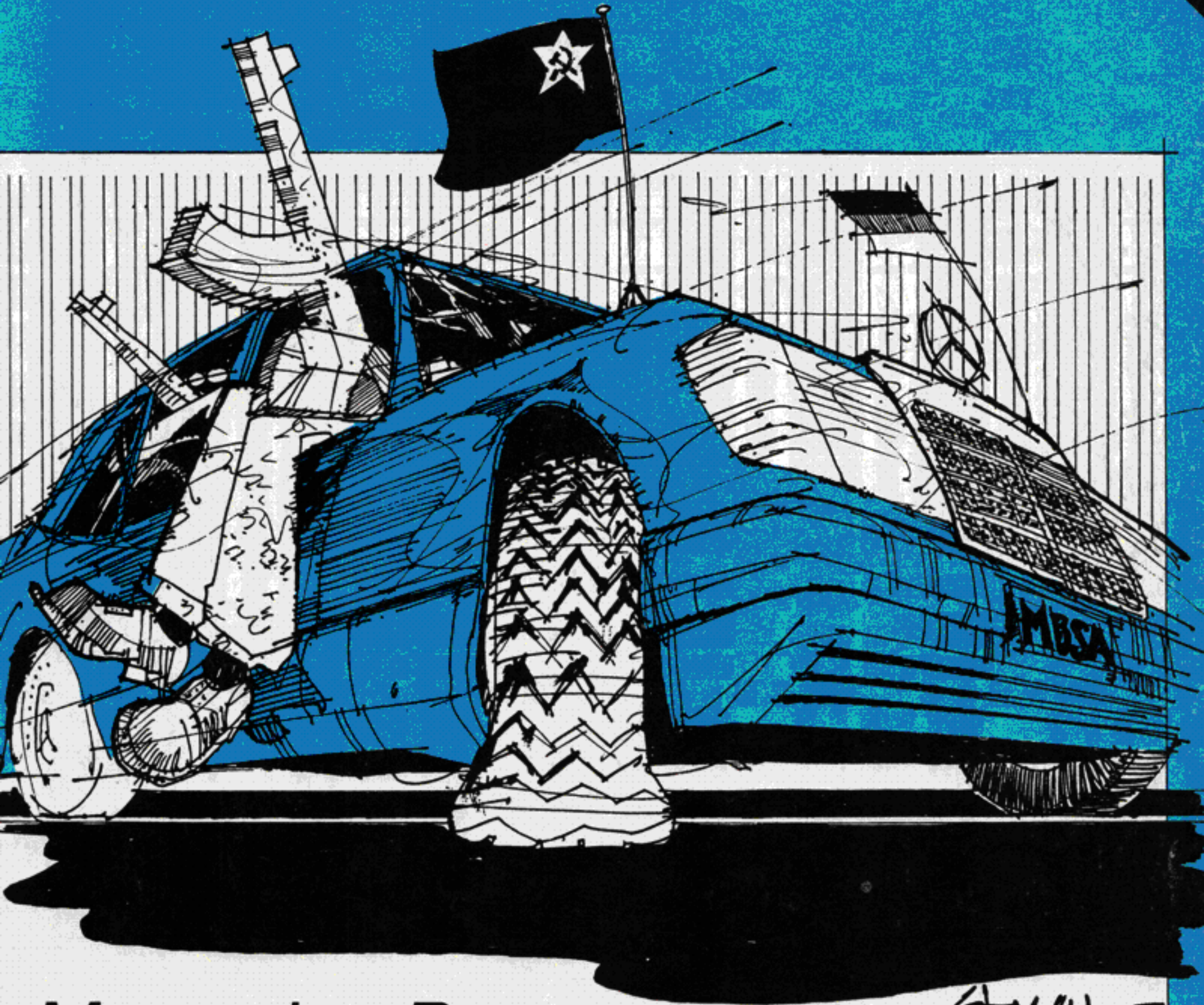



South African
**LABOUR
BULLETIN**

November 1990 Volume 15 Number 4

Workers' Charter
Natal violence
NACTU congress



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South African
**LABOUR
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Volume 15 Number 4 November 1990

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For in-depth analysis of current developments in the South African labour movement, you need the *South African Labour Bulletin*. Started in 1974 with the re-emergence of independent black trade unions, the *Bulletin* attempts to reflect the constantly changing face of industrial relations in South Africa. Workplace issues, the political interface with unions, and international unionism - it's all in the *Bulletin*. Subscribe now!

South African Labour Bulletin Publication Guidelines

The *South African Labour Bulletin* is a journal which supports the democratic labour movement in South Africa. It is a forum for analysing, debating and recording the aims and activities of this movement. To this end, it requires contributors to the Bulletin to conform to the following publication guidelines:

1 Constructive criticism of unions or federations is welcome. However, articles with unwarranted attacks or of a sectarian nature which have a divisive effect on the labour movement will not be published.

2 Contributions to the *Bulletin* must not exceed the following lengths:

- ◇ *analytical articles and debates* 10 000 words
- ◇ *reviews, documents, reports* 5 000 words
- ◇ *briefs* 500 words
- ◇ *letters* 500 words

3 *Articles* should be submitted in a final and correct form and in duplicate. Some articles may be refereed where necessary; all articles may be edited by the *Bulletin*. In the event of the editors deciding that other than minor editing changes are required, the article

will be referred back to the author.

4 *Briefs* cover topical events and developments of concern to the democratic labour movement. They would usually appear under *Labour Action* or *Broadly Speaking*

5 *Reviews, reports and documents* are intended:

- ◇ to make important statements and information from the labour movement more widely available;
- ◇ for reviewing new literature or other material of relevance to labour;
- ◇ to make more in-depth reports and research available to readers.

6 Contributions should be written in clear, understandable language.

7 Contributions to the *Bulletin* must be typed and, where applicable, include proper footnoting and references.

8 Except in the case of public documents, all material submitted will be treated in confidence.

9 The editors reserve the right to recommend to the author of any material that it be placed under another category to that under which it was submitted.

For more details, please contact the editor.

In this age of computers, we request that, where possible, a copy on floppy or stiffy disk accompanies all contributions. We will make every effort to return such disks to their owners.

Two posts available at the Labour Research Service

The Labour Research Service advises South Africa's largest trade unions on collective bargaining issues. In addition to industry studies and studies on key bargaining the national computer database of wage agreements is maintained at our offices in Cape Town. We need more staff to join our team of trade union researchers.

ADMINISTRATIVE SECRETARY

The administrative secretary is responsible for all the usual administrative tasks of our small but busy unit. Research responsibilities are included.

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But we shall be interested in hearing from anyone who is numerate, committed to assisting the trade union movements and willing to learn our methods while contributing skills, ideas and insights from experience.

The salary for both posts is negotiable and will depend on experience and qualifications. The administrative secretary's is market-related.

Applicants for these posts, containing detailed information about experience and qualifications and the names of two referees, should be made in writing to: The Secretary, Labour Research Service, P.O. Box 376, Salt River, 7925, before 15th November 1990.

Editorial Notes

Cover story

The cover story for this edition is the sleep-in strike at Mercedes. It was the most high-profile dispute of the year: workers striking against their union's policy of centralised bargaining, the biggest German investor in SA threatening to leave, the ANC, SACP, NUMSA and the company lining up together in opposition to the demands of the strikers.

Labour Bulletin sent its own team to East London to investigate. We spent hours interviewing shop-stewards, union officials and management. What emerged was a complex story. The various participants have very different perspectives on the reasons for, and significance of, the strike. We hope our articles do justice to the complexity as well as drawing out clear lessons. We would like to thank the many people who gave us their time and ideas.

Centralised bargaining

The Mercedes story leads our focus on centralised bargaining.

Last year saw setbacks for centralised bargaining in several sectors, including printing; it also saw advances by NUMSA in the tyre and rubber and auto sectors. This year, while the Mercedes sleep-in sent high-profile shockwaves through union and IR circles, TGWU made quiet but highly significant progress as the principle force behind establishing the new industrial council in the contract cleaning sector. And COSATU's Barlow Rand campaign, spearheaded by PPWAWU's Nampak strike, may just break the resistance of the most influential anti-centralised bargaining company. Labour Action documents some of these struggles. Carole Cooper de-

scribes the settlement in one of the biggest bargaining forums in the country, and points to some of the lessons drawn by NUMSA.

After the success of the three-year long anti-LRA campaign, the Barlows campaign may provide further evidence of COSATU's ability to restructure industrial relations on a national scale in South Africa. Ebrahim Patel puts forward a powerful argument for why unions want to structure collective bargaining around centralised bargaining forums.

Other articles

In this edition Devan Pillay assesses NACTU after its third annual congress. We hope to carry more articles on NACTU and its affiliates.

Ashwin Desai and Karl von Holdt analyse the changing strategy of the ANC/COSATU alliance towards peace in Natal. The recent horrifying violence in Transvaal makes effective peace more than ever a vital necessity for a successful transition to democracy.

Ciskei

Our purpose in travelling to the Border region was not only to write the Mercedes story. We also gathered a great deal of information on labour developments in Ciskei. Keep your eyes out for the next edition of *Labour Bulletin* - make sure your subscription is up to date!

Zeph Mothopeng

On 23 October PAC president Zeph Mothopeng died in hospital. He paid for his commitment to the political struggle with many years in jail. It is a great pity he did not live to see a South Africa free of apartheid. We pay tribute to his life and his work for liberation. ☆

Letters to the Bulletin

Bias against NACTU?

