57,5% national average.

She says the course has been successful because of the stringent entry requirements

"Only people with a degree, who have never failed a subject and have a good grasp of mathematics and English are accepted"

So far 71 people have qualified as accountants through the conversion course Their qualifications include medicine, arts, social science and engineering

Miss Taylor says most applicants have science degrees and either want to supplement their knowledge or are horrified at the thought of spending the rest of their lives in a laboratory

Past pupil Invicta Holdings financial director Arnold Goldstone says "I must have been temporarily insane to tackle the course However, I would never have got to where I am without it.

Family

"My first degree was an engineering one Having both skills is essential in my job because I can speak the language of accountants and engineers"

Mr Goldstone describes the course as being harder than anything he has ever done before.

"You need to be dedicated to complete the conversion course. You also need to be able to handle pressure"

Miss Taylor says that because of this older students with working experience tend to do better than 22-year-olds straight out of university.

"Only students desperate to get the qualification pass because they are the ones who have to support a family and realise how hard the competition is out there Young graduates generally do not have the necessary drive"

Miss Taylor says people take the course because they do not like what they are qualified to do, or are struggling to find a job They also believe that because there are fewer employment opportunities available they need to be better than the person seeking the same job

"Career opportunities in SA and internationally for CAs make the qualification desirable. It is also a discipline that can be moulded for a variety of jobs"

Miss Taylor says auditing firms are keen to employ conversion students because of the variety of information they have and which is not part of an average CA training.

Deloitte & Touche human resource manager Geraldine Hand says her firm provides a conversion course bursary

She says conversion course students have valuable skills stemming from their background and are able to add a strong financial management perspective

Having a qualified civil engineer as part of an audit team for a construction company improves the service. The engineer helps the other auditors with his inside knowledge

Unions put work before pay rises

S/Times (BUSS) 15/11/92

By ADRIAN HERSCH

PAY increases are likely to be moderate next year, says a leader of South Africa's second-largest trade union federation.

Nactu assistant general secretary Mahlomola Skhosana says "We are in a difficult position It is hard for workers to cope with below-inflation increases, but we want to project jobs.

Under

132

"We lost many workers in building and construction this year. Many positions were lost because small companies went under.

"If the economy does not improve sufficiently next year, unions will not be in a position to push too hard for above-inflation pay increases. Retrenchment has to be avoided."

This year may prove to be a watershed one in terms of the incidence of large-scale strike action in recession

The Nactu-affiliated Metal and Electrical Workers Union of SA (Mewusa) was this year involved in a four-week wage strike in the metal industry, together with Cosatu-affiliate Numsa The action was not co-ordinated

The unions demanded a 20% pay increase before the strike, but settled for 9,1%.

Nactu is preparing to play an active role in the recently launched National Economic Forum

Mr Skhosana says Nactu will hold a consultative conference towards the end of the month to establish an economic policy

The conference will also deal with political issues Matters such as preparing for the general election will be covered

Nactu, with its Africanist-principled policy, is regarded by some as close to the PAC But Nactu is not officially affiliated to any political organisation

Mr Skhosana denies reports that a split is likely in its member union, the Black Trade Union of Transnet (Blatu)

A report in September said Blatu's Natal region was seeking disaffiliation from Nactu

Active

Mr Skhosana says: "Blatu held its annual congress last week and all regions were present The Natal region did not express any desire to disaffiliate"

But a major problem for Nactu is that some of its unions in similar industries have not yet merged in spite of a target date of March this year having been set

Accept labour as a partner, business told

(132) ARG 20/11/92

SHARON SOROUR
Labour Reporter

ORGANISED labour needs to be accorded a position of power and influence for the economic system to acquire any legitimacy, says Mr Tito Mboweni of the ANC's economic planning department

Outlining the role of the trade union movement in the future South Africa in the latest SA Labour Bulletin, Mr Mboweni said business had to come round to accept labour as a partner in production rather than simply a "cost to be minimised"

The challenge facing semi-industrialised countries like South Africa was to "fashion new institutional arrangements between labour, capital, the democratic state and other organs of civil society"

The crux of successful transition to a new democratic order lay "precisely upon such institutional innovations strong labour movements can propel transition to democracy but this requires both institutional innovation and economic strategies with a high degree of sophistication"

Programmes to achieve higher levels of productivity and profitability should be agreed upon by business and the trade union movement

The obvious question was whether the labour movement would act responsibly if given greater power More cynical business people might believe that the unions would simply go on a wage spree and destroy what was left of the economy

"We are convinced that this is an unduly pessimistic position it does not take much for a worker to understand that her or his position is infinitely better off if the enterprise stays afloat and grows, than if it collapses under the burden of excessive costs and lower levels of productivity"

However, for workers to make this judgment they had to be in a position to evaluate key trade-offs inherent in the wage demand and incorporate them into their strategic thinking

Under these conditions there need not necessarily be a conflict between the interest of maintaining profitability and the demands of the labour movement for a living wage

"The key factor here is productivity growth if productivity improves fast enough, then the economy will be able to finance both living wages and growing profitability"

The challenge facing the country was to boost productivity in a way which generated further employment

It was widely recognised that the market system of economic organisation involved a simultaneously conflictual and co-operative relationship between labour and capital in both the production and distribution of economic surpluses

Matriculants urged to lower their pay sights

S/Times [B455] 22/11/92

By ADRIAN HERSCH

IT is widely believed that about only one in 10 of this year's matriculants will find a job next year But this need not be so, says a free marketer.

Free Market Foundation head Leon Louw says many of them can get jobs if they are prepared "to stand back from the emotional analysis and see things from a cold-blooded economic basis"

Those who delay entry into the job market and undertake tertiary education will have to choose their courses carefully They will have to put aside what they would "like" to study and take courses which offer skills that are "marketable", say personnel practitioners

Inflation

Mr Louw says the "cold-blooded economic analysis" means that one has to sell one's services on the same basis as a commodity

In the current climate of economic recession, falling inflation, and the surplus of job applicants, as with a sale of a commodity the matriculant must be prepared to start work on a "very low salary"

Mr Louw says "Emotionally, it is difficult for people to come to terms with being placed on the same level as a commodity But this has to be put aside.

"Many matriculants have much to offer But because of several factors, including a high inflation rate — although it is dropping — unrealistic salary expectations are created"

He advises matriculants who are prepared to work hard and are keen to "prove themselves" to approach employers with a realistic salary request.

They will then be able to get experience and have a chance of "moving up the ladder"

Mr Louw practises what he preaches A few months ago a matriculant, who had done manual work for eight months, was employed by the Free Market Foundation

Waiters

The matriculant, Stephen Humphries, says "I help in gathering information for the research department I am gaining skills and making good contacts Although the salary is low, it is a sacrifice well worth making because I am building up my career opportunities"

Some matriculants are likely to be put off by low pay rates in full-time jobs and will work part time, such as being waiters, getting a higher rate of pay but forfeiting career experience

"Long-term interests are paramount The temptation to seek more pay must be resisted if there is a chance of getting a job where skills can be acquired. Obviously part-time jobs provide an important stop-gap where there is no alternative," says Mr Louw.

Starry

Personnel practitioners are at one in their advice to those considering doing tertiary education "Keep away from the social sciences — it will be extremely difficult to get a job with qualifications in this area.

"Study the hard sciences or something with a technical bias"

John Dawkins, president of the Association of Personnel Service Organisations (Apso), says that apart from the universities and technikons, some colleges offer courses that give skills that will enhance the job prospects of a matriculant.

Mr Dawkins, who is also Kelly Personnel managing director and chairman of the Association of Private Colleges of SA (APCSA), says required standards are maintained at APSCA colleges

Institute of Personnel Management (IPM) executive director Dani Smith says matriculants are often "starry-eyed about what they want to do"

"Many think doing a BA is wonderful But in terms of finding a job they have to gear their expectations to reality The reality is that often a one-year book-keeping or secretarial course stands a person in better stead than the three years at university"

Mr Dawkins agrees. "There is always a good demand for secretaries and book-keepers, even in a recession Even if not always so on a full-time basis, there is demand on a 'temp' basis"

Mrs Smith says that "contrary to popular belief, secretarial work offers scope for going into other areas of work in the company and for better opportunities".

