

Bosses move to homelands to escape from trade unions

GROSS exploitation of workers is not the only problem that unions are having to face in the 'decentralised' industrial areas which have sprung up within South Africa's 'homelands'.

These areas are also fast developing into 'union free' zones.

With no legal protection against victimisation, unionised workers find themselves at the mercy of their employers.

For most bosses in the decentralised areas, belonging to a union is enough of a crime and has led to mass dismissals of entire workforces.

Many have told FOSATU unions that they had moved to the homelands to 'escape' from unions.

Decentralised areas have been developed by the government supposedly to create more jobs for blacks forced by the migrant labour system to remain in the homelands.

However, this has often been at the expense of jobs in the urban areas.

Industrialists in the cities have been known to 'retrench' their workers and then relocate the entire factory in one of the homelands.

The jobs that are created in these homeland areas show little concern for the people that the

jobs are created for.

The wages and working conditions are so appalling that some workers have said they would rather not work than work in a factory in a decentralised area.

The department of Planning in 1974 stated that a labourer in Isithebe (an industrial area in KwaZulu) received a wage of 17c an hour, 14 days leave and R120 a year as a travel and living allowance.

In the past 10 years there has been little improvement in these wages — starting rate for workers at an Isithebe metal factory is as low as R15 per week.

Decentralised areas allow for greater exploitation of workers and for greater profits for the bosses.

High profits

One of the first factories to move to Isithebe, Skema Engineering, reported a first year turnover of R156 000 but by 1982 this had increased to almost R4 million.

The government's decentralisation policy began way back in the 1960's with the setting up of the Industrial Development Corporation.

As part and parcel of the inhumane migrant labour system, the initial aim was to create industrial zones outside of

the country's cities and towns.

The government hoped to curb the flow of blacks to the 'white' areas by encouraging the development of factories next to the Bantustans — these became known as 'border' industries.

In order to encourage companies to move to these 'border' areas, the government offered tax cuts, financial aid for the buying of machinery as well as providing land and buildings at a 'reasonable' rental.

Employers were also offered the 'advantageous adaptation' of the Industrial Conciliation and the Wage Act.

The government, therefore, encouraged border industries to pay poverty wages and provide working conditions even worse than those found in the urban factories.

As the homelands policy began to take shape, the government started to encourage the development of industries in the various homelands.

Areas like Babalegi at Hammanskraal and Isithebe in KwaZulu were set aside as 'growth points' or decentralised areas.

Transfer of Ownership

At first white industrialists were not allowed to own land in the homelands and after a period of 20 to 25 years the

company was supposed to be transferred to black ownership.

However, many 'governments' of the homelands have since said that they had no objection to the permanent presence of white industrialists.

Cash payments

The South African government said it needed to encourage white industrialists to move to the homelands because 'in practice, it was found that although the Bantu were already proficient in commercial matters, they were incapable of handling large-scale industrial development'.

The government now offered cash payments instead of tax cuts for companies that opened up in the homelands.

Housing Loans

As well as various transport subsidies, companies received a cash payment of 95 percent of the wage bill for the first seven years.

The government also loaned industrialists money at very low interest rates.

The housing of management and white skilled workers was also subsidised.

But, on managements' own admission, one of the major incentives for moving to dec-

entralised areas is that they are 'union free'.

No protection

Various independent homelands have already taken steps to crush unions — the Ciskei last year banned the South African Allied Workers Union.

Or they have passed legislation which prohibits 'South African unions' from operating in the homeland — like Bophuthatswana.

In KwaZulu a further problem has presented itself as at present this homeland has no effective labour legislation.

Anti-union laws

As a result, workers at Isithebe are given no legal protection against victimisation or unfair dismissal.

And some Isithebe employers have used strikes by workers trying to improve their disgusting working conditions, as an excuse to get rid of the union presence by firing the entire workforce.

Workers are then only taken back on condition that they agree not to join a union.

If new workers are hired, they are often taken on at wage rates even lower than the wages paid to the ex-employees.