I have just read your *Labour Bulletin*, Vol 14 No 5 and it was the first time I have read your publication. I appreciate the work you are doing because workers really need feedback about the battles, industrially, they have been involved in.

Report-back meetings or rather verbal reports do not have as much advantage as something in black and white, which you can keep on referring to when you need to know where you fell short and where you need to improve in your strategies.

But one thing that disappoints me is the seemingly biased attitude of your publication in favour of, or towards, COSATU. I use the phrase seemingly biased attitude because I am not sure whether NACTU affiliates - I am a member in one of them, SACWU - do not want to contribute or are deliberately ignored by your interviewers. I would appreciate your clarification regarding the above.

Furthermore, for the sake of worker unity, let us include as much of the broader Liberation Movements' activists or unionists in our future interviews, as said by Comrade Wilton Mkwayi during the interview.

As much as we as workers want to know about the ANC Constitutional Guidelines, we would like to read about PAC and BCMA views of the future South Africa as well. I know that they do not have Constitutional Guidelines yet. But they have their different views of the future.

Lastly, take this as a constructive criticism as Comrade Mkwayi has stated.

Long Live Worker Unity! Long Live NACTU, COSATU and Independent Unions!

Mzii Dyasi

The Bulletin responds

We must admit that our coverage of NACTU is inadequate. We are trying to remedy this.

Please note the feature article on NACTU on p 54.

Greetings from a Turkish jail

I am a political prisoner in Turkey. I was sentenced to imprisonment for life and have been in prison since 1977. I translate political articles published in some foreign periodicals so that my fellow prisoners can read them. More than 150 political prisoners are kept here.

We are interested in political developments in South Africa. But there are no publications with coverage of South Africa published in Turkey. At a time when the apartheid regime is being dissolved, we want to get detailed information about the current balance of forces, the revolutionary organisations and their perspective, the labour organisations and their struggle, prospects for the post-apartheid period and so on.

Could you advise us on a periodical with good coverage of South Africa or Southern Africa as a whole. We are informed of the interview with Joe Slovo, the leader of the SACP, in *South African Labour Bulletin* of May 1990. We want to read it.

We do not know the price of your magazine, but I enclose \$2 in the envelope. I hope it will be enough for you to send us the relevant issue. It is not easy for us to have access to foreign exchange or to get permission to send money abroad.

We will be thankful to you if you can send us the May 1990 issue of *SALabour Bulletin* and information about its subscription rates without delay. I will be happy if you can also publish my address be-

cause it will give me much pleasure to correspond with and know people from South Africa if they want to write to me.

Comradely greetings

Osman Koker

PK 183 K.10

E-Tipi Cezaevi

Malatya 44280

TURKEY

The Bulletin responds
We are very interested to learn that comrades in jails far away are following our struggle. We have posted you a copy of our May edition, and a subscription to our journal. All strength in your struggle!

Copy of letter from Miles Hartford to Alan Roberts and the National Office Bearers, FAWU

Dear Comrade

I refer to the article written by yourself on behalf of the FAWU national office bearers, appearing in the *SALB* (Vol 15 No 2), regarding the problems in the union.

Your article states that I was dismissed "for the following reasons, after having expressed [myself] and admitted to many of them." The reasons are then listed under the heading "gross neglect of duty." I have in fact never been formally charged or given an opportunity to defend myself in any properly constituted structure of the Union.

It is not my intention in this letter to deal with the manner in which I was dismissed, or all the incorrect statements in your article. However your article also contains certain

allegations which have never been made before and directly concern my personal integrity.

The main allegations I refer to in your article are the following:

1. "violating the constitution and disbursing 10 cheques from the branch account without the treasurer having signed them, although they were nevertheless signed in her name." (p 44)

By this I and every ordinary reader of the *SALB* will understand that the 10 cheques were paid out. Further the allegation that the treasurer's signature on these cheques was not her own and therefore it was forged. This is an untrue allegation that has no factual basis.

No cheques were made out to the former treasurer, nor did her signature appear on any cheque she did not sign. The cheques that you refer to were in fact made out to the Regional Secretary and the Regional Chair.

In addition to my signature they also required the signatures of any two (out of the four) office bearers before disbursement.

2. You state that the branch treasurer at the time claims that after being "side lined, many cheques were still being disbursed by Hartford without her knowledge and therefore someone must have signed on her behalf, in order to make withdrawals or disbursements." (p 45)

The effect of this allegation is that I have disbursed cheques unconstitutionally, ie. without the required signature, and further that someone has

forged the branch treasurer's signature.

It is firstly untrue that the treasurer's signature is required to validate all cheques (cf clause 26.6.1 of FAWU's constitution). It is also untrue that the treasurer's signature was ever forged.

3. You allege that I am a liar with regard to Chris Dlamini's statement: "Any responsible person who was present at the caucus meeting will confirm this to be a deliberate lie." (p 49)

In fact Chris Dlamini did make the statement in my presence and there are others who were present who are prepared to confirm that these words were in fact used.

Naturally I view the public nature of defamatory and untrue allegations in a very serious light. Further, these remarks have in this instance also directly implicated the national leadership of the union on whose behalf you wrote the article.

For my own part, I categorically deny that I have ever behaved dishonestly or fraudulently within the organisation. I take serious exception to the implication of forgery and fraud and of being a liar.

Unless the truth of your allegations can be proved, I demand an immediate public retraction and apology on behalf of yourself and the national office bearers through the *Labour Bulletin*, the wording and content of which I will provide.

Should I not have received a response from you, within one week hereof, agreeing to the

LETTERS

terms as set out above, I will take such further action as I deem appropriate to clear my name of such personal slanders.

Yours in the campaign for democracy in FAWU
Miles Hartford

Response and apology from Alan Roberts

Before commenting on the letter from Miles Hartford, I wish to clarify again that the article was based on documents written by the workers of the Cape Town branch and interviews with the branch treasurer, current branch office bearers, factory shop stewards and members, regional office bearers, national office bearers and shop stewards and members who were associated with the "campaign for democracy groups."

I was recent informed that Hartford submitted the branch books for audit and the report is that the books were in order. I welcome this information but regret that the books were not firstly handed over to the union. It is clear that the allegations of the 10 cheques being signed on behalf of the ex-treasurer are in fact totally untrue.

I therefore withdraw and apologise for any inference in the statements in question that either imply or state that Miles Hartford has forged cheques or defrauded the union or caused any such incident.

On the statement concerning allegations made against Chris Dlamini in a union CO-SATU Congress caucus, I stand on my statement in this

regard. I repeat that I personally was there and so were all our existing office bearers including approximately 120 shop stewards from all 34 FAWU branches.

Alan Roberts
Cape Town

Labour Bulletin apologises to Miles Hartford

The Labour Bulletin has published several articles on the controversy surrounding FAWU. We believe open debate on this matter is in the interest of the trade union movement and FAWU.

However since publishing the article by Cde Alan Roberts we have ascertained that there is no truth in the following allegations which are made in his article.

- "violating the constitution and disbursing 10 cheques from the branch account without the treasurer having signed them, although they were nevertheless signed in her name."

- "many cheques were still being disbursed by Hartford without (the previous branch treasurer's) knowledge and therefore someone must have signed on her behalf, in order to make withdrawals or disbursements."

We apologize unreservedly to Cde Miles Hartford for publishing these serious allegations without taking steps to establish whether they were true. We apologize for any inconvenience or damage to his reputation suffered as a result of their publication.

Distortion of FAWU logo

We wish to bring to your attention our union's deep unhappiness at the way our logo was used in the last two editions of your bulletin. The logo is torn in half, leaving an impression of a union torn apart by strife and disunity.

We wish to place on record our strong objections to this disgusting portrayal.

Workers at our National Executive Committee last month discussed the matter. The distortion of our logo was seen in a very serious light. We believe it has nothing to do with critical and open debate which we fully support.

The matter is to be discussed in the structures of the union. Meanwhile we demand an explanation in which you outline your motivation for presenting our logo in the manner you did.

We await your urgent response.

Yours sincerely
M Madlala
Assistant General
Secretary,
Food and Allied
Workers Union

Apology to FAWU

We are sorry that our use of the union logo in the last two editions of Labour Bulletin has caused such unhappiness in the union. There was no intention on our part to be destructive.

In the articles you refer to, the image of the torn logo was being used like a cartoon to illustrate the point of view of the writers. It was not intended

to reflect on the union as such. You will notice that in the article by Cde Alan Roberts and the letter from Cde Mandla

Gxanyana that we used the logo as it is, rather than torn, because they were writing on behalf of the union.

We must repeat that we never intended this to be an insult to FAWU. We apologise for the impression that it is one. ☆

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Red Eye

Lessons from South Korea

An editorial in the *South African Mechanical Engineer* (July 1990) gives a revealing glimpse into the ideas of some capitalists. The editor, a Mr LR Robinson, laments the passing of an "idyllic" era in South Korea, the land of the 'economic miracle'.

Amongst other things, South Korea used to be "eulogised" for its "educated hard working labour force" and "little if any trade unionism", which was achieved by a "rigorously enforced centrally planned..... economic programme under a dictatorial government".

But now "militant trade unionism is rampant" and, horror of horrors, "wages have increased to second place in Asia".

Part of the blame for this sorry state of affairs, suggests the editorial, is the "democratisation of the government [which] began slowly in 1988".

