

Pouring oil on troubled water

The Chemical Workers Industrial Union (CWIU) is involved in two disputes which have crucial implications for organised labour in South Africa.

One concerns national bargaining, the other workers' rights within disinvesting companies.

Dispute number one involves the nine major employers in the petroleum industry, all of which have refused to bargain at national level. A conciliation board met in September but failed to make a finding and is due to meet again on November 2.

But it is the other dispute which has even wider implications. It involves 39 South African multi-nationals, and attempts by CWIU to negotiate the terms on which these multi-nationals disinvest.

The union applied for a conciliation board hearing on August 30, but this was turned down by the manpower department - opening the way for legal strike action.

CWIU is the first union to initiate such a campaign on a sector-wide basis, although Cosatu's second congress passed a resolution on conditions to be fought for around disinvesting companies. In addition, Numsa previously laid down conditions when General Motors and Mono Pumps disinvested.

CWIU policy supports comprehensive and mandatory sanctions. Selective sanctions, the union argues, can cause serious regional unemployment and tend to serve 'the interests of imperialist states rather than the working class'.

CWIU's campaign aims to minimise workers' disadvantages in the event of selective disinvestment. Most companies involved in the dispute have stressed that they do not intend to disinvest and have, as a result, refused to engage in the dispute.

The union began their campaign in July last year with a letter to 41 multi-nationals. It asked for a joint forum to negotiate a set of demands establishing common standards for

the disinvestment process. CWIU argues the issues are broad and so fall outside the scope of in-house procedures which already exist.

The union cited a number of reasons why such negotiations were necessary:

- * 'disinvested' companies remain under parent company control through franchise, licensing or technology agreements. These companies then get the best of both worlds: political credibility for having disinvested and profits from their ongoing relationship with apartheid;

- * the terms are negotiated in secret between the multi-national and local management with no consultation with workers;

- * packages negotiated disadvantage workers excluded from negotiations - they face pay cuts, longer working hours and retrenchment;

- * local managements' job security and profit advantages increase.

In an attempt to obtain a better deal for workers, and ensure that workers did not become the scapegoat of the disinvestment process, the union demanded that multi-nationals:

- * give workers a year's notice of intention to disinvest;

- * conclude negotiations around terms in that time;

- * pay workers one month's wages for each year of service;

- * guarantee wages for one year from disinvestment date;

- * give the union full information on the terms of disinvestment (royalty rights, licence fees, franchises);

- * contribute to pension and provident funds up to retirement age in a single payment;

- * pay the proceeds of disinvestment into a trust fund nominated by CWIU.

The companies flatly rejected a joint forum, and refused to negotiate the demands. Shareholders would not allow sensitive company information to be divulged in such a forum, they said. But the union noted an interesting similarity in the written replies. And it also received information that employers held a secret meeting in 1987 to discuss a common response to the demands.

In late 1987 Sterling Drug, an American-owned multinational, stated it was not considering disinvestment at all. But in early 1988 it disinvested without notice or

consultation with the union. The bosses concerned refused to negotiate after the fact, saying they were no longer the employers.

CWIU declared a dispute and applied for a conciliation board. The board has met but to date no decision has been reached. Workers at Stirling went on a five-week strike in protest. The company argued it 'was not disinvesting', that its major shareholder was 'merely withdrawing from South Africa', and the union should seek relief from the American owners.

Two subsidiaries of Glass SA, Pilkington Shatterprufe Safety Glass and Pilkington Flat Glass, applied for an urgent interdict forcing CWIU to withdraw its application for a conciliation board. The industrial court dismissed this in favour of the union on September 27.

Pilkington argued that by refusing to go through in-house procedures, union action constituted an unfair labour practice; that the union was conniving to initiate strike action; that as the company was not intending to disinvest the dispute was hypothetical; that disinvestment is like retrenchment and retrenchment procedures can handle the process; and that a joint forum is inappropriate. The company also applied for a conciliation board on these grounds. SA Cynamid has brought a similar action against the union, but has shelved the matter until the Pilkington cases are completed.

Recently an internal Mobil document revealed that despite appearing to be a strong contender for staying in South Africa, Mobil apparently discussed following IBM's example of selling its local assets to South African employees.

Of the 30 companies which responded to CWIU's conciliation board application, only nine sent copies of their responses to the union. All these companies agreed in principle to negotiate the issue at plant level. They argue that the issues involved are too complex for a joint forum, that the specifics of each company are different, and a joint forum would be too unwieldy to reach agreement. But the union is adamant in demanding protection for workers in the case of sell-outs.

WIP correspondent.