

MAWU and the Industrial Council — A Comment¹

E. Webster

The three-and-a-half year battle over the form of collective bargaining in the metal industry took a significant turn when MAWU decided to apply to join the National Industrial Council (N.I.C.) for the metal industry at its National Executive Committee (NEC) meeting on 28th February. The NIC is the largest industrial council in the country, covering some 8,400 establishments with nearly half a million employees. Nearly all of the employers belong to SEIFSA, a well organised employer federation that pursued a tough anti-union line in the pre-Wiehahn period. In addition, the 14 unions party to the NIC are dominated by the tightly controlled 'craft' union caucus, the Confederation of Metal and Building Unions (CMBU). The NIC is a highly centralised body that has operated effectively since its inception in 1944 in the interests of employers and, to a lesser extent, white wage earners. The limited but significant material benefits gained by the unions party to the NIC have often been at the expense of the less skilled, usually African, wage earners. For MAWU then, the unrepresentative and bureaucratic nature of the NIC came to symbolise the worst features of established industrial relations in South Africa. Not surprisingly the NIC became an important, if not the most important, arena of struggle over the Wiehahn strategy of attempting to incorporate black workers into the industrial relations system. This comment attempts to provide a background to MAWU's controversial decision.

Three organisational principles have underlain MAWU's structures and policies since its formation in April 1973 — the building of shop-steward structures, factory-level bargaining and worker control. The first — the principle of building shop-steward structures — emerged in the early stages of MAWU's history when it shifted from a strategy of mass mobilisation to a concentration on building shop steward structures in selected factories. This focus on building shop steward structures led to an emphasis on factory level bargaining — on negotiating, policing and enforcing a factory agreement on the shop floor. By stressing factory bargaining the rank and file, in particular the shop stewards, were encouraged to participate in and control key decision-making in the organisation. This third principle — workers control — became firmly established in the union through the practice of accountability to the rank and file through the system of mandates and report-backs.

It is not surprising then that the attempt by Wiehahn to incorporate black workers into the Industrial Council by excluding them from the shop floor was seen by MAWU as a direct threat to these principles. In late 1979 SEIFSA issued

guidelines to its members that they should have no dealings whatsoever with unions other than through the employers' association at Industrial Council level. Employers were warned not to negotiate with shop stewards at plant level and not to grant unregistered unions stop orders. Employers backed up this threat to MAWU by actively encouraging established unions to 'unionise from above' through forming parallel unions.

In May 1980 these guidelines were amended slightly to allow for automatic exemption from the prohibition on stop orders applicable to unregistered unions. However, these guidelines contained the important proviso that the union had to be well advanced in its application for registration and undertake to apply for membership of the NIC on registration. SEIFSA's strategy has always been to keep 'the stick' close to the 'carrot'.

In spite of SEIFSA's guidelines some employers broke ranks and began to negotiate recognition agreements at plant level in 1980. These agreements, when signed in 1981, were significant advances in industrial relations as they established for the first time in the metal industry the following rights:

- a) shop steward recognition, which included time-off for union business, access to the plant by union officials and stop-order facilities.
- b) limitations on managerial prerogatives through a dismissal and grievance procedure.
- c) plant bargaining on the terms and conditions of employment, together with the rights of report-back to members.
- d) other benefits such as retrenchment procedures and health and safety committees.

However, it was the dramatic increase in work stoppages among metal workers on the East Rand between July and November 1981 that was to transform the role of MAWU in the metal industry. An estimated 11% of the total work-force in the metal industry on the East Rand were involved in these stoppages. The rejection of arbitrary control by management, i.e. demands for the re-instatement of dismissed workers, was the central demand in these stoppages. In all of these cases workers' demands for re-instatement of dismissed workers was effective in eroding areas of managerial control at the point of production. As a consequence MAWU's membership tripled between 1980 and 1982 from 10,000 to 30,000. Attendance at the AGM grew from 200 in 1980 to 1,000 in 1981, reaching a height of 5,000 in 1982.

It was this challenge from below that was to lead to the first significant shift in employers' attitudes to shop floor negotiation. In the November 1981 guidelines SEIFSA recognised for the first time that the NIC would have to become more responsive to the shop floor if it was to survive as an industry-wide bargaining institution. As a consequence it recommended that employers give a role to shop stewards by providing time-off for training, and including them in the company's dismissal and grievance procedure. But the guidelines remained committed to changes which encouraged unions to join the NIC — and negotiation over wages

at plant level was not one of the changes that they envisaged.