South Africa has been experiencing similar 'problems'. During the 'boom' years of the 1960s, a time when there was little effective trade unionism, and workers were paid just enough to be able to return to work the next day. Today, however, the workers are revolting.

The South Koreans, the editorial assures us, are "producing plans to rectify their situation", and wonders whether "we" (meaning the rich and powerful) will also produce a plan to change South Africa's revolting workers into nice ones again.

Who said that capitalism and democracy went naturally together?? ❖



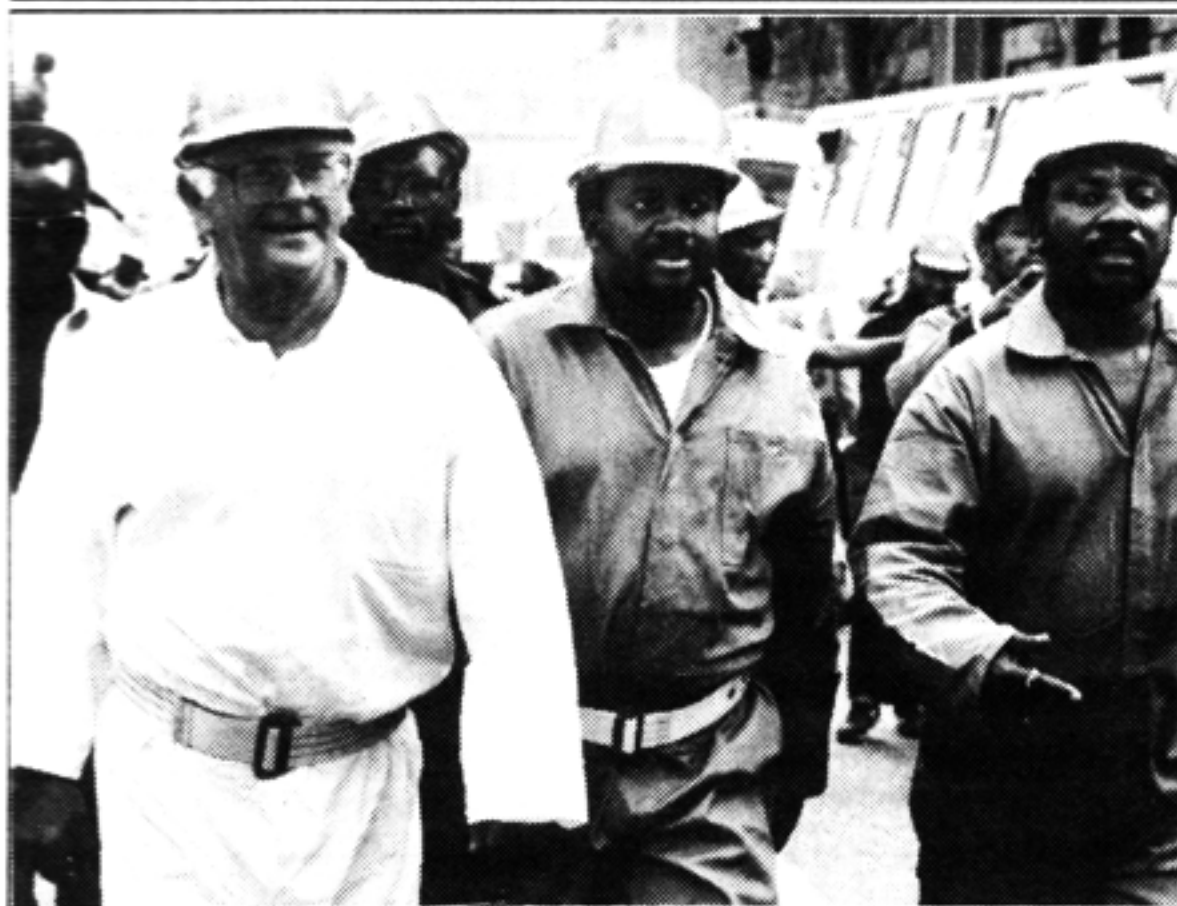
Photo: Anna Ziemiński/Afrapix

Winnie Mandela and gay rights

Winnie Mandela, who some call the 'Mother of the Nation', is back in the forefront of politics, after being appointed Head of the ANC's Social Welfare department, and elected onto the executive of the ANC's PWV region. This is despite opposition from ANC members, from social workers to whole branches, who do not feel that she is suited to represent the ANC in any capacity - especially that of social welfare.

Winnie's supporters recently resorted to gay-bashing to justify her behaviour in the Stompie affair (Winnie accused a church minister of having had sexual relations with Stompie and the other boys involved). 'Homosexuality is evil!', and 'Homosexuality is foreign to Africa!', read the placards held by Winnie's supporters outside the court where she was charged. The ANC's Constitutional Committee and Women's League have said that gay rights is a human rights issue. Winnie has yet to comment on the matter.

But surely gays need have no fear that Winnie and her 'football team' will want to play matches against them? ❖



Mingling with the workers: the SACP's Joe Slovo (left) and the ANC's Pallo Jordan (centre) lay down their pens, set aside their differences on Stalinism (see *Labour Bulletin* Vol 14 No 6 and Vol 15 No 3), don their overalls and hard-hats, and join the National Union of Mineworkers in their march against the bosses. Viva solidarity!

Photo: Elmond Jiyane/Dynamic Images

Negotiations, the constituent assembly and 'armed struggle'

RED EYE does not want to be seen as a side-swiping, sectarian commentator (this column, after all, criticises everybody). But it is disappointing to observe that sections of the liberation movement have failed to note that the key demand for a non-racial, sovereign and democratically-elected Constituent Assembly is a demand common to the whole of the liberation movement!

This demand was spelt out clearly by the ANC's Alfred Nzo at NACTU's recent biennial congress. It did not differ at all from the demand spelt

out by the PAC's Benny Alexander a while later at the same event. Yet Alexander did not once refer to this as a major unifying factor, preferring instead to dwell on differences the PAC has with the ANC on the negotiations strategy.

The ANC's recent behaviour is not above criticism. But what do we make of organisations with no history of effective 'armed struggle', but who promise loudly to 'continue' the armed struggle. Such revolutionary rhetoric prompted Joe Slovo to remark after the ANC had suspended its thirty year old armed struggle: "I'm interested to hear that the PAC has finally abandoned its thirty year old ceasefire!"

But even if the PAC's promises are far-fetched, at least they have something of

an armed wing: what do we make of Azapo's 'steadfast pledge to intensify the armed struggle'?

As the monkey said to the hyena: "C'mon fellas, lets be serious!" ❖

Commemorating Leon Trotsky

This year marks the fiftieth anniversary of the death of the Soviet revolutionary, Leon Trotsky. He died at the hands of one of Stalin's henchman, sent especially to kill him in Mexico, where he was busy writing a biography of the Soviet dictator.

Now that *glasnost* is taking root, the positive mention of Trotsky does not so easily invite the prospect of political isolation (see *Labour Bulletin* Vol 14 No 6). The Soviet Union has recently published 150 000 copies of his collected works, and the *African Communist* (Fourth Quarter, 1990) has decided to carry the debate on Trotsky after all.

REDEYE hopes that Trotsky's ideas will now be openly read, discussed and debated, along with the ideas of other great revolutionaries. But we also hope that, in doing so, we do not fall victim to a common tendency of Trotsky's followers - to replace the real world with abstract ideas and concepts.

As Lenin did not say: 'Abstractionism', like religion and drugs, is the opiate of the intellectual. ☆

Pursuing centralised bargaining

Unions have been pursuing the issue of centralised bargaining with increased vigour in recent months. This has not been without problems for the union movement, as the Mercedes Benz dispute shows. While employers in the contract cleaners sector have finally agreed to form an industrial council, unions have met with strong resistance in other industries. Last year Barlow Rand subsidiary Nampak was instrumental in the collapse of the printing industrial council. This year the strike against Nampak is the spearhead of COSATU's Barlow Rand campaign.

DEVAN PILLAY reports

Major victory for contract cleaners

After battling for seven years, unions in the contract cleaning industry have finally convinced employers, organised in the National Contract Cleaners Association, to be part of a national Industrial Council. The council will for the moment exclude the Eastern Cape.

The association has 45 members, including all the major companies like Prestige, Supercare, Regent and Sneller - except Pritchards, a subsidiary of the US-based ADT, and says the TGWU, a "known union basher".

This is a "major victory", says the TGWU's Kally Forrest, as employers have been hardening their attitude against new industrial councils, because "they know that it is COSATU's policy" to set them up. This victory has a significance beyond the contract cleaning industry, as it has implications for COSATU's policy as a whole, given the recent

set-backs in the building and paper and packaging industries.

The industry has 25 000 workers, is labour-intensive and very competitive. It is therefore in the interests of the larger employers to be part of an industrial council, where they can set standards, wages etc. Since what is negotiated at the IC is gazetted, and therefore applies to all employers, "fly-by-night" operators are prevented from undercutting the larger companies. TGWU feels that employers resisted for so long because they have until recently been disorganised, and in intense competition with each other.

But the main spur to reach an agreement has been a build-up of pressure by workers belonging to the TGWU. In Natal over 8 000 workers in 11 different companies came out on strike simultaneously earlier this year, and cleaning and security workers around the country went on marches demanding national bargaining (see *Labour Bul-*



letin Vol 15 No 1). Cleaners in Natal were ready to go on strike the day the IC was finally agreed on. According to the TGWU, "bosses were aware of the possibilities of combined action" if they did not agree to an IC.