"I started work as a secretary," she says

Mrs Smith says that as the economy changes it is important that pupils are taught to think of starting their own businesses

"In SA, pupils tend to think of 'where and who' will provide them with a job The IPM would like to see 'entrepreneurship' as part of the school syllabus"

Wide

Mr Louw says the Free Market Foundation is trying to get economics included in the curriculum of all high schools

"Apart from a wide range of benefits, such as understanding its impact on politics, pupils would understand more about the job market — which would ultimately help them when looking for their first job," he says

Commenting on the general state of the job market, Mr Dawkins says Apso, comprising about 300 personnel agencies, reports that job demand from companies this year is down by about 20% compared with last year

Forum gets down to job provision

S/Times (BUSS) 22/11/92. (132)

By ADRIAN HERSCH

HISTORY will be made tomorrow when business, government and labour meet for the first time in a working group of the National Economic Forum (NEF) to thrash out a short-term job creation scheme.

Public works programmes, large-scale electrification and housing are some of the issues to be discussed.

Cosatu spokesman Neil Coleman says "The NEF — through its short- and long-term interest working groups — presents the opportunity for all of us to find a way of averting the crisis we are facing and establish a programme of national reconstruction.

"We want to see jobs created, economic stability and confidence restored."

Small Business Development Corporation (SBDC) head Ben Vosloo says the NEF must also look at the vital role that small business has in job provision.

Business, labour and government have independently conducted extensive research on public works programmes

Chamber of Mines president Bobby Godsell says it is important that projects undertaken are economic or they will be self-defeating

"Rigorous cost-benefit analysis will have to be done," he says

Benefit

A problem which public works programmes tend to pose is that when workers complete their stints they are not equipped with skills which are in demand.

Mr Coleman agrees, saying "In many countries these programmes have had a one-off benefit On completion workers are unable to find jobs

"Our aim is to provide some form of career path in these programmes"

This could be difficult, given the nature of some of the work. But Mr Coleman says there is scope for career development in electrification and provision of housing where a fairly wide range of skills are required.

Dr Vosloo says that in most prosperous countries 70% of the labour force is employed by small business

"Most of those employed in this sector are not highly skilled and workers are trained on the job These enterprises can be started with limited capital and when running tend not to be capital intensive

"These businesses serve their markets efficiently — they are quick to identify opportunities in their own areas as opposed to centralised ones far away from areas they hope to serve

"Small and medium businesses offer reasonable returns Bureaucracy grows with the size of the business. The law of diminishing returns ensures that as the organisation gets larger, so efficiency decreases"

Dr Vosloo says the Government has a major role to play in stimulating these businesses by doing several things, including providing easier access to capital

Cosatu research indicates that public works programmes could provide a million jobs at "below-subsistence wages" (R10 a day). The total cost would be R6-billion a year.

The same number of jobs at "subsistence wages" (R30 a day) would cost R18-billion — about 21% of the 1991 national Budget.

Dr Vosloo says that since 1981 when the SBDC was established, the organisation has granted 40 000 loans totalling R1,5-billion

This has created and supported 330 000 jobs to date.

Dr Vosloo stresses that the capital base is R800-million — where interest on money is returning and from where more loans are made.

Mr Coleman says Cosatu is open to discussion on anything that could achieve results.

"We're not going into the NEF with a dogmatic approach. Discussion in the forum about the contribution small business could make would be welcomed by us," he says

BEN VOSLOO. Vital role for small business in job provision

The Government's five-year economic restructuring plan is expected to be released at the end of the month

The main thrust of the report is that consumption expenditure will have to be cut.

Government consumption expenditure is about 22% of gross domestic product It should be reduced to 16%, says Japie Jacobs, special adviser to the Minister of Finance

"Kickstarts will not deal with the fundamental problems of the economy But this does not mean that the Government is necessarily opposed to a huge housing strategy or public works programmes because they may offer certain benefits"

Dr Jacobs will not say what government research on these issues disclosed

"Our position will become clear in the discussions," he says

Labour visit ends

(132)

MR Bob White, president of the Canadian Labour Congress, this weekend ended a 10-day visit to South Africa to forge links between the labour movements of the two countries.

Reports by Staff Reporter, Own Correspondent, Sapa-Reuter-AP, UPI

CT 23/11/92

LABOUR

Southern African unions come together

(132)

W\Mail 4\12 - 10\12\92

By FERIAL HAFFAJEE

COMMERCIAL sector workers from Lichtenburg to Lusaka are planning a joint set of non-wage demands to standardise working conditions at multinationals in the region.

Trade unions from Botswana, Lesotho, Mozambique, Namibia, South Africa, Swaziland, Zambia and Zimbabwe recently met in Johannesburg to map out a programme.

They plan to target companies like Edgars, Clicks and Wooltru which have interests throughout the region.

Negotiators from the same companies will meet regularly to draw up the joint demands.

A resource centre will be set up where company reports and the various recognition agreements will be kept to "build up an understanding of pay and conditions in the sector and to develop a collective bargaining strategy".

Unions will also develop a separate political strategy for multinationals and will train members on trade relations in the region.

The unions also resolved to establish greater links with the Southern African Development Community's Labour Commission.

If the Commission ratifies a union campaign, all SADC countries have to legislate its provisions into law.

Although South Africa is not a member of the SADC, it is represented by the Congress of South African Trade Unions.

The conference was arranged by Afro-FIET, a regional branch of the International Federation of Commercial, Clerical, Professional and Financial employees representing 11-million workers in 375 unions in 107 countries.

Study confirms the influence of unions

W/Mail 4/12 - 10/12/92 (132)

Weekly Mail Reporter

PROOF of the strength of the trade union movement in South Africa comes from a just-published academic study by eminent left-of-centre economist Peter Moll

According to his study, South African unions have raised black wages by 24 percent above what they would otherwise have been

Also, despite the fire some unions have drawn for sexist practices, they have won larger wage gains for women than for men Moreover, the gains were larger for unskilled than for the semi-skilled to skilled

The study by Moll, Visiting Scholar in Economics at Northwestern University, examines union and non-union workers in South Africa using data for 1985 By raising wages around 24 percent for black workers the unions showed they were about as influential as American and Canadian unions, which succeeded in raising their members' wages by between 10 percent and 30 percent above those of non-union workers in the 1970s and 1980s.

During the same period British and European unions had smaller effects of 10 percent or less.

Unskilled union members in the services sector did best on average, with increases 31 percent above non-union members for both men and women Those in manufacturing did worst, with 15 percent for men, and 28 percent for women

Semi-skilled workers derived smaller benefits from unionisation, with five percent for men and 15 percent for women Skilled men had only a four percent advantage over the non-unionised

Moll argues the unions effectively compressed wages across skill levels, probably because of plant-level organisation of the new non-racial unions, which concentrated their efforts on achieving a "living wage" This meant stressing the wage levels of the least-skilled workers and downplaying the wage demands of the semi-skilled and especially the skilled.

Who joined the unions? About 23 percent of black (African, coloured and Asian) workers were unionised in 1985, although this varied from 71 percent in the service sector to 42 percent in manufacturing.

Moll shows that, as of 1985, women and men were equally likely to join unions. Workers in large firms were much more likely to be unionised than workers in small firms Workers in Bloemfontein, Klerksdorp and the Free State Goldfields were less likely to be unionised than workers in the PWV area, Kimberley and Durban.

Older workers and workers with longer tenure with their current employer were more likely to join unions than young workers

Overall, the picture is one of a growing and powerful union movement Moll remarks "Even in 1985, five years before political negotiation became an acceptable concept for the minority white regime, African union workers had won wage concessions of a size similar to those in democratic developed countries"

●Black South African Unions: Relative Wage Effects in International Perspective. Industrial & Labour Relations Review 46.

High inflation rocks labour boat

(132)

S/Times (BUSS) 6/12/92

By DUNCAN INNES

THIS YEAR produced some fascinating developments on the labour relations front, providing a complex mix of both positive and negative tendencies

The year started by looking as though it might be quiet This was largely because of the harsh recession It tended to make militant activity dangerous for workers because demand for labour fell In the first half of 1992 the number of mandays lost to strike action was only 340 000

However, by the end of September the labour relations arena was seething with strike action — in spite of the recession The number of mandays lost soared to more than 3 million compared with 2 million for the first nine months of 1990

What caused this remarkable turnaround?