The issue of wage bargaining was brought dramatically to the fore in the following year when, beginning in January but particularly in the first 13 days of March 1982, a wave of wage strikes broke out on the East Rand. These stoppages were longer and management were more intransigent than in 1981. In the majority of cases management refused to negotiate, gave workers a deadline to return to work and selectively rehired those who did. While this meant, on a number of occasions, that all workers were re-employed, it was, of course, on management's unilateral terms, with few of the initial grievances being removed. Thus the demand for wages was to develop into a more central issue when management refused to negotiate wages at plant level, insisting on bargaining through the highly centralised NIC.

In the event, March 1982 was to be the high point in the challenge from below in the metal industry. In April the NIC negotiations deadlocked when SEIFSA offered a 25 cents an hour increase in all grades. Black workers responded by taking the situation into their own hands and a second strike wave hit the East Rand at the end of April. Employers took a firmer stand, refusing to allow the NIC negotiating process to be pre-empted. Events climaxed at one of MAWU's largest factories on the East Rand, Scaw Metals, when workers made the modest interim demand of 10 cents an hour. Anglo-American owned Scaw, at the very heart of SEIFSA policy-making, refused to negotiate, dismissed the 2,000 work-force in a strike that the union 'called-off' after 11 days, then selectively re-employed. The strike was broken when police intervened to prevent workers entering their hostel. With the retreat of the Scaw workers, effective opposition to the NIC had been broken. When the NIC met a month later they agreed on an increase of 30 cents an hour for unskilled workers, and 40 cents an hour for skilled workers.

When 5,000 MAWU members met at the Wattville soccer stadium in May 1982 for their second national AGM, popular antagonism towards the NIC was at its highest. For the leadership, however, the lesson of the April stoppages was that the union had failed to direct this militancy into an industry-wide challenge to the NIC. MAWU had been unable to transform a factory-by-factory struggle into a united industry-wide demand. Employer resistance had effectively defeated the worker offensive as MAWU began to lose support in some of its factories. MAWU needed to consolidate its rapid growth. This was the theme of the Secretary of the Transvaal Branch in his report at the AGM in May.

The union has grown very fast. Membership has grown by 200% in a year. But this has led to big problems too, because so many new factories are joining, the organisers have not been able to train shop stewards and meet and plan with members and shop stewards. So many workers have joined without being clear what the union is.

The magnitude of the problem facing MAWU was underlined further by the onset of recession and the beginning of large-scale retrenchments in the metal industry. MAWU'S strength in the East Rand is rooted in the hostels and the union

leadership were quick to realise the vulnerability of migrant workers to being 'endorsed out' in the wake of retrenchment. The migratory nature of MAWU's membership base helps explain the volatility of the union; very rapid growth and then retreat. By the end of 1982 East Rand metal firms were retrenching an estimated 18% of their work-force, with some, such as Salcast, as much as 25%. Attempts by the shop steward councils to persuade employers to attend industry-wide meetings to discuss retrenchment failed, although some successful plant negotiations were held. SEIFSA successfully advised management not to attend, as they believed that these issues should be discussed at NIC level only. It is essential, they said, for management to achieve 'maximum flexibility' in the face of the economic downturn.

It was in this context of successful employer resistance to bargaining outside of the NIC and the failure to co-ordinate workers on an industry-wide basis, that discussions on the need for some form of industry-wide bargaining took place inside MAWU in the second half of 1982. Entry into the NIC, like registration, it was argued, was a tactical question. Provided certain conditions could be met, MAWU's principles could be retained inside the NIC. MAWU could still fight for the right of workers to negotiate at their own factory. When it bargained for minimum wages at the NIC it could insist that the democratic and factory based structures on which the union was built, be involved. Through the system of mandate and report-back at all levels of the organisation, MAWU could retain democratic control and the unspoken management aim of divorcing bargaining from the shop floor would not be achieved.