While the TGWU has been the main force behind the Council - since its last congress, the union has paid considerable attention to the cleaning and security sectors - three other unions were also on the scene. These were the ex-TUCSA Professional Transport Workers Association (PTWA), the Inkatha-aligned UWUSA and NACTU's Brushes and Cleaners Workers Union (BCWU).

However, during the negotiations, when each union's constitution was examined, it was found that contract cleaning was not within the scope of PTWA and UWUSA. They were thus excluded from the IC, leaving TGWU and BCWU to form an alliance against the employers during the final stages of negotiations.

The relationship between the TGWU and BCWU, says Forrest, is cordial, but the two unions have yet to sort out the nature of their representation on the council. BCWU, which claims a paid-up membership of 4 000 (at the NACTU congress in September it registered 2 000 members), insists on equal representation with TGWU, while the latter wants proportional representation.

TGWU says it has a signed-up membership of 10 000 in

the contract cleaning industry nationally. Only 4 000 of this is paid-up at the moment, says the union, because up to now employers have not been cooperating with stop-order deductions.

Negotiations over wages and working conditions are set to begin as early as November, says Forrest. This is important, because some workers have been paying subscriptions to the union for three years, but



because companies have refused plant-level bargaining, there have been no wage negotiations as yet.

The TGWU expects the IC to push wages considerably above the R101 a week minimum set by the wage determination for the industry. Most workers do not earn more than the minimum, and some earn below the minimum. During their marches earlier this year, cleaners have demanded a minimum of R1 000 a month.

The workers also want their hours of work changed; transport to and from work; protection for women workers working night-shift; provision for night-shift work such as proper heating, beds, uniforms etc. The whole question of

night-cleaning itself needs to be looked at, with a view to abolishing it, says TGWU.

The IC does not include in-house cleaners, who are covered by a different wage determination and conditions of employment. Major employers in this sector are Sage and Anglo-America's Ampros.

....and security workers make advances

Although an industrial council for the contract security industry is still some way off, TGWU scored another major victory when, on 11 October, the country's largest security firm Fidelity Guards signed a recognition agreement with the union. This is the first-ever recognition agreement in the industry, says the union, and it applies nationally. It covers 250 keypoint workers - those who guard government-declared national keypoints such as electricity sub-stations - and 2 000 general security guards (who are generally much lower paid). Fidelity has also established a national provident fund.

The TGWU has declared a dispute across the industry with the South African National Security Employers Association (SANSEA), because they have shown "bad faith" by not negotiating with the union, after having met with it in May. The union has 11 500 members in the industry, says Forrest.

The TGWU feel that SANSEA, which represents "thousands" of security com-

panies, has backed off from negotiating an IC because of the "chaos" that still exists within its ranks. There is fierce competition in the industry, with up to 11 new security companies being established each week.

As in the contract cleaners industry, the bigger companies are threatened by the many smaller "fly-by-night" companies, and are "obviously interested" in establishing an IC, says Forrest. In addition, there will be a "spin-off effect" from the establishment of the contract cleaners IC, because many employers are simultaneously involved in both industries.

The establishment of an IC, then, seems to hinge on the employers creating a sense of order within their ranks. Other unions operating in the industry are NACTU's Vukani Guards, whose presence is "not negligible", says Forrest, and UWUSA.

Action against Barlow Rand and Nampak

When companies withdrew from the printing and packaging industrial council after COSATU's PPWAWU decided to join, the union strongly suspected that Nampak spearheaded the move. Nampak's parent company, the country's biggest industrial conglomerate Barlow Rand, has over the last few years hardened against centralised bargaining (see Patel, page 50). This, amongst other things, has provoked COSATU to consider strategies to

force the company to reconsider its stance. A COSATU delegation consisting of shopstewards and organisers from CWIU, FAWU, NUM, NUMSA, PPWAWU and SACTWU met with Barlows in April, and demanded central bargaining; job security; various workers' rights; an end to mass dismissals; workers control over benefit schemes; and a restructuring of workplaces to deal with the effects of apartheid.

The campaign has gathered momentum, with factory demonstrations across the country. In July, at a meeting with the national shopstewards council, the company agreed to consider a workers charter on basic worker rights as part of Barlow Rand policy, and to negotiate centralised bargaining. The company, according to COSATU's *Campaign Bulletin*, has also begun to consider a single provident fund for the whole company, and to allow worker representation on the Romatex provident fund.

But relations between COSATU and Barlow Rand plummeted when, in July and August, bugging devices aimed at eavesdropping on union meetings were found at two Barlow subsidiaries, the Rosslyn plant of Nampak and Rand Mines' Harmony gold mine. PPWAWU also believes that a training centre at Nampak Wadeville was bugged.

The union apparently discovered that its meetings were being bugged for at least two years. The union's eight-year relationship with Nampak has

been characterised by dismissals and cancellations of recognition agreements, so this issue, as well as the company's refusal to bargain centrally, increased the pressure amongst workers for industrial action.

Meanwhile, at about the same time, another Barlows subsidiary, ATC, faced strike action over the dismissal of four NUMSA shopstewards after a stayaway. The company used the controversial 1988 amendments to the LRA to seek an interdict against a lawful strike. This strengthened the unions' view that Barlows had a "hardline" industrial relations policy.

NUMSA's Bernie Fanaroff charged that the action "flies in the face of the group's stated support for the Saccola agreement". Despite the ruling, however, about 600 workers at the Brits company embarked on their planned strike during the second week of August, and by the time of going to press the strike was still on.

By the end of August at least 150 workers at three Nampak plants, Corrugated Wadeville, Boxcraft and Transvaal Box, went on strike over the buggings. The strike soon spread countrywide, with the demand for centralised bargaining at the forefront. By the third week of October, 32 of Nampak's 39 plants were on strike, involving over 3 000 workers (PPWAWU has 5 000 members at Nampak).

The strike has great implications for COSATU's campaign for centralised bargaining. As the *New Nation*



Workers demonstrate against Barlows, the strongest opponents of centralised bargaining

Photo: Brett Cohen/Afrapix

(28/9/90) observes, if Nampak gives in, then Barlows other divisions will be under enormous pressure to enter into industry-wide agreements. On the other hand, a defeat for the workers will be a major setback for COSATU as a whole. Hence BR's tough stance, which includes mass dismissals and lockouts.

Towards the end of October more than 1 000 workers were dismissed; the police have been used, according to the union, "to break up peaceful pickets", and in Isithebe, says the union, shopstewards have been forced to leave kwaZulu to "avoid possible death", while the kwaZulu police engage in "acts of intimidation, including visits to individual strikers homes". The union also accuses Nampak of using "weak excuses" to avoid meeting with the strikers' representatives.

By the end of September, Nampak said that it was prepared to consider national bargaining over issues like

provident funds, medical aid and training. However, the company still insisted on plant-level wages and conditions of employment bargaining, because of the diverse nature of Nampak companies, their products and markets. While the union was encouraged by the movement, it still fell far short of their demands.

COSATU has embarked on a strategy of seeking solidarity action from other affiliates, especially those with a presence in other BR subsidiaries, and in companies which do business with Nampak. The call to boycott Nampak products extends to companies overseas, such as the giant Sainsbury's and Asda supermarkets in Britain, as well as companies in Austria, Germany and France. Nampak operates in a fairly competitive market, and is therefore vulnerable to boycott pressure.

While COSATU does not have an impressive record of mobilising solidarity action in

support of its affiliates, there is evidence of growing solidarity. Examples include the following:

- TGWU members, and workers at JS Packaging in PE refused to transport Nampak products.
 - Workers at Kohler put pressure on their management to agree not to use Nampak paper.
 - Workers at NUMSA's Heinemann plant in Benoni stopped work for 3 hours.
 - SACCAWU circulated a petition in shops, calling for blacking action.
 - Pledges of solidarity from NACTU's SACWU and MWASA, and joint demonstrations and refusals to handle Nampak products in NACTU organised plants in Wadeville.
 - Stoppages at other BR companies.
 - A joint march by strikers from Nampak, Barlow Kew, ATC and other BR factories to the group's head office.
 - CWIU members at Nampak's Polyfoil in Pinetown went on solidarity strike action for a few hours on 19 October.
- While Nampak's industrial relations director Tony Mercer could not put a figure on the company's losses, he said that workers had lost R5m in wages, and R500 000 in pension fund contributions. The union claims that the company is "losing significant market share to its competitors". The strike, if anything, is escalating (three plants joined the

strike during the last week), and the union insists that anything less than a meeting of national representatives of PPWAWU and Nampak will serve to only "unnecessarily prolong the strike action".

Nampak, however, insists on an agreement to negotiate wages at plant level before meeting the union, and has threatened to unilaterally implement wage increases unless it does so. Nampak also insists that the issue of dismissals be referred to the individual plants, but the union rejects this, saying that it feared victimisation, and wanted a response from BR.

At the time of going to press, the union was still waiting for a response from Nampak and BR to its request for a meeting. Meanwhile, the strike at BR's other subsidiary, ATC, continues, and SACTWU members at BR's Romatex subsidiary are becoming "increasingly impatient", says COSATU, over the slow progress of negotiations for central bargaining. In addition, workers at Rand Mines are planning to march in support of Nampak workers, and in protest at "attacks from their own management", says COSATU.