Undoubtedly, the high inflation rate — and especially soaring food prices — played a key role Most strikes were triggered by wage disputes

However, strikes that take place in recessionary times inevitably meet a tougher response from employers

Selfsa and Toyota, which were hit by major strikes by metal union Numsa, both dug their heels in, forcing the union to accept defeat

However, the hospital strike conducted by the National Education, Health and Allied Workers Union (NEHAWU) was far more successful But the issue went beyond wages to include demands that formal bargaining procedures be established for the sector Not only did the union win pay increases, but it gained an agreement for the establishment of such procedures and the reinstatement of most of the 7 000 workers dismissed in the strike

Although some unions concentrated on strike action, others sought to develop in a different direction by forging more harmonious relations with employers

JEOPARDY

In the forefront of this movement was the National Union of Mineworkers (Num), which signed some landmark agreements during the year

Another Cosatu union, the South African Clothing and Textile Workers Union (SACTWU), involved itself with employers in discussions aimed at restructuring the troubled clothing and textile industry It agreed to discussions about productivity in the textile industry

Significantly, the more co operative approach exhibited by SACTWU and Num occurred in industries whose future is in jeopardy Although unions and employers have strong differences, when the future of their industry is threatened, co operation can occur The question that hangs in the air, of course, is why do both sides have to wait until the 11th hour to work constructively together?

But perhaps the high or low point of the year (depending on your point of view), involved Cosatu's mass-action campaign

Cosatu gave ample warning of its intention to call for mass action Having rejected the State President's March referendum as "irrelevant", Cosatu announced a set of demands which, if not met, would lead to mass action

They included the establishment of an interim government by June 1992

Not only did June come and go without an interim government being set up, but to make matters worse, Codesa II collapsed in July Consequently, Cosatu launched its mass-action campaign with the ANC in tow

In spite of the Government's predictions that the campaign would never succeed, it proved to be spectacularly successful from the organisers' point of view, delivering another body blow to the staggering economy

The stayaway forced the Government to make some important political concessions that it might more usefully have made at Codesa However, it also spurred Cosatu to take the mass action campaign a step further, launching a campaign to boycott Paye

But like the proverbial boxer who never knows when to retire, Cosatu had gone a step too far Confronted by firm opposition from both the Government and employers and a marked reluctance for further mass action among its own affiliates, Cosatu wisely withdrew its demand

WEALTH

Since then, there has been a new round of promising developments on the labour front The National Economic Forum has been established with participation by the Government, employers and trade unions

A restructured National Manpower Commission has been set up, also with tripartite involvement

An historic agreement has been reached between Cosatu and the Government on extending labour legislation to farm and domestic workers

However, the gap between business and labour on the economic front remains wide, with Cosatu formally committed to "the principle that nationalisation is one of the legitimate vehicles to redistribute wealth"

But with the ANC moving ever further away from nationalisation as a realistic prospect, Cosatu is finding itself increasingly isolated in this demand

SPOTS

As far as 1993 is concerned, agriculture could become a focus of trouble as the South African Agricultural Union (SAAU) digs in its heels in the face of Cosatu's agreement with the Government to extend labour legislation to this sector

Continued differences on VAT and the slow progress in political negotiations are also potential trouble spots

At present, the trade union movement stands delicately poised between two paths one leading to constructive engagement by both the State and employers, and the other along the more familiar path of conflict and industrial disruption Although the former is likely to prevail over the longer term, the short-term future will not be without serious conflict

■ *Dr Innes manages The Innes Labour Brief, a research-based consultancy service*

FOCUS ON JOBS *National job campaign launched*

Unions fight for workers' survival

Sowetan 7/12/92

(132)

TRADE UNIONS are waging "war" against employers who are dismissing or retrenching their members as the recession deepens

They have embarked on national job security campaigns in response to widespread restructuring and rationalisation in the business sector.

There is also concern in the labour movement about reports that serious consideration is being given to the possible retrenchment of health workers, which could include doctors and nurses

The mining and engineering sectors have been hardest hit by retrenchments

More than 20 000 people have either been dismissed or retrenched in the engineering and steel sector this year

In the mining industry, about 166 000 mineworkers have lost their jobs since 1988

Another 100 000 mineworkers face the prospect of dismissals or retrenchments

Most affected are workers in the commercial and catering sector

Trade unions affiliated to the Congress of South African Trade Unions, National Council of Trade Unions and independent unions are all agreed on one thing - to stand up and fight for jobs

"No retrenchments Jobs for all," is the rallying cry among these unions

The theme has been extended to include the phrase "We will not sacrifice our livelihoods for capital's greed and mistakes "

Unions were unanimous that "unless management of companies are stopped they will continue to hack a path of destruction across shopfloors"

One of Cosatu's affiliates, the South African Commercial Catering and Allied Workers' Union, claimed that about 1 370 workers lost their jobs each day through retrenchments and that nobody knew how many were unemployed

"Capitalism and state policy have caused a serious economic crisis in South Africa and workers are being hit the hardest," Saccawu said

DEEPENING RECESSION

Grave concern that health workers will be axed:

Saccawu claims that many companies are selling off their trading rights while others are closing down or reducing staff

Those reducing staff were employing a number of casual workers on low salaries with no company benefits at all

These workers have little legal protection and in some cases management consistently rejected union's demands for trade union rights for non-permanent workers

Trade unions demand the following for their members

- Job security and job creation should be a top priority
- Cost-cutting retrenchments should be avoided
- Industrial restructuring should be negotiated
- A national register of all retrenched workers be drawn up so that they can be placed in other companies willing to employ them
- Alternative support system be set up generating an income for retrenched workers while unplaced
- Non-permanent and contract jobs be phased out so that people employed under these conditions can be given permanent jobs
- Industry-wide skills development schemes be established
- A halt on all management wage increases and payment of dividends until job security problems are resolved and,
- The industry must take full responsibility for retrenched workers

Can a Bill of Rights survive an emergency?

Law Review suppl in W/Mail

By JOHN GROGAN

SURPRISINGLY little attention has been given to the question of what becomes of a Bill of Rights if — as might well happen — the future democratically elected state is seriously threatened by forces trying to overthrow it

Bills of Rights are designed for societies in which both state and subjects respect and abide by the law When either the power-holders or the opposition disregard the basic rules of democracy, their fragility is exposed

There can be little doubt that the first government of a post-apartheid South Africa will experience militant opposition as it seeks to consolidate power Whether it will be able to maintain order by purely democratic means during the period of transition is far from certain

11/12 - 17/12/92

Like it or not, the point may well arrive when a future government may have to ask for additional emergency powers to deal with crises What form should they take? And can they be reconciled with a Bill of Rights?

Under the current law, the government can give itself emergency powers over all or part of the country By definition, emergency rule entails the suspension of human rights like freedom of speech, the press, assembly and movement, and of due process The extent to which the government can trample on these liberties under emergency rule became apparent during the emergency of the 1980s It is not inconceivable that a future government might try to follow that example

After this country's experience with emergency rule, constitution-makers should think hard about how to handle a national emergency with as little damage as possible to the values enshrined in the Bill of Rights

There is no easy answer to this problem But, if emergency powers are not to be abused again, there must be a mechanism to ensure that they are invoked only in cases of dire threat to the existence of the state itself, that they are used only for so long as the threat persists, and that the measures taken are commensurate with the threat they are designed to avert

These are clearly difficult tests to apply But, if anything can be learned from our earlier experience of emergency rule, it is that the political authorities (both legislature and executive) cannot be relied upon to apply them

Emergency measures must, therefore, be brought under the effective control of the courts — ideally, a special constitutional court designed to handle such matters And with a Bill of Rights in place, the standard against which all emergency measures must be tested will be do the circumstances and objectives of the particular emergency measure justify the extent to which entrenched rights are violated?