Interview with four sacked Tidwell workers

Tidwell Housing, a subsidiary of an American company, opened up at Peters near Ladysmith on February 1984. Peters is a decentralised area falling under KwaZulu — although the KwaZulu authorities deny this. The Metal and Allied Workers Union soon after recruiting most of the workforce sent a letter to the company introducing itself and asking for a meeting to discuss recognition. The union never had any response to this letter. On July 16 the workers approached management in order to clarify problems they had with their wages. Workers were told that if they were not satisfied they should leave the premises and then announced that they were dismissing five key union activists. FOSATU Worker News spoke to four of the sacked union members (Zakhele Malinga, Thulani Dlamini, Christopher Hadebe and Sifiso Mthethwa) about conditions at the factory and about the events on July 16. MAWU is at present taking legal action against Tidwell on behalf of the four in a bid to have them reinstated.

When did people start joining the union?

A shop steward from the nearby Dunlop factory started recruiting workers at the gates. He would travel with us on the buses and explain about the union. We called a meeting in June and at that meeting elected a steering committee.

What were the workers' main grievances?

Wages.

Were people finding it difficult to live on the money they were paid?

It was very difficult as rents and transport costs are very high here. We were paid about R25 a week and out of that we had to pay the rent of R14 a month and bus fare of R15 per month.

Were there any other problems in the factory?

Yes, they didn't give out pay slips beforehand so you never knew how much you were going to be paid. You didn't even

know how much you earned per hour. People also used to get private increases. One person would go and talk to the foreman and then he would be given an increase.

How do the wages compare to the nearby factories like Dunlop?

The wages are much lower. In fact a worker at Dunlop gets three times more than a worker at Tidwell. Tidwell is among the lowest paying factories in the area.

Let's move on to where the steering committee approached management?

On a certain Friday we were told that we were to be given the day off which was strange so we went to management to ask why. Management told us that only Indian and coloured workers would be working as it was stocktaking. They told us not to worry as we would get our full pay. But in the following Friday's pay packet we found that we weren't paid for the Friday



Tidwell Housing in the decentralised area of Peters near Ladysmith. Insert: The four sacked workers outside the factory.

and some found they were R10 short. On the following Monday a whole lot of workers approached management to find out why we hadn't been paid. Management told us that we hadn't worked so we were not getting paid.

There was a general confusion about how this had been deducted so the workers sent the steering committee to go and ask how much we were paid per hour. Management simply told us to calculate the rate of pay ourselves.

We then asked management for an increase so that after all the deductions we would at least have something left. To this they replied that production was very low. But we replied that in some departments workers had run short of material, so it wasn't our fault.

Were workers working while you were meeting with management?

No, when workers arrived at the factory they clocked in but refused to start work. Workers were waiting for the steering comm-

ittee to tell them what happened.

What happened after that?

Management refused to do anything. They said that before we proceed with any negotiations they would like to inform us five members of the steering committee were fired. A sheet of paper was then given to the security guard with the clock numbers of the five. Immediately workers heard that the five had been fired they demanded to know why. Management simply said that before they talk to the workers those five must be outside the gates.

Soon after that management said the entire workforce were now fired. They were told to bring back their overalls the next day.

When we took back our overalls, we were told to come and reapply for jobs. But when we five members of the steering committee came in, the management chased us away and phoned the police to have us removed.

Those who were taken back were asked lots of questions like were you a member of the union. Those who said, yes, were sent out. And now the starting rate has dropped from R25 to R18 per week.

Does it look like the company wanted the union?

No. In fact there isn't any company which wants a union in this area.

Why do you think this American company came and built a factory in KwaZulu?

At first we thought it came to KwaZulu to boost the government and to offer jobs. But now we think they were just moving to a place of cheap labour.

Is there much chance of getting another job in the area?

It's not easy at all. As it is now we have already been chased away from one company. Once they see your pass stamped Tidwell, they chase you away.