LABOUR BUREAUX SYSTEM

It has often been said that the central notion of the "free enterprise system" is that of a market upon which commodities, including labour itself, are bought and sold according to monetary exchange. If a single criteria of the market society is sought it is said it would be that man's labour is a commodity i.e. that man's energy and skills are his own, the use and disposal of which he is free to hand over to others for a price. The market is, therefore, a place into which "free" individuals enter out of choice to engage in free and equal exchange. The notion "free labour" is most clearly expressed in the employment contract itself - a voluntary agreement forged through bargaining over specific terms between the employer and employee.

For some years now it has been argued that South Africa does not allow the African Worker the freedom of choice in employment. The United Nations - I.L.O. Ad-hoc Committee on forced labour found in 1953 that there exists in South Africa "a legislative system applied only to the indigenous population and designed to maintain an insuperable barrier between these people and the inhabitants of European origins", that "the indirect effect of this legislation is to channel the bulk of the indigenous inhabitants into agricultural and manual work and thus to create a permanent, abundant and cheap labour force", and in that sense "a system of forced labour exists in South Africa". Apartheid, it is said, is a system ensuring an adequate distribution of African labour by means of state bureaucratic intervention rather than the operation of a free labour market. The two prime elements in this system have been influx control and a system of national labour bureaux both of which were extend - *not invented* - in the early years of nationalist rule.

In this edition we publish two articles which deal with the workings of influx control and the labour bureaux. These articles confirm that the labour bureaux are not really carrying out the function that they are formally proclaimed to do viz. to correlate supply and demand by *merely* introducing work seekers to potential employers. The *actual* function of this form of state intervention in the labour market is firstly to control the employment and movement of African workers in such a manner that low wage sectors of the economy such as farming are ensured of labour. Secondly, it operates to inhibit collective bargaining through perpetuating the contract labour system. The worker is forced to return to his rural area at the end of the year thus increasing labour turnover. This, however, can be exaggerated as most workers stay only a short period in the rural area and often return to the same employer. More important is the vulnerability to victimization which the contract worker faces. When the contract worker is fired he has to return immediately to the rural area. It is also easier for the employer to keep weeding out "agitators" whenever their contracts expire. He can refuse to renew their contracts without risking retaliation from other workers or possible court action.

The Commission of Inquiry into Legislation affecting the Utilization of Manpower - The Rickert Commission- will no doubt address itself to this problem in some detail. In the light of our analysis and the articles in this issue we would like to make the following suggestions for the guidance of the Commission:

1. That the present dual system of labour exchange for coloured, white and Indians, and labour bureaux for Africans be abolished and a single labour exchange be established under the Department of Labour, with the sole task of registering work seekers and prospective employers and introducing them to each other as quickly and effectively as possible. Furthermore, that the occupational, industrial and regional mobility of Africans must not be restrained in any way by this labour exchange system.

2. The influx control system should be phased out within a definite time period. This could be done in stages starting with the amendment of Section 29 of the Urban Areas Act to state unambiguously that any person who qualifies to be in town in terms of Section 10 (1) has the right to have his family with him and remain there permanently with his family, even if he is too ill to work, or is unemployed or retired. The practice of"endorsing out" so-called "idles" or "undesirables" cannot

be justified when no employment opportunities exist in the rural areas, and many of those *"endorsed out" have not links in the rural areas.* As a second stage contract workers should be given the right to have their families at their place of work.

3. Regulation 13 (1) (d) of the 1968 Bantu Labour Regulations must be repealed so that migrant workers are not compelled to return to their homeland every year. This prevents them from qualifying to live in town in term of Section 10 of the Urban Areas Act. This must also be repealed so that if the migrant worker does return for leave he will not be disqualified from requiring rights to remain in town.

4. The individual worker should be given greater freedom to choose his type of employment. Sheena Duncan (of Black Sash) has described the present system as follows:

   "In 1968 new Regulations were published for Authorities. These provide that:

   Every black man domiciled in the area of a Tribal Labour Bureau *must* register as a work seeker within one month of becoming unemployed from the time he is 15 years old until he turns 65. Women are not compelled to register unless they wish to obtain employment. *Bona fide* full-time students are exempted as are owners of land who live on that land and cultivate it regularly.

   When a man registers for the first time he is placed in a category of employment. In theory he has the choice of which category he is placed in but the labour officer may refuse his choice on the grounds that that particular category is over-subscribed. The categories include agriculture, mining, forestry, domestic construction, manufacturing, government employ, local authorities, commerce, etc. Once a man has been placed in a category he may not change out of it for the rest of his working life unless given permission to do so. This, in effect, means that although he may be allowed to change downwards from relatively skilled work to areas where labour is in short supply he has no upward mobility at all. If he is classified as a farm, mine or domestic worker he has very little hope of ever being able to change his type of employment.

Once a man is registered as a work seeker it does not mean that he is allowed to seek work. He must remain in his home area until he is recruited for work. Recruiting is done by licensed agents who may be acting for one large employer, for a group of employers in the same industry or for a collection of small businesses. These recruiting agents are told where they may recruit labour. This means that the worker cannot even choose the area in which he will accept work. He can only be offered work in the areas for which agents are permitted to recruit at his labour bureau." (Page 12)

5. The contract worker must be supplied with a copy of his contract signed by both parties. Marchand describes the system as follows:

"In practice, contracts are attested like a mass production line. The main terms are perfunctorily and verbally explained to the contracting workers in groups, who then raise their hands to indicate their assent. In an instance I observed recruitment for South Roodepoort Main Reef Mines was taking place. The thumbprint of the work seeker was placed on the contract before the hours of work and the rates of pay were specified. There is little, if any, bargaining between employer and employee." (Page 36)

Even if these changes in the system are introduced however, the market place will remain an unequal bargaining situation. It can only become less unequal when workers are able, through their own organisations to negotiate fair wages and working conditions.