Idealists may object that any provision conferring emergency powers on the executive is by definition subversive of the values enshrined in a Bill of Rights

But realism, I believe, indicates that strict controls on such powers are preferable to the alternative so often experienced in Africa This is for the government to suspend the constitution entirely — at best until it has handled the crisis in its own way, at worst in perpetuity

●John Grogan is professor of law at Rhodes University

Getting justice for workers

Law Review Suppl in W/Mail (132)

An advice bureau which assists workers in their battles with employers faces closure through lack of funds By **GAYE DAVIS**

11/12 - 17/12/92

DUMISANI MBELE'S train to work was late Hot and sweaty from rushing to get there, he took a key to the storeroom so that he could have a shower An enraged foreman assaulted him for his presumption, but when Mbele complained, he was fired and the foreman stayed

Jobless and angry, Mbele heard about an office in Athlone where there were people who knew the law and could help him He duly arrived at the General Workers' Advice Service and, after a conciliation board hearing, Mbele won the justice he deserved

The three full-time staffers at the advice office can tell hundreds of stories like Mbele's, of people lacking the knowledge or the language skills to fight cases of unfair dismissals and other labour-related problems

For people like Mbele, there are few avenues for legal assistance in battles with employers If the advice office were to close, there would be even fewer

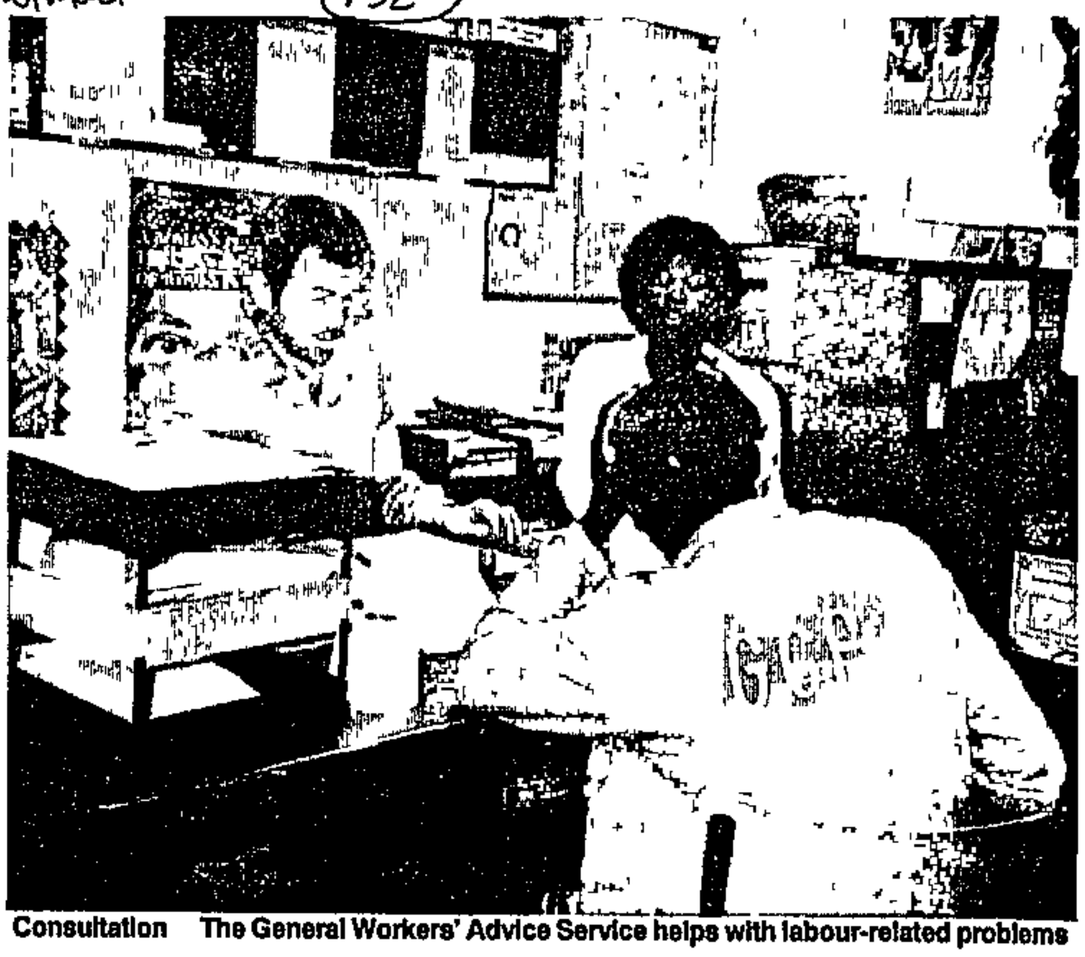
But a funding crisis could close the office in six months, according to staffers Jane Connolly and Simon Williams

Cuts by donors mean the office has to find R22 000 to meet a budget shortfall for 1993, it is already battling to meet this year's shortfall and December salaries are under threat

"If the office were to close, where would all these people go? The Department of Manpower, industrial councils, the Legal Aid Board and unions all refer cases to us," says Williams "As the recession worsens, the need for a place like this increases

"We're servicing the needs of workers not represented by unions, although we do get referrals from unions

"The office deals exclusively with labour-related issues, including health and welfare as far as the workplace is concerned Our main brief is dealing with unfair dismissals and labour practices"



Consultation The General Workers' Advice Service helps with labour-related problems

"We provide not only a watchdog function, ensuring basic labour law requirements are met, but also an educative one"

Says Connolly "We do a lot of work the legal fraternity won't touch Each month we get about 250 people walking in and take up between 100 and 150 cases It's tiring, emotionally draining, time-consuming work but we're dealing with the poorest of the poor who would otherwise have nowhere to go"

Most of the workers who approach the advice office earn between R400 and R600 a month — below the minimum wage at its 1990 level of R709 Usually by the time they arrive at the advice office they have already been dismissed, which means they're without income until they find another job — not an easy task in a depressed economy

Volunteer workers — currently about 40 — are drawn largely from university students. Each year the office runs a training course for paralegals and trade union staff "We're about the only organisation training people in advice office labour law skills," says Williams

Closure would thus diminish access to justice for those who most need it — and would also mean the loss of a valuable training system

"By June next year we must have new funders," says Connolly "If we don't, we will have to close

"There are workers out there who need us It's tiring, draining work with people who are desperate We don't need to be panicking and worrying about the future of the service"

(132)

B/DAY 11/12/92

Unions object to deal

TRADE unions representing more than 1-million workers — including Fedsal, Fitu and Sacol — met Manpower Minister Leon Wessels yesterday to object to his agreement with Cosatu on farm, domestic and public workers.

A curate's egg for civil servants

W/Mail 11/12 - 17/12/92 (132)

LUCI NYEMBE *argues that the Public Service Labour Relations Bill gives with one hand and takes with the other*

A DRAFT statute which covers civil servants was finally introduced into parliament last week, two years after the Laboria Minute was signed

Unfortunately, there are many features which undermine any positive effects the Bill may have.

But two features — the extension of the "unfair labour practice" jurisdiction and stop-order facilities — establish important basic rights It is important that these features will now be a right rather than a privilege at the discretion of the director general of manpower

This will allow unions in the public sector to establish their resource base and their ability to defend the rights and interests of their members

The Bill intends "to regulate new labour relations in the public service, including collective bargaining at central and departmental levels . and to provide the prevention and settlement of disputes .. between the state as employer, its employees and employee organisations".

At present there is only a forum for consultation between the Commission for Administration and employee organisations on wage or salary matters and on the proposed legislation.

This is clearly unsatisfactory — the lack of proper collective bargaining rights and formal procedures for speedy dispute resolution were major contributory factors to the recent, lengthy hospital strikes

While the Bill establishes a bargaining council at central level, it also presents a number of impediments to concerted bargaining

For example, an employee organisation has to prove that it represents workers affected by a particular issue if it wishes to negotiate that matter in the council.

With 11 unions and staff associations presently recognised, the effect is that employee organisations would not be able to challenge or support each other unless an issue affected their members

It is generally accepted that disclosure of information is crucial in the bargaining process. In the private sector, unions often have access to company annual reports or interim statements

This enables them to challenge or accept the validity of company claims about their "ability to pay"

In the Bill the definition of "classified information" is so broad that it can be used to withhold basic and necessary information from employee organisations

There are at least five separate procedures in the Bill for resolving disputes depending on the categorisation of the dispute It can be a collective dispute of right, an individual dispute of right, an unfair labour practice, a dispute of interest which has financial implications in an essential service, or a dispute of interest which has no financial implications in an essential service

Problems arise where a dispute may simultaneously be a dispute of right and of interest, for example retrenchments. Where the categorisation of a particular dispute is challenged (probably by the employer) the case could be thrown out on a legal technicality and the merits of the dispute would never be heard

This bodes ill for the resolution of disputes in a sector where their resolution or escalation has a direct impact on the lives of ordinary citizens

Strike action is permitted for public service employees, following elaborate procedures and requirements, including balloting and 20 days' notice to the employer

The employer, on the other hand, can interdict a strike on 48 hours' notice But even following these legal requirements to the letter does not indemnify "legal" strikers against dismissal.