In August the FOSATU central committee announced that member unions should make a decision as to whether to enter Industrial Councils on the basis of certain principled pre-conditions. These arguments were to culminate at the end of the year in a NEC recommendation to apply for membership of the NIC. In the widespread discussions that followed this recommendation, the importance of MAWU's voice being heard in the 1983 negotiations was stressed. Many members were angry with the way in which other unions party to the NIC took up demands originating from MAWU — such as shop floor recognition, retrenchment procedures, lay-offs, etc, — in the NIC and then handled them in a different way to that which MAWU wanted. In the course of discussions the danger of workers losing control of their organisation by entering the NIC was raised. This opposition seems to have been reassured when it was made clear that MAWU could withdraw from the NIC at any time and that they would not sign any agreement that was rejected by the membership. It was also made clear that workers' control depended on the maintenance of shop floor organisation, representation and bargaining, without which MAWU could follow the CMBU unions in relying on the NIC.²

The response of SEIFSA and the other unions party to the NIC to MAWU's decision is not yet clear. Discussions have been taking place for some time on bargaining in sub-sectors of the metal industry. This could go some way towards

decentralisation by enabling MAWU to bargain in those sub-sectors (such as foundries) where they are representative. Of course whether MAWU is able to achieve its objectives in participating in the NIC remains to be seen. MAWU emphasises in its public statement (see Documents) that it will be a minority on the NIC and that it 'cannot hope to win big gains'. By calling for a wage freeze of at least 6 months in the industry, SEIFSA have signalled their intention that they are not likely to concede much.

By attempting to build its strength by entering the NIC, MAWU faces a number of challenges.

1. Entering the NIC is part of MAWU's strategy of establishing an effective national union. Already four branches exist — the Transvaal (which is the largest), Southern Natal, Northern Natal and Eastern Cape. Are the structures at branch level strong enough to retain local participation in the face of the tendency for a growing centralisation of decision-making on the national level?
2. A vital tension has emerged inside MAWU between the growing need for stable organisation and the desire for mass participation in the organisation. MAWU believes that the NIC is the means whereby it can unite demands at this stage and mobilise on a mass basis. The emergence of local and sub-sector wide shop steward councils provides MAWU with the organisational form for such a mass mobilisation. This, however, depends on the consolidation and extension of the present shop-floor structures in the union.
3. The NIC agreement is a complex technical document that will force MAWU to undertake some division of labour inside the organisation. In particular some members will have to acquire technical knowledge and negotiating skills. The challenge facing MAWU will be to build representative structures which can be made accountable in a real way to the rank and file.
4. The strength of capital in the metal industry and the self-proclaimed weakness of MAWU, stacks the odds against MAWU. Is this weakness an argument for entering the NIC in an attempt to consolidate the organisation, or is it likely to be out-numbered and out-manouvered by the CMBU?

For the emerging unions, the crucial test will be the extent to which MAWU is able to retain its principles in the face of these challenges. MAWU is the second FOSATU affiliate to apply to join an IC (NUTW applied in January) since the new strategy towards labour. Of course MAWU is faced by a specific set of circumstances — their membership base includes large numbers of migrants, employers and established unions are well organised, and metal is the largest sector in manufacturing. However, they also share a number of experiences common to the emerging unions as a whole. Other independent unions would, therefore, be wise to refrain from too hasty a judgment of MAWU as this union is likely to foreshow changes and trends within the worker movement. MAWU, as the largest of the emerging unions, shows to the others the challenges in their own future.

Footnotes

1. This article is intended to provide a brief background to the recent decision by MAWU to join the National Industrial Council. The author is currently writing a lengthy article on the development of MAWU. (Editor's note)
2. MAWU's reasons for entering the industrial NIC are explained in a document reproduced in the documents section of this issue of the SALB. (Editor's note)



SOUTHERN AFRICAN RESEARCH SERVICE

SARS PUBLICATIONS (including Work in Progress)

The Southern African Research Service (SARS) keeps you in touch with current political and economic trends. SARS publications contain coverage and analysis of resettlement, bantustans, working class action, state strategies, trade unions, strikes, political trials and detention.

Your subscription to SARS publications entitles you to all editions of:

- * Work In Progress
- * The Information Publication series
- * Information sheets

SARS also keeps subscribers informed about other occasional publications and new titles in the SARS dissertation series.

RATES for South African subscribers (5 publications)

Individuals, trade unions, community organisations	R 7,50
Donor subscriptions	R15,00
Institutions and libraries	R20,00

For reduced rates on bulk orders and group distribution, and for rates outside South Africa, contact

SARS
P.O. Box 93174
2143 Yeoville
South Africa