Despite BR's recent offer of a range of union rights, including the right to strike and to picket, in response to COSATU's draft workers charter to the company, the campaign against BR continues to gain momentum. PPWAWU does not attach much significance to BR's offer, because, says a

union official, their "beautiful words" do not match their practice. National protest action, including work stoppages, will be discussed at a BR shopstewards council in November. In what could be a decisive test of strength between capital and labour, neither side seems willing to give in.

(25/10/90)

Western Cape garment strike averted

The Western Cape garment industry teetered within a hairs-breadth of its first-ever regional strike when mediation failed to break a wage deadlock between 56 000 workers and their employers. But an 11th hour settlement on 9 October, which SACTWU's Ronald Bernickow described as "acceptable and reasonable", averted strike action.

Both parties made concessions during the talks, which began on 10 September. However, even the *Cape Times* (11/10/90) was moved to comment that the "current wages of R170 a week for machinists do not appear particularly generous, nor do reported leave conditions".

Bernickow said that workers understood the economic realities facing the industry, which is why they accepted increases ranging from R22 to R29,50 on the weekly wage. The employer's chief negotiator, Johann Baard of Seardel,

was reported saying that employers predicted a 20 percent permanent reduction in jobs if the dispute had boiled over into a strike.

The new agreement will apply for 18 months instead of the usual year. All workers have been assured of a minimum increase of R15 or 15%, whichever is the higher, on 13 December next year. Wage negotiations will start again in early 1992, and any increases or changes to the main agreement will be implemented as from July 1992, according to Bernickow.

SACTWU also achieved a milestone agreement on maternity benefits in an industry dominated by women workers. Mothers will be paid 25% of their pay for three months, as well as UIF maternity benefits. This means that they will receive 70% of their wages for the first three months of maternity leave, and 45% for the following three.

(Cape Town

Correspondent, 19/10/90)

Childcare on the agenda

On 20 September COSATU launched, for the first time ever, a National Campaign on Childcare. The campaign kicked off with a day of action, where workers took their children to work, or stayed away from work, to highlight the fact that workers have a home life, and that they are parents too.

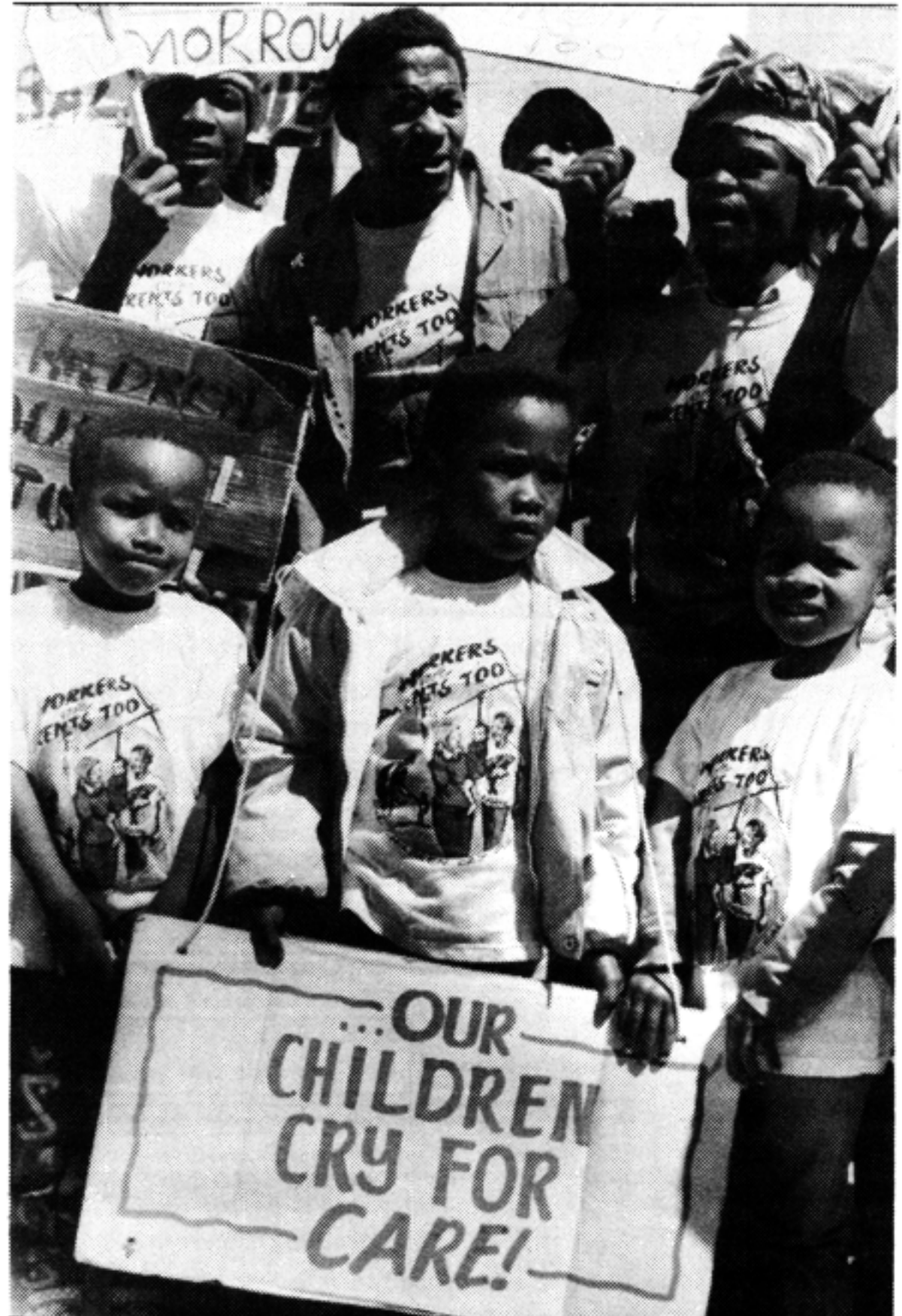
Taking up childcare de-

mands is the next step after parental rights, which unions like SACCAWU have spearheaded (see *Labour Bulletin* Vol 15 No 2). The demands centre around employers taking responsibility for providing proper care and education for pre-school children. Coinciding with the launch of the childcare campaign, SACCAWU reached an historic agreement with Foschini. The company agreed to grant parental rights to its 5 000 workers, including amongst other things a childcare allowance. NUMSA included a demand for 20 days paid leave for childcare in its metal industry negotiations, but only won a few days.

The day of action was initiated by COSATU's women's forums, although the role of men in childcare was addressed. Childcare demands, like those of parental rights, challenge men to take equal responsibility for childcare. The campaign has the following aims:

- To raise the issue of childcare with employers and the general public
- to ensure that childcare demands are part of living wage demands
- To get workers and employers to accept that childcare is a social responsibility, and not just the private responsibility of women

The campaign involved workers throughout the country, with varied responses from management. In some instances companies such as Trador, CNA, Checkers and



Workers - fathers - and children demonstrate for child care

Photo: Suzy Bernstein/Afrapix

Pick n Pay co-operated to the extent of providing sweets and entertainment for the children who accompanied their parents to work, while in other cases management called in the police.

The specific demands of the day of actions included:

- Special paid leave of 20 days to take care of children when they are, for example, off sick from school
- Creche facilities
- Special child allowance

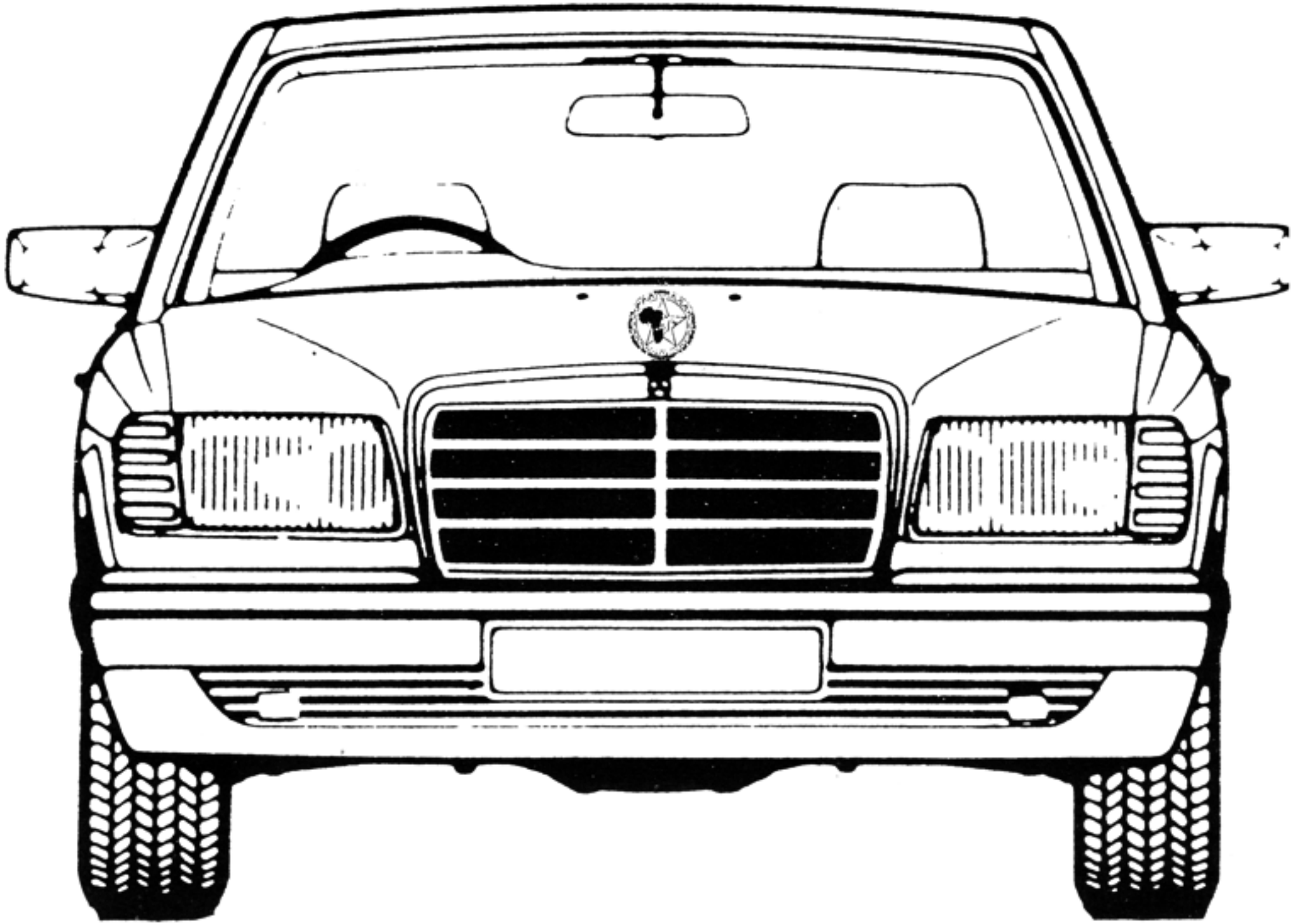
from the state for unemployed workers with children