In addition, failure to comply with the legal provisions makes the "guilty" parties criminally liable. Criminal sanctions include a fine or imprisonment or both

Strikes are also prohibited in "essential services" and the definition of these goes way beyond the International Labour Organisation (ILO) definition of "services whose interruption would endanger life, personal safety or health of the whole or part of the population"

●Luci Nyembe is a research officer at the Centre for Applied Legal Studies specialising in the public sector.

100 000 formal sector jobs lost in painful '92

Star 15/12/92

By Thabo Leshilo
Labour Reporter

Close to 100 000 formal sector jobs were lost during 1992 and workers experienced a sharp decline in real wages, experts have told The Star

The South African Chamber of Business put the number of jobs lost in the private sector at 85 000 and the public sector at 5 790 by the second half of this year

A spokesman said the mining industry shed 29 000 jobs, manufacturing 35 000, construction 18 000, commerce 3 500 while the service sector, which includes finance, banks and insurance, employed 2 220 more people

Steel and Engineering Industries of SA (Seifsa) executive director Brian Angus said the metal and engineering industries had, since the beginning of the year, cut staff by 49 000, bringing the industry to its lowest workforce in 20 years

According to the Chamber, 300 000 jobs have been lost since the second half of 1989, which marked the beginning of SA's longest recession

The situation is even bleaker considering that only 4 percent of the country's approximately 250 000 matriculants are expected to find employment in the formal economy in 1993

Research by industrial relations consultants, Andrew Levy and Associates, shows that on average, wage increases were far below the inflation rate for the first time in six years — from 16,1 percent in 1991 to 12,6 percent this year.

However, there was still some hope that things would shape up next year said Cosatu negotiations co-ordinator Jayandira Naidoo

"Although the National Peace Accord was grounded this year, it has now been consolidated, raising hopes for a political settlement next year, which is vital for an upswing in the economy"

Naidoo hailed the creation of the restructured National Manpower Commission (NMC) and the National Economic Forum (NEF) and the talks between Cosatu and the SA Consultative Committee on Labour Affairs as "the most positive" developments

"A big plus for the labour movement was the extension of Basic Conditions of Employment Act to farm and domestic workers."

Added Angus "It has been a very difficult year for employers in the metal and engineering industries, marked by a lot of confrontation and resort to legal proceedings"

Due to a deterioration in the economy, the industries were forced to settle for the "quite low" wage increase of 9,1 percent after strikes by the National Union of Metalworkers and the Metal and Electrical Workers' Union

"Now that events of 1992 are behind us, we hope to make progress regarding the future of the industry and training next year"

Angus predicted the economy would pick up during the first half of 1993 if negotiations were back on track early in the new year

Poll pact planned by Cosatu, allies

(132)

CT 18/12/92

Own Correspondent

JOHANNESBURG — Cosatu and its allies in "civil society" are planning a "reconstruction pact" for a post-apartheid South Africa as a basis for backing the ANC in next year's proposed election campaign

Anti-apartheid organisations are thrashing out a blueprint for the pact, Cosatu general secretary Mr Jay Naidoo said yesterday

Mr Naidoo said the pact would emphasise Cosatu's concern that a democratically-elected government must guarantee

- Basic trade union rights for all workers — especially the right to strike.
- The right of trade unions to intervene on issues of the health and safety of workers and the poor
- A programme of education and training to upgrade and empower workers, youth, students and the unemployed
- Genuine negotiations around economic decison making and economic reconstruction

Mr Naidoo said Cosatu would hold bilateral meetings with civic, youth, student, and other organisations of "civil society" to discuss the planned pact

The pact will also be discussed within the ANC/SACP/Cosatu alliance

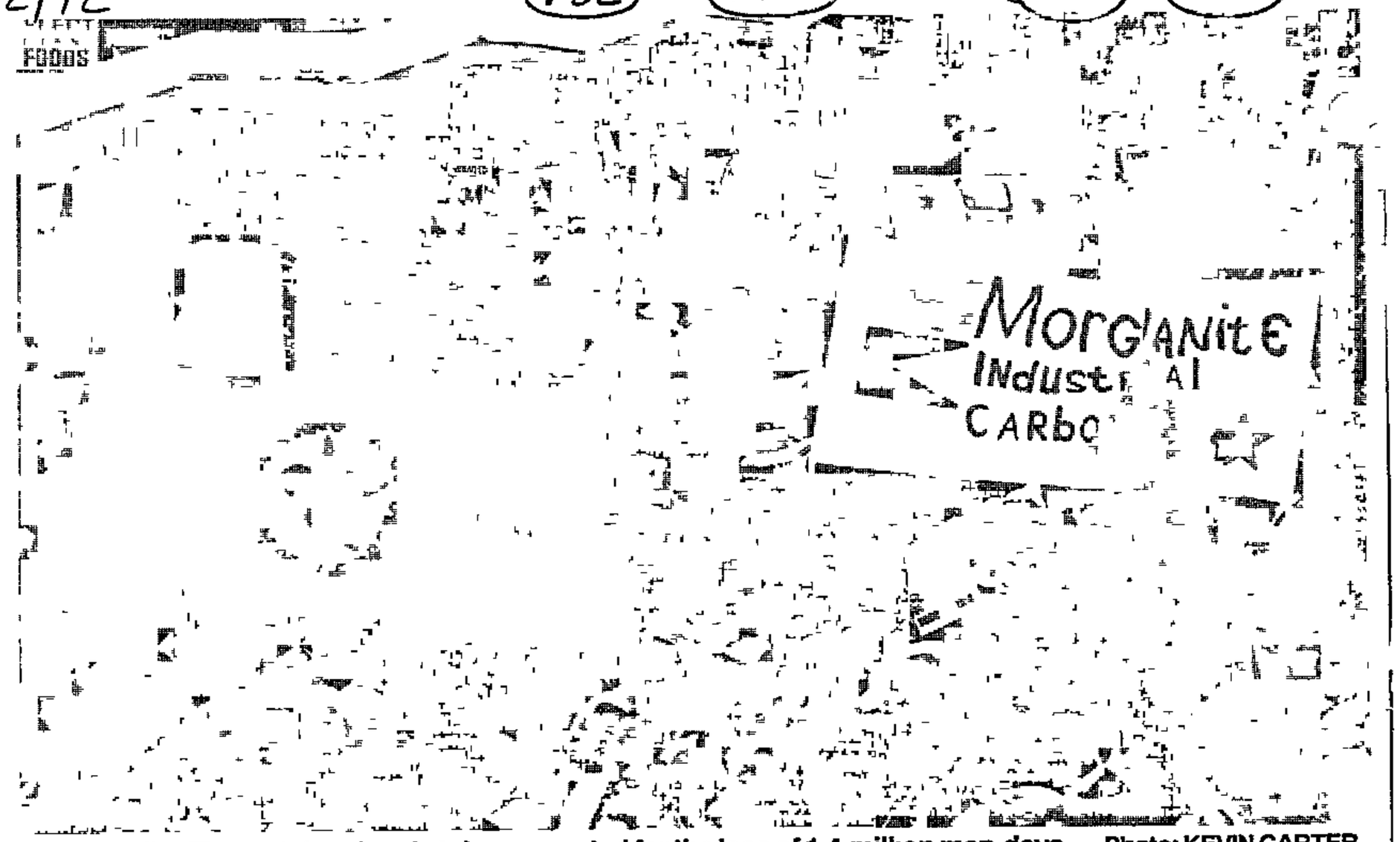
Mr Naidoo also said that if Cosatu was to explain to its members — and the poor in general — why it was important to vote for the ANC, it must give them guarantees from the ANC

A year of gains and new ground

W/M aut 18/12 - 22/12/92 (132)

Unions won key victories this year in negotiations to restructure the economy.

FERIAL HAFFAJEE *reports*



Heavy toll ... The metalworkers' strike accounted for the loss of 1,4-million man-days Photo: KEVIN CARTER

DESPITE spiralling retrenchments and swelling unemployment, union membership continued to grow this year According to labour consultancy Andrew Levy and Associates' annual report, there are now 3,2-million organised workers in the country

Growth was stemmed by 100 000 retrenchments in the four major sectors alone About 40 percent of the economically active population — 5,4-million — is unemployed

The year was marked by trade union demands for a greater role in restructuring industry, the labour market and the economy The National Economic Forum got off the ground and the new-look National Manpower Commission will begin work early next year

Joint union-employer forums will oversee restructuring in the mining, clothing and textile, and auto and electronics industries And early next year, the Congress of South African Trade Unions (Cosatu) will table draft policy for national industrial restructuring

The biggest collective bargaining gains this year were made towards the end of the year, when the government and Cosatu reached agreement on legislation for the farm and domestic sectors. For once, the time frames were honoured and draft legislation for farm workers and the 975 000 domestic workers was tabled in parliament by the middle of November Draft legislation for the public sector was also passed

For the first time since its inception, the work load of the industrial courts decreased, while Labour Appeal Court applications increased Mediation and arbitration — which are faster and less expensive than court applications — grew in popularity with both trade unions and employers

In terms of the government-Cosatu accord, ongoing problems with the industrial courts are to be investigated by a task force The Labour Appeal Court will soon become a court of final appeal because of the problems faced by parties taking cases to the Labour Appeal Court, where officials have no specialised understanding of labour issues

On August 3 and 4, Cosatu pulled off the biggest stayaway in the country's history Strikes accounted for the loss of 4,2-million man-days, with the strike in the metal and hospital sectors taking the biggest toll

The National Union of Metalworkers' strike accounted for the loss of 1,4-million man-days, while the hospital strike saw the loss of 247 500 man-days Almost 80 percent of the strikes were triggered by wage demands and 14,1 percent by grievances, while the rest of the strikes centred on dismissals, discipline and recognition

The hospital strikes, the Kentucky Fried Chicken strike for centralised bargaining and the wage strike at the SABC all lasted for more than 25 days

Eastern influx hits job market

STAR 22/12/92

132

By Thabo Leshilo
Labour Reporter

As South Africa's longest recession continues to bite, with an estimated 100 000 jobs lost in the formal sector this year, focus has once again fallen on the Government's failure to curb the flood of foreign job-seekers into the country

According to South Africa's second largest trade union federation, the National Council of Trade Unions (Nactu), unemployment in the country is being "exacerbated by foreigners pouring into South Africa in search of jobs".

Nactu's views are published in the latest issue of its newsletter, Izwelethu.

The federation predicts that 1993 will be "catastrophic" for workers, with retrenchments as well as reductions in working hours

Staff who get laid off or die will not be replaced, it says.

The organisation adds "Given the flood of foreigners from the East who have taken over the pavements in major cities, the 3,5 million (traders) in the informal sector are (also) threatened"

Already, 85 000 jobs in the private sector and 5 790 in the public sector had been lost by the second half of this year, according to the SA Chamber of Business.

Up to 300 000 have lost their jobs since the recession began in the second half of 1989

Central Statistical Services has put the number of unemployed in South Africa at 2,1 million

NEWS FEATURE *Nactu and Cosatu vow to continue their battle for a living wage*

1992: Successful year for unions

Sowetan 22/12/92 (132)

By Ike Motsapi

■ **DECLINING ECONOMY** *Decision-making no longer left to the Government:*

THE YEAR 1992 COULD WELL be described as the year of trade unions

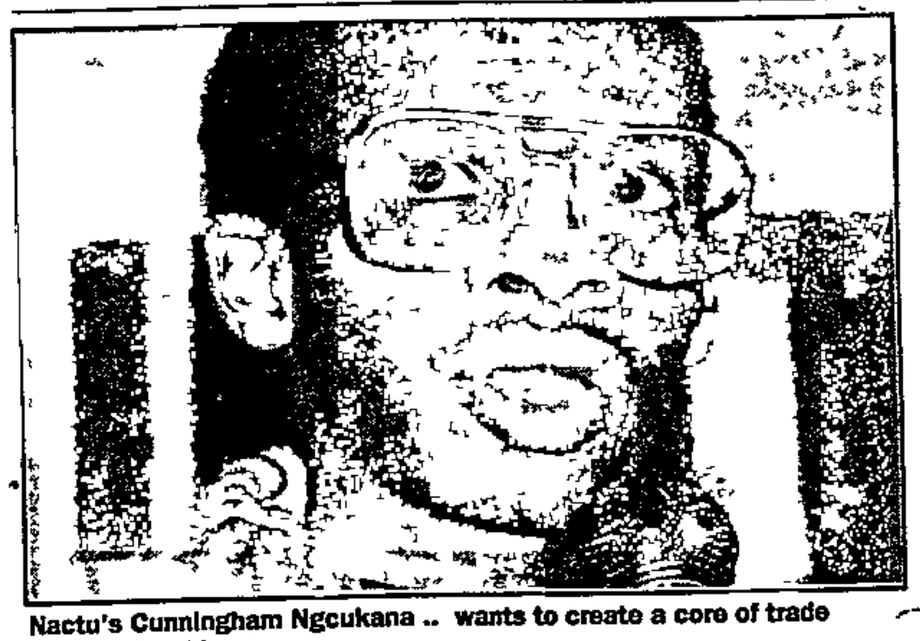
And the two major federations in the country have vowed to go into next year fighting to retain and advance the gains of this year

It was during this year that trade unions exerted a lot of pressure on the Government and employers to force them to agree to their demands and they won

And both the Congress of South African Trade Unions and the National Council of Trade Unions described 1992 as the year "that had been decisive for the whole labour movement"

Mr Jay Naidoo, general secretary of Cosatu, said. 'Faced with a declining economy and thousands of retrenchments, high food prices and lower than inflation wage increases, it has become clear that economic decision-making cannot just be left to employers and the government of the day "

On the other hand, Mr Cunningham Ngcukana, general secretary of Nactu, writing in *Izwilethu*, the official mouthpiece of the trade union federation, said. "The current political developments in the country are underpinned by negotiations that must lead to a democratic constitution.



Nactu's Cunningham Ngcukana .. wants to create a core of trade union cadreship.

Cosatu's Jay Naidoo ... economic transformation cannot be left to the Government.

Democratising economy

"The negotiations are taking place between major political players and the regime at bilateral and multilateral level," Ngcukana said.

Naidoo said the launch of the National Economic Forum meant that "in the new year trade unions will become more centrally involved in democratising the economy"

He said this will mean that jobs could be created for the unemployed.

Naidoo added."The basic needs of the ordinary people in areas of housing, health, education and training can be met.

"It also means that economic restructuring around issues of privatisation, public work programmes and industrial policies will now have to be properly negotiated with trade unions "

Ngcukana said. "The elections for a Constituent Assembly are therefore related to the political policy of Nactu on the national liberation struggle

"The Constituent Assembly election will have two central questions or electoral issues.

"These are the Bill of Rights and whether the constitution should be unitary or federal.

"Nactu has already developed a Workers' Manifesto and therefore the first question would be easy to answer

"The second would require Nactu to take a clear position

"The question of the structure and form of the new constitution has a casual relationship to economic issues that affect workers."

This year Cosatu and Nactu, including independent trade union movements, put pressure on the Government over various issues

These included the Government and trade unions laying the groundwork for what was described as the Laboria Minute early this year

During the Laboria Minute talks, trade unions and the Government agreed to the restructuring of the National Manpower Commission.

However, Cosatu suspended talks between itself and the Government.

Then there was a "big war" on the Value Added Tax (VAT)

This saw the Government reducing VAT from 13 to 10 percent due to pressure from trade unions, black liberation movements, church leaders and civic organisations

The Government also agreed to the zero-rating of certain basic foodstuffs

This was seen as a victory for the trade unions

Then there was the two-day general strike which took place on August 3 and 4

However, Cosatu and the South African Consultative Committee on Labour Affairs (Saccola) reached an accord which was aimed at limiting the effects during the stay-away from work on those two days

The strike was a success. Millons of people stayed away from work.

What came out of the strike was that employers agreed to commit themselves to act as "brokers" between the trade unions and the Government during deadlocks on certain issues

Again agreement was reached between the parties on the need for establishing an economic forum.

Naidoo said. "The mass action driven by the tripartite alliance has resulted in the release of hundreds of political prisoners and a general agreement that elections for a Constituent Assembly to draft the future constitution be held as a matter of urgency

"1992 also saw major strikes over basic trade union issues such as living wages, recognition, centralised bargaining

"Although this has been mainly a defensive battle against unilateral retrenchments and refusal of many employers to grant a living wage, our actions have succeeded in minimising what was a major attack on our living standards," Naidoo added.