- The right to family life

The unions will explore options with employers on how to contribute towards pre-school facilities, such as work-based creches, community creches, childcare allowances, a childcare fund etc.

(Tammy Shefer) ☆

Labour Bulletin editor KARL VON HOLDT and photographer MORICE SMITHERS headed for East London to find the real story behind the strike at Mercedes Benz. This is what they found...



Mercedes Benz and NUMSA no easy drive to national bargaining

East London is a small stagnating city on the coast between Port Elizabeth and the Transkei. As a city and port, it serves Transkei, Ciskei and the Border corridor, but its economy has not taken off because the region as a whole has remained poor and underdeveloped.

Although there are several big local and international companies in East London - Frame, Wilson Rowntrees, Raylite Batteries, Johnson and Johnson - there is one key player: Mercedes Benz SA (MBSA). In the middle of August this year, a group of striking workers occupied the giant Mercedes plant. During the strike, MBSA threatened to close down permanently. One resident summed up the mood: if Mercedes goes, she said, the town dies.

MBSA is a major employer in the area with 3 500 workers in the local plant; it is supplied by some 50 factories in East London, Border and Ciskei, so its effect on employment, earnings and spending is great; it is a prestigious and high-profile company which produces a high-value product and it is a significant exporter. It is also the biggest German investor in SA.

So when the factory was shut down by the group of sleep-in strikers who flew ANC and SACP flags from the company flag-pole, it became a hot talking point in the whole Border region and the Ciskei.

The action also sent shockwaves through trade union and

industrial relations circles, as the workers appeared to be striking against the union's - and COSATU's - policy of centralised national bargaining. In fact, bitter divisions soon surfaced among shopstewards, and between workers inside the plant and outside it.

As the sleep-in dragged on, the company dismissed the workers who were occupying the factory, and after two weeks had them evicted by the police. This did not resolve the dispute. The plant remained closed for another seven weeks, as the workers, their union and management bargained over the conditions for re-opening the plant.

The company stated that the credibility of negotiated agreements was at stake. Senior African National Congress (ANC) and SA Communist Party (SACP) leaders flew down to impress upon workers the importance of MBSA to the economy.

This was the most high-profile dispute of the year. How did it start? What are the implications?

1989 - tension over the NBF

The demand of the striking workers was that management withdraw from negotiations in the National Bargaining Forum (NBF) of the auto industry, and agree to pay an across-the-board increase of R3 per hour, way above the increase being negotiated at the NBF.

This was a confusing situation. The NBF had only been established the year before, after sustained pressure from the National Union of Metalworkers (NUMSA). A wave of demonstrations and strikes had pressurised reluctant auto employers to accept the forum, and an across-the-board wage increase of R1 was

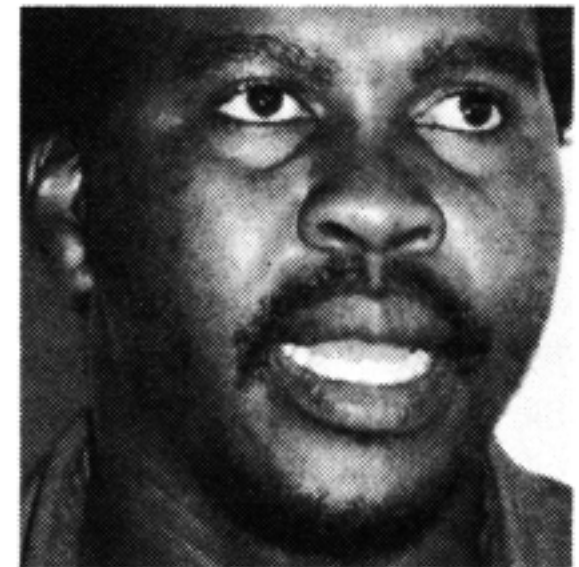
eventually agreed upon. (see *Labour Bulletin* Vol 14 No 3)

However, there was even at that early stage some tension in the Mercedes plant over the NBF. Although the groundwork

KEY PLAYER:

Ludwe Bakaco,
spokesperson for strikers

Photo: Morice/Labour Bulletin



had been laid for some years, the proposal to push for a national bargaining forum in the auto industry was based on a resolution on centralised bargaining, adopted at NUMSA's 1989 national congress. The proposal was discussed at a meeting of the national auto shopstewards' council, and reported to general meetings at all auto plants.

According to Ludwe Bakaco, a shopsteward who became the main spokesperson for the striking workers, workers

were "reluctant" to join the NBF, as they felt they did not understand it fully. Members of SA Allied Workers Union (SAAWU) had only recently been integrated into NUMSA (see p 27) and many of these workers felt they were not familiar enough with the NUMSA constitution, policies and structures to support the proposal. Others felt they were not clear about the implications of the proposal.

Most of the shopstewards, including Bakaco, were newly-elected, and had not been at the NUMSA congress. Nonetheless, they pushed for acceptance "because it was union policy".

"Minority walked out"

Mtutuzeli Tom, who has been a shopsteward since 1985, and who became one of the spokespeople for workers opposed to the sleep-in, disagrees. He says four general meetings were held to discuss the NBF proposal, and each meeting was forced to adjourn when former SAAWU members walked out.

Finally the fourth meeting decided they could no longer be paralysed by a minority marching out, and that they would make a decision, binding on all workers, to join the NBF. "After that there were no complaints about the NBF until it erupted this year." The fact that Mercedes workers demonstrated in support of Toyota workers when they went on strike to force their management to join the NBF, proved that workers supported the forum, argues Tom.

KEY PLAYER:
Mtutuzeli Tom,
veteran shopsteward

Photo: Morice/Labour Bulletin



Bakaco insists that dissatisfaction continued throughout the 1989 negotiations, especially when workers learnt that they would only get one annual increase at the NBF, whereas they were accustomed to two increases.

Employer resistance to centralised bargaining had delayed the negotiations. Workers became impatient, and wanted to withdraw from the forum. They felt "the time was not ripe, there are some questions not answered, they wanted workshops on these issues."

The national bargaining team then sent a group of delegates, including NUMSA's secretary for the auto sector, Les Kettleidas, to persuade the Mercedes workers not to withdraw. Workers agreed, but a number walked out feeling that they were being "bullied", says Bakaco.

The "last straw" in 1989, according to Bakaco, was when the bargaining team dropped the R2 demand of the union to R1.50, and then accepted R1 across the board. He says the final agreement may

have been a victory for most auto workers, because it raised the auto minimum to R5.50.

For Mercedes workers this meant nothing, because the minimum was already R5,62, whereas the minimum in other auto companies was between R4,17 and R4,50. After this, according to Bakaco, there was a great deal of apathy among Mercedes workers, with poor attendance at factory general meetings and general meetings of the NUMSA local.

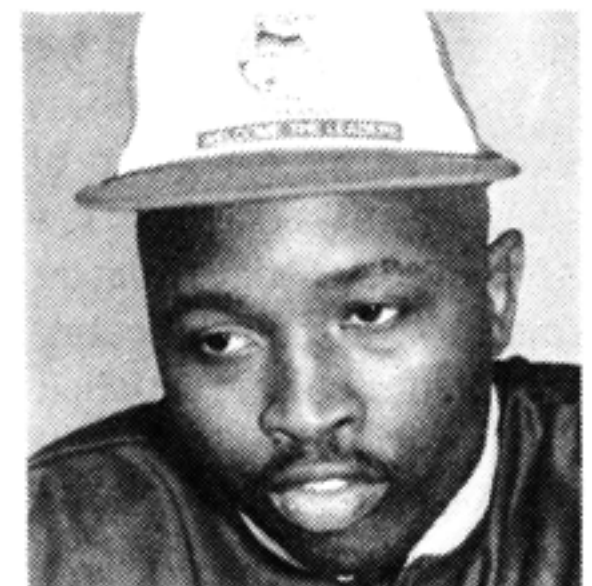
According to Bakaco, when national negotiations started at the NBF this year, "workers still had a grudge from the previous year": workers felt they had no real power at the NBF, and when negotiations moved slowly "the old thing of walking out of report-backs" started again.