He said Cosatu would enter 1993 "determined to carve out a powerful role for the democratic trade union movement at economic, labour and political level"

Ngcukana added. "Nactu wants to create a core of a trade union cadreship that will be able to participate effectively in the political, social and economic transformation of our country

"Nactu will also encourage its membership not to support our former oppressors with whom we have been locked in a life and death struggle "

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REVIEW OF THE YEAR 92

W/mail 23/12-29/12/92 (132)

WHO'S UP

Both **JAY NAIDOOS** — Cosatu's curly-haired general secretary is an enduring mover but the more plump Jayandra Naidoo will make waves at the National Economic Forum

CHARLES NUPEN of the Independent Mediation Services of South Africa.

Keeping the gender torch burning will be **FIONA DOVE,** the editor of the new union journal, *The Shopsteward,* **TASNEEM ESSOP,** Cosatu's only woman education officer and **DOROTHY MOKGALO,** the federation's gender co-ordinator

New Age bosses like **BOBBY GODSELL,** the youthful president of the Chamber of Mines, and the Premier Group's **PETER WRIGHTON**

Government officials like **FRANS BARKER,** the head of the National Manpower Commission.

WHO'S DOWN

PHILLIP DEXTER and **NEAL THOBOJANI** of the National Health and Allied Workers' Union took a blow this year during the hospital strikes So did **BERNIE FANAROFF** and the rest of the leadership of the National Union of Metalworkers of South Africa when the metal industry strike was crushed

LOST TO LABOUR

MOSES MAYEKISO, Numsa's general secretary, who will increasingly move to civic affairs while **PAPI KGANARE,** general secretary of the South African Commercial, Catering and Allied Workers' Union, is likely to take up a job at the ANC

The National Union of Mineworkers lost its health and safety officer **MAY HERMANUS** to research and **MANOCO NCHWE** to Genmin

The labour movement, still recovering from the loss of **DUNCAN INNES** to the business world, was also shaken by the appointment of stalwart sociologist **MIKE ROUSSOS** to TransNatal colliery

'Workers also support improved productivity'

(132)

DIRK HARTFORD

WORKERS will not be able to solve their problems without a substantial improvement in productivity, says National Council of Trade Unions (Nactu) assistant general secretary Mahlomula Skhosana

Writing in the latest edition of Nactu's newsletter, Izwilethu, Skhosana says the opinion that unions reject productivity in principle is wrong.

It seems to unions that many employers feel improving productivity means "working harder for longer hours at super-exploitative wages"

Culture

For workers, improved productivity means working in an "enabling environment" in a "democratic workplace" with a changed management style

"A new culture of doing things must develop with the active participation of everyone involved," says Skhosana

There should be open communication and no information should be kept from workers, and government and business must provide the resources and time for education and training.

With the advantages of improved productivity an "uncorrupt" government could pass on the benefits to society through improved social benefits.

These include parity of old-age pensions, subsidies for education at all employment levels, provision of low-cost, but decent, housing and subsidies for basic food.

Skhosana says it is also necessary to look into the quality of management personnel "who at times do not seem to know what they are doing".

Inadequate planning on the part of management has been largely responsible for the large number of retrenchments this year, he claims.

On the National Economic Forum, Skhosana says labour, business and government must find ways to reconcile the interests of the employed with the needs of the unemployed

B/Day 23/12/92

Gloomy outlook for jobs in 1993

W/Mail 23/12-29/12/92 (132)

By FERIAL HAFFAJEE

DISAPPOINTING Christmas sales and the "retrenchments which usually follow company budgets and financial cycles" are expected to fuel growing unemployment in the new year, writes labour relations consultant Andrew Levy in his preview of 1993.

In a pessimistic outlook, Levy also says that even when the long-awaited upturn in the economy does happen, there is unlikely to be the splurge of job creation many are looking forward to.

He points out that there is usually a time lag between an economic upturn and the refilling of positions. Companies are unlikely to increase their overheads where they have become more productive with less staff.

Calls for moratoriums on retrenchments will, therefore, continue to be key collective bargaining demands in 1993, writes Levy.

He also predicts shifts in policy on management's prerogative to make decisions, which may result in job losses or favour capital intensity.

The bargaining approach of trade unions has come full circle, notes Levy. After the Wiehahn Commission, progressive unions pushed for a return to plant-level bargaining because they were not strong enough for centralised negotiations.

But now that South African unions are stronger than ever and have highly skilled negotiators, they will increasingly demand centralised bargaining and the resuscitation of industrial councils.

"These developments are inevitable, irreversible and not necessarily fraught with all the risks and insurmountable problems many managements and advisers seem to identify," says Levy.

There is also a trend away from the "legalism" which has characterised labour relations, a new maturity among players in the field and a growing adherence to procedures.

The plummeting number of cases being taken to the industrial court proves the point, Levy stresses, although he adds that this could be attributed to problems with the court and the growing popularity of mediation and arbitration.

Levy says that affirmative action and the removal of workplace discrimination will be new areas around which unions will press demands.

But these will be fundamentally different to the "Sullivanist" improvements many progressive companies have introduced. The new programmes are likely to be co-determined, such as schemes being implemented at the Premier Group, PG Bison and, to a lesser extent, at Eskom.

Already codes are being drawn up giving details of how these programmes will be run, and Levy believes they will grow in prominence and influence in the new year. The "Numsa code to end unfair discrimination in employment practices" has been submitted to employers in the metal, motor and automobile industries.

And earlier this year, Anglo American and the National Union of Mineworkers signed a code of conduct for their mines. The NUM is pushing to have the code extended to the entire industry, and this could be accomplished now that Anglo's Bobby Godsell is Chamber of Mines president.

Training and advancement will happen at all levels, not only to "the rarified level of the boardroom" and "it will not be a case of window-dressing", says Levy.

There will also be greater union acceptance of multi-skilling and productivity bargaining where employers show they are serious about job security, Levy states. But this view may be too hopeful: productivity and multi-skilling schemes have run into trouble in the mining industry and at Volkswagen in Uitenhage.

Wage settlements will remain depressed at least until June next year and single-figure increases will remain common, writes the labour consultant.

Organising drives and education programmes will mean that the domestic work and farming sectors will be among the most vibrant in the new year.

Let's talk about it

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For a while it was musical chairs in the Department of Manpower but Leon Wessels has returned some stability and sanity to this vital area.

By **FERIAL HAFFAJEE**

MANPOWER Minister Leon Wessels is the kind of guy you could just call "Leon" — laid-back and without a trace of the grey-suited unapproachability of the old South Africa

You can easily picture him jogging down the streets of Pretoria with his wife or negotiating with his children when they want more spending money

Wessels has done a lot of negotiating in the seven months he's been in office — so much so that "let's talk about it" has become his favourite phrase

His adversaries have ranged from the suave negotiators of the Congress of South African Trade Unions to defensive farmers fearful of looming labour legislation

"Those who have not been here are on our schedules," says Wessels of the organisations which have not yet sat in his air-conditioned office

"I am not a captive of anybody, I want to do what is just and fair for labour," he told a recent National Party Transvaal congress

So one can expect delegations from the National Council of Trade Unions and troops of white workers, no longer protected in closed shops or guaranteed places in racially imbalanced training boards, to meet him

He can also expect the captains of industry to come knocking at his door, demanding a place at the table when accords like the one concluded with Cosatu in November are signed

That accord negotiated a mountain of minefields and in one fell swoop the minister showed what a little decisiveness can do

He set dates for the passage of legislation for domestic workers, for farmworkers and for public servants and he stuck to them By the close of parliament this year, draft legislation had been signed, sealed and delivered

Starting dates for the restructured National Manpower Commission and the National Training Board were set Other troublesome obstacles like the industrial courts and the Labour Appeal Court will be dealt with by influential but balanced task forces

Unlike his predecessors, there will be no backtracking for Wessels even if faced with pouting farmers and hysterical housewives who have long resisted regulation for their workers

"Reform is a serious matter and you have to be punctual about it," he says This view is perhaps what makes him a prized negotiator in the government's camp