The 1990 negotiations

Tembaletu Fikizolo, like Tom a full-time shopsteward who became chief spokesperson for workers opposed to the sleep-

KEY PLAYER:
Tembaletu Fikizolo,
shopsteward, NUMSA
regional chair

Photo: Morice/Labour Bulletin



in, believes the problem this year arose from tensions within the shopsteward committee rather than worker dissatisfaction.

The national bargaining team consists of one principle and one alternate speaker from each company, plus observers from each plant of each company. Fikizolo and Tom were the principle and alternate speakers.

However, when the bargaining team was unable to persuade the employers to meet the travelling expenses of the union team, it decided to drop the observers in order to save the union money. Ludwe Bakaco was one of the observers.

After several rounds of negotiations this year, the union team had dropped their demand from a R2 per hour increase, to R1,50. This was after consultation with all plants.

At a later stage in the negotiations, after several shopstewards, including Bakaco, had been to the launch of the SACP in Johannesburg on 29 July, Fikizolo noticed a "dramatic change" in attitude among the shopstewards. He believes some of the shopstewards formed a caucus while travelling.

There were comments that some shopstewards were "too smart" or "thought they were cleverer than others." These comments were clearly directed at Tom and Fikizolo. Rumours that the SACP was opposed to the NBF began to surface in the factory.

On the 30th there was a

general meeting in the plant to report back on progress in the negotiations. Tom and Fikizolo reported that the employers were not budging from their offer of R1, which they had increased from 50c. The bargaining team had felt it necessary to report this situation back to all the plants, in order to start mobilising.

According to Bakaco a "large number of workers" walked out of this meeting. The next day workers in F site held a meeting in their canteen to assess the previous day's general meeting. It is normal practice for workers to hold canteen meetings to discuss union affairs, rather than frequently asking for management permission to convene large general meetings.

F site is the largest section of the factory, and some 1 500 workers worker there. There are seven shopsteward constituencies in F site, one of which Bakaco represents. At the F site meeting problems were raised with the NBF. Bakaco says workers felt they were not allowed to speak in general meetings because they opposed the NBF.

Fikizolo believes this line of argument was caucused by some shopstewards and others, and that workers were now confused because they trusted the understanding of shopstewards.

Bakaco says that workers wanted to take placards and demonstrate against the NBF. He says, "Shopstewards found it difficult to control the meet-

ing." F site mandated shopstewards to call a general meeting to discuss their views.

An urgent meeting of shopstewards was then called. Here Fikizolo and Tom argued strongly against the idea of withdrawing, and "no-one voiced an opposing view". The committee decided that F site's proposal should be taken to

canteen meetings in all constituencies of the plant.

Fikizolo believes "a lot of spadework" was done by a faction of the shopstewards and others to make sure the constituency meetings supported F site.

"Power struggle"

When the shopsteward committee met again, says Fikizolo, "There was a lot of tension against us. You could feel there was a power struggle going on." Seventeen shopstewards reported that their constituencies supported withdrawal from the NBF, one opposed, and one felt a general meeting should be called (Fikizolo and Tom and the two other full-time shopstewards do not have constituencies). Fikizolo and Tom were shocked by this sudden opposition to the NBF, and felt some shopstewards "enjoyed this view".

A general meeting was held the following day, 1 August. Each shopsteward reported the views of their constituency. Those who opposed withdrawal were "howled down", says Fikizolo; some workers walked out "seeing something was wrong."



According to Bakaco no-one disagreed with withdrawal, including Msitheli Nonyukela, NUMSA regional secretary, who was present. Fikizolo says no-one could disagree, given the mood.

Bakaco says workers stated that the NBF had been imposed on them, and mandated Fikizolo and Tom to report to the negotiating team that Mercedes was withdrawing from the NBF. The general meeting also decided to demand a R3 across-the-board increase from management.

At the next meeting of the NBF Fikizolo and Tom in-

KEY PLAYER:

*Mzitheli Nonyukela,
regional secretary*

Photo: Morice/Labour Bulletin



formed the NUMSA team of their plant's decision. The team decided to send a delegation to try to persuade the Mercedes workers to reverse their decision.

"It was extremely difficult for the union to deal with the actual situation," says NUMSA auto secretary Les Kettleidas. "The issues were not clearly identified, there was a lot of emotion." The delegation from the bargaining

team met the Mercedes shopstewards, but felt there was no point in addressing a general meeting of workers, since the majority of shopstewards clearly supported withdrawing from the NBF.

MBSA management refused to negotiate the workers' demands unless the union wrote formally to say it was withdrawing from the NBF. Nonyukela and Tuluma, a NUMSA local organiser, refused to write such a letter, saying they had no mandate to do so. This was reported back at canteen meetings.

Fikizolo believes some shopstewards inflamed the situation by reporting that management had indicated it could probably pay the R3 increase. A phrase going around the factory was, "Lets pour petrol on the flames!" - an example of "immature militancy".

During this period, Fikizolo says, Tom and himself were labelled collaborators who had been bought off by management. Bakaco, on the other hand, says "the situation in the plant was getting out of hand - workers were demonstrating at lunch-time. Shopstewards advised workers to use democratic structures, but it was already one month past the date for implementing the increase, and they felt the company was delaying."

The sleep-in starts

Another general meeting was called on 16 August. Workers from F and A sites toyi-toyed

to the venue chanting "Away with NBF!" and "Away with Nonyukela, Tuluma, Kettleidas!" Some were carrying mock coffins marked with the names of the officials. "Workers were wild," says Fikizolo, "but others just observed and did not join in."

At the general meeting one of the workers at the forefront of opposition to the NBF moved that workers sleep-in till their demands were met. Some workers objected that they had not heard a report from negotiations, and did not see a reason for sleeping in. Objections were stifled with chanting and whistling, according to Fikizolo.

Shopstewards met with management twice that afternoon to discuss the demands. Management asked whether they supported the decision to sleep-in, which flouted the procedures laid down in the recognition agreement. Shopstewards said they did not.

Management refused to pull out of the NBF, saying it would cause the forum to collapse. The company announced that production was suspended until the NBF issue was resolved.

About two thousand workers then began to prepare for the sleep-in, fashioning beds from foam, upholstery and car head-rests. Marshals patrolled the gates.

The next day the deep tensions and hostilities within the plant boiled over. Nonyukela and Tuluma visited the plant to address the workers and were beaten up.

Bakaco believes this hap-



Workers demonstrate during the occupation strike

pened because the officials chose to come when most of the shopstewards were not present. "The regional secretary spoke against the shopstewards, and was evasive and arrogant." Fikizolo, who was present with the officials, believes the incident was typical of the style of the sleep-in.

"Workers were using abusive language and howling down opposition. Others were just silent." They could see a squad mobilising to attack, so they tried to move out. Fighting broke out among workers and the officials were assaulted. "Many workers started leaving, saying this is not what we are fighting for."

Workers from H plant were *toyi-toying* outside the meeting with placards saying 'Forward to the NBF!' Marshals were stopping and assaulting those who wanted to leave. So a number of workers then *toyi-toyed* as a group to the gates, saying 'We will crush anyone who stops us leaving!'"

The divisions harden

Thus the divisions hardened into two factions. One group of workers continued sleeping inside the plant, while another regrouped and held meetings at Gompo Hall in Duncan Village. The strikers were represented by 18 shopstewards including Bakaco, while those outside were represented by five, including Fikizolo and Tom.

According to press reports and those outside, the number of workers inside the plant rapidly dwindled to 500 and then 300, although Bakaco claims there were about 1 000.

The workers at Gompo started meeting on 20 August, and grew from 700 to about 1 000, according to Fikizolo; "others stayed in the township or went to the rural areas, listening for news on the radio. They were sick and tired of this thing."

A bitter war of words took place in the press between the two factions. Those inside the factory accused union officials at the regional office of "undemocratic methods". Bakaco

was reported as saying workers had been trying to get rid of the officials for almost a year, but that the officials had blocked this. Attempts to call in the head office had been thwarted.

The regional office attacked a spokesperson of the workers, who was using a pseudonym, and warned that "manoeuvres and tactics of undermining the union structures in his mini-struggle and (his) power hunger are being watched." The regional office also accused "some individuals" of intimidating workers who wanted to leave the plant during the sleep-in.

Mounting pressure on the union

The whole situation was highly embarrassing for the union. There was clearly a rank-and-file revolt of some sort against union policy. The NBF, which had been established through mass struggle, was being placed in question. Fikizolo says workers from other auto companies were outraged: "They blamed all of us MBSA workers. How could we fight our own organisation and policies?" Tom says it was a "disgrace" for the union and shopstewards.

It was particularly embarrassing because NUMSA was in the middle of a court case trying to force Delta - the one major auto employer outside the NBF - to join. Employers who oppose centralised bargaining, such as Barlow Rand, now had plenty of fuel for their

arguments. Other COSATU affiliates were dismayed, as they found their demands for centralised bargaining undermined when employers pointed to the Mercedes sleep-in.

NUMSA was under pressure in the NBF itself. Employers adopted a united stand in support of MBSA management.