Leon Wessels .. He might survive a change in government

With an eye on the influence of the labour movement and the expectation of the pragmatism he will bring to political negotiations, Wessels has been relieved of his local government and housing portfolios

"It wasn't really possible to do justice to labour with the composition of the old portfolio But constitutional negotiations and labour complement each other," he says

Wessels is one of President FW de Klerk's prized New Nats a young, Stellenbosch University graduate, committed to reform and familiar with the popular lexicon, he is assured of the respect of the government's main negotiating adversary, the African National Congress and of Cosatu, the biggest player in the labour movement

The bargaining skills he has been forced to hone in monthly meetings with a broad spectrum of labour are likely to be useful in political negotiations

"Trade unions and the department spend hours in each other's company," he says, adding that the Manpower Department will not experience the same problems other ministries may have in "levelling the playing fields" under an interim government

Wessels has taken the department from one of the most contested and controversial to one of the most productive in the short time he's been in office

He wistfully remembers his second day on the job on June 2 this year

"I had my first meeting with the sub-committee of the National Manpower Commission (NMC) and there were 13 different points of view "

He suggested they "start a two-month honeymoon", at the end of which the department would publish a response to demands on the restructuring of the NMC

The process was successful and the new-look body will start work at the end of January

Then on his first day in parliament, he inherited the draft Bill for farmworkers legislation and its "absolutely inherited time frame" which dictated that the legislation had to be "piloted throught parliament that same week

Instead, he offered regular meetings with the parties until consensus was achieved

All has not been plain sailing with Cosatu and the minister has shown he can give as good as he gets

Recently he broke off a crucial meeting with Cosatu, charging that the federation was "not bargaining in good faith", that it was "shifting the goalposts" and sending negotiators without mandates to meet him

His appropriation of the federation's tactics (and its talk) won its respect and it quickly issued a conciliatory statement, soon further negotiations yielded the November accord

"I will not be the captive of anybody, be it the department, employer organisations or employee organisations The best arguments should carry the day, not because of the institutions or personalities involved," he says

Wessels is enjoying the post and is invigorated by the "sharp thinkers" he meets "They all have an acute awareness of the economy and the whole society "

Although Wessels is new to the labour field, having started his political career in the foreign affairs and law and order ministries, he has won the respect of labour players across the spectrum

It could mean that he will survive a change in government and be asked to remain minister of manpower — an appointment he would accept graciously, no doubt.

THE YEAR THAT WAS (132)

JANUARY

- Kgalema Mothlante elected National Union of Mineworkers acting general secretary when many assumed the position would go to Marcel Golding.
- The Mine Workers' Union announces plans to form a white super-union.

FEBRUARY

- A spate of mine deaths prompt renewed union demands for the overhaul of health and safety systems.
- A strike ballot is taken at Volkswagen in Uitenhage over the company's productivity targets, but independent surveys prove they are fair.

MARCH

- The Congress of South African Trade Unions appoints its first gender co-ordinator, Dorothy Mokgalo.
- The three-month strike at Kentucky Fried Chicken ends.

APRIL

- Cosatu announces "rolling mass action" plans.

MAY

- Community Growth Fund, the first union-owned unit trust, is launched
- Cosatu and Nactu joint May Day rallies.

JUNE

- A wage strike at the SABC starts.
- Workers Summit cancelled.
- Hospital strikes start.

JULY

- NUM and Anglo American sign Code of Conduct on Anglo mines.

AUGUST

- Cosatu pulls off SA's biggest-ever stayaway.

SEPTEMBER

- Hospital strikes end.

OCTOBER

- The four-month wage dispute in the metal industry ends.

NOVEMBER

- The National Economic Forum is launched after a series of fits and starts.
- The government and Cosatu sign a far-reaching labour accord.

29/12/94 23/12 Sunday

Vital fighter for workers' rights now under threat

STAR 29/12/92. (132)

The Industrial Aid Society plays an indispensable role in helping workers secure the rights to which they are entitled in law But, after nearly 20 years, the IAS's life is on the line, writes JO-ANNE COLLINGE

PAULOS Mngkani was putting the roof on a new school in Daveyton when he fell Nearly three months later, he hobbled into the Industrial Aid Society (IAS) — still on crutches, unable to work and defeated by a complex web of employers and contractors as he tried to claim workmen's compensation

IAS para-legal workers sorted out which company was legally obliged to report the accident and back Mngkani's compensation claim. A phone call drew an assurance from the contractor that he would take responsibility, as the sub-contractor was not a registered employer

Only the slightest hint of authority from the IAS worker sealed the agreement. "We would have to come back on you, anyway, if the sub-contractor failed." And Mngkani was on his way, swinging a little lighter on his crutches, a letter confirming the agreement in his pocket.

There was no equivalent relief on the face of para-legal Martin Monyela. For him, every case simply forces a new reckoning of the consequences if the IAS were forced to close.

Each day, when the doors of its Johannesburg office open, it takes no more than 30 minutes to fill the daily quota of clients for the IAS's sole attorney and two para-legals Others are asked to come back — earlier — on another day In 1991 more than 4 000 troubled workers turned to the IAS for help

This year the load continued to grow as other advice offices closed due to a shortage of funds Now the IAS itself is in jeopardy, as one of its major funders, the International Confederation of Free Trade Unions, has concentrated its help to Eastern Europe.

"We have had to declare a moratorium on unfair labour practice cases,' says Monyela

If just one of the legal staff has to spend a day or two in court the remaining pair have a rough time dealing with the office case load

Young Ambi Molekwa is one whose complaint will probably end in the Industrial Court where the IAS will argue that his dismissal after being injured at work was unlawful.

Molekwa has had two jobs since he left school. Both have ended badly for him. "I don't think I'll look for another job I'll go back to school and get matric," he said, hoping this would win him a bit of respect in the workplace

Monyela listened to the youth's frustration. He listened to the man in the immaculate striped shirt who wanted someone to help him examine the relative merits of accepting a retrenchment package or an alternative job

If the pressures on the IAS staff are extreme, those seeking help don't catch the brunt of it. There is an air of methodical work about the little offices, with their assorted old furniture and odd bits of electronic equipment. Every complainant is given enough time to explain the problem — and often the first steps to solving it are taken immediately, by telephone, in the client's presence.

Many IAS clients are non-unionised workers, who have no other recourse "You get factories with 20 or 25 workers — maybe it's a family business — and employers don't want unions there," says Monyela.

While the rights won by the labour movement apply in theory to all workers those who are unorganised have real problems enforcing their rights. "Take the question of establishing an unfair labour practice — it is a difficult and long procedure, which involves lots of documents," Monyela explains

Then there are areas of work where the IAS has developed special expertise, like workmen's compensation. For help in this area, even trade unions turn to the IAS The Department of Manpower and various hospitals make constant referrals

Although he is heavily involved in helping individuals, Monyela's title is education coordinator This means organising workshops for general advice offices and civic organisations to equip them with the skills to assist workers. It means publishing pamphlets and informative posters; preparing material for the education pages of newspapers, and giving advice by correspondence

Founded in 1973, when trade unions for black workers could not be registered, the IAS established a benefit fund so that workers could support each other financially and in other ways The fund gave birth to two unions which played a vital role in the growth of the labour movement, the Metal and Allied Workers' Union and Transport and General Workers' Union.

As the trade union movement swelled and gelled, the IAS did less organising and turned increasingly to education and para-legal work. It did, however, organise unemployed workers in the mid-80s, spearheading a campaign for changes in the unemployment insurance legislation.

Monyela, whose special task was organising the unemployed, is itching to get back full-time to education. This will only be possible if funders rise to the demands of the IAS's budget, which allows for a staff increase from five to eight workers.

"Because of the lack of funds we are not updating our educational materials. If we could just get a commitment from funders, we would push ahead with all our programmes, plan all our seminars," said Monyela.

As he and his colleagues investigated the pay complaints of workers, they were uncertain whether they would get their own December pay "We are looking for bridging finance for December For the last three years we have had a shortfall," confided Monyela

Behind him, from the wall posters, a factory belched smoke above the slogan "Health before profits" and a kitten, cosseted in pink blankets, accompanied the assertion. "It can be done It should be done. It shall be done tomorrow" □

Getting results . no frills, but methodical attention to detail and caring commitment awaits workers who turn to the overworked, understaffed Industrial Aid Society for help in securing their legal rights when dismissed or retrenched Picture Stephen Davimes