At the next scheduled meeting of the NBF, on Tuesday 21 August, employers stated that they could not continue negotiating until the problem at MBSA was cleared up. "We rejected this," says Kettledas. "We stated that the MBSA situation should not hold up negotiations. A delay was going to create tremendous pressure in the industry." A second meeting was set for the 27th.

Employer demands

When NUMSA general secretary Moses Mayekiso visited East London on 24 August, he suggested that management accept a temporary suspension from centralised bargaining so that tempers could cool. The company rejected this. At the meeting of the NBF on 27 August, the employers increased their pressure on the union. They demanded that NUMSA guarantee that any settlement reached at the forum would be binding upon all hourly-paid employees at MBSA.

Employers also demanded that NUMSA state clearly whether it condoned the unlawful occupation of the MBSA plant. MBSA's Ian Russell told *Labour Bulletin*:

"The people engaged in the occupation are defying every conceivable structure - NUMSA national policy, NBF structures, the recognition agreement, the supreme court, their own leadership."

Employers demanded that NUMSA distance itself from the "unacceptable conduct" of the strikers who were

"taking control of company premises by force, wielding dangerous weapons... and intimidating other employees and contractors."

Employers insisted that the union should state what action it intended taking against the strikers, and what steps it was taking to ensure its members vacated the factory.

The union was in a difficult position. It could not support the strikers, who were flouting not only the negotiated agreement to bargain in the NBF, but also the procedures of one of the most progressive recognition agreements in the country.

But if it publicly criticised the strikers it would exacerbate the divisions among the Mercedes workers. Moreover, it would appear to be speaking for management. Tom says many workers outside the factory felt the strikers should be expelled from the union.

"But our view was that the workers were innocent, they were being misled by a few. If the few were expelled the others would believe there was victimisation. This would create more problems in the long run."

NUMSA requested that its

response to the employer demands should not be publicised. Kettledas says, "We reiterated our position on centralised bargaining, and that we would not be entering plant level negotiations. We explained that if the majority of our members accepted an agreement we would then persuade the minority to accept it. That is normal practice."

On the question of disciplining the strikers, he says, "We didn't accept management's right to prescribe to us. They wanted us to expel them from the union - but if people are guilty of an offence one must investigate the causes and follow the procedures. Expulsion would be an extremely serious step."

Business Day (31/8/90) commented at the time that the union must have gone some way towards "denouncing the industrial action and 'unacceptable behaviour'", as the employers agreed to continue with negotiations.

Pressure on the strikers

While the auto employers were stepping up pressure on the union in the bargaining forum, MBSA was stepping up pressure on the workers in its plant. On the morning of Tuesday 21 August the workers were served with a court interdict ordering them to leave the company, and five hours later the company stated that 538 workers occupying its factory were dismissed.

Over the following 10 days the position of the strikers became increasingly desperate.

They had clearly become a minority of workers. They had no allies - the company, the union and the media opposed their action.

Many workers outside were impatient to start work again because of the pay they were losing. Management was threatening to send the police in. Moreover, they had now been dismissed, so if they left the factory they lost everything. The regional office claimed workers inside the plant were being given "inaccurate information so as not to lose confidence in the shopstewards."

The group at Gompo was getting bigger. Fikizolo says workers at Gompo were reaffirming union policy and support for the NBF.

Meanwhile management told the 18 shopstewards that it planned to ask the police to evict the dismissed workers. Shopstewards warned the company that workers said they would resist, and this would lead to "bloodshed and destruction". They also asked management to withdraw the dismissals, as they made it impossible for the workers to consider leaving the factory.

On Tuesday the 21st NUMSA's president, Daniel Dube, and head office official Bernie Fanaroff, addressed the workers at Gompo, and then met the 18 shopstewards. On Friday NUMSA general secretary Moses Mayekiso addressed a meeting inside the factory.

According to Bakaco, Mayekiso explained that the union's congress resolution

did not rule out plant-level bargaining after centralised bargaining had established minima. But, he said, the bargaining team in the NBF had agreed that there should be no plant-level bargaining on issues agreed at the NBF, as a way of enticing employers into centralised bargaining.

Now, says Bakaco, "workers had new information. They felt they could suspend their demand for withdrawal from the NBF and take up the matter in the union, as it seemed the negotiating team had exceeded its powers by modifying a congress resolution." In fact, though, the workers inside the plant did not withdraw their demand at this stage.

Evictions - but plant stays closed

A major obstacle to resolving the dispute was the dismissals. Management offered to send the dismissals to arbitration, but refused to withdraw them. The dispute deadlocked on this issue. Mayekiso says, "We cannot run away from the fact that the union was in the wrong, but the company adopted a very hard stance. It was not reasonable."

The deadlock dragged on until police moved in at the company's request, and evicted the strikers, numbering 160, in the early hours of Sunday morning, 2 September, over two weeks after the sleep-in began. According to Bakaco many workers were injured. The company disputes this.

The company set a number of preconditions for opening the plant. Most importantly, the company wanted agreement on a procedure for determining the fairness of the dismissals, and on a "practical process to remove the problems impacting on the growth and viability of the company". If agreement could not be

reached, warned the company, Mercedes would have to conclude that it was impossible to operate in South Africa and close down its operations. Daimler-Benz in West Germany, owners of MBSA, issued a similar warning.

The struggle for a solution

Workers now had to respond to the company position, as well as overcome their divisions. On Monday all 23 shopstewards met, together with Les Kettleidas, John Gomomo who, in addition to being senior shopsteward at Volkswagen, is a COSATU vice-president and on the internal leadership bodies of the ANC and SACP, and Raymond Mhlaba, veteran ANC and SACP leader and Robben Islander.

"We stated clearly that we have differences, we need to put them on the table and thrash them out, so that we can bring the workers together," says Fikizolo.

At that meeting and one the following day, says Fikizolo, "we went at each others' throats. There were a lot of accusations. We said the other





After the eviction: expensive beds...

shopstewards were guilty of opportunism and misleading the workers." Bakaco says, "We raised the lack of democratic practices in leadership at plant and regional level."

In the end the shopstewards agreed there had been mistakes on both sides, but now the central issue was to establish unity and respond to management. They agreed that coffins, placards and songs slandering comrades should be stopped, and that the two groups of workers should meet at a neutral venue.

According to Fikizolo, the workers at Gompo were angry and felt that the 18 shopstewards had misled workers. They questioned too why the shopstewards had not been dismissed while the striking workers had. They also questioned supporting the dismissed workers: "We cannot be used to fight for people who who have been irresponsible from the start."

Bakaco says that the dismissed workers felt they had been sold out. "It was a ma-

majority decision to sleep-in. Even some of the boldest workers in proposing action later feared sleeping in, and landed up at Gompo as if they supported the NBF."

Dropping the NBF demand

Nonetheless, the joint meeting took place on Friday the 7th. The meeting finally agreed to put aside the demand for withdrawal from the NBF. This was critically important movement towards a resolution. The meeting decided to concentrate on fighting the dismissals.

On Monday the shopstewards met management, and requested that the dismissals be withdrawn. The company stuck to its proposal, that the dismissals should be sent to arbitration.

The union and the shopstewards were under increasing pressure. For the sake of organisation within the plant they had to find a solution that would facilitate unity among the workers. A majority of

workers were impatient to get back to work and start earning wages again. A minority faced dismissal, and did not want a return to work until their positions were secured.

All workers had reason to feel angry with one or other faction among the shopstewards, and the shopstewards were anxious to find a solution which would avoid a show-down.

Mounting pressure

Meanwhile, outside the plant, many suppliers of MBSA in East London and Ciskei were working short time or had suspended production. Workers at these plants were also members of NUMSA and other COSATU affiliates.

They were desperately short of money and highly critical of the Mercedes workers. East London unionists in general seemed to share this feeling. One said NUMSA should have expelled all the strikers from the union.

In fact, the dispute at Mercedes was the main topic of discussion among East London and Mdantsane residents, black and white. It seemed that the threat of closure was a serious one. Press reports estimated a shutdown would threaten 10 000 to 100 000 jobs.

A welfare officer was quoted saying: "Unemployment in this area is so bad that a pull-out by Mercedes is too frightening to consider". Ciskei ruler Brigadier Gqozo issued a statement calling for the "foolish, misguided, self-

ish rebels to be summarily dismissed." Border ANC leader Arnold Stofile was reported as "sharply criticising the workers, suggesting they had a political agenda."

Clearly an enormous amount was at stake in the delicate negotiations between shopstewards and management. On Tuesday the 11th, NUMSA office-bearers flew down to East London to meet with the shopstewards. They recommended arbitration. The shopstewards agreed to recommend this to a general meeting on Wednesday, but the meeting rejected it.

According to Fikizolo, workers were divided: "There was a militant rejection from those who were dismissed, saying if the company wants to leave, let it. Many were silent, though, worried about jeopardising their jobs."

Calling on the ANC and the SACP

At this point the union decided to call on the ANC and SACP for help. The company had already met with ANC international director Thabo Mbeki.

"We did not intend to undermine the union," says Russell, "But the ANC flag was flying from our flag-pole. We wanted to explain the serious implications of MBSA leaving South Africa. The occupation of the plant was extraordinary. It seemed that NUMSA was unable to get people out of the plant."

The union had similar reasons for approaching the ANC. Apart from the ANC and

NBF reaches agreement

Meanwhile negotiations were continuing at the NBF. On 14 September an agreement was signed, which gave workers a R1,15 increase across the board (R1,75 for skilled workers) and a new minimum of R6,60, backdated to 1 July. A new uniform job grading scheme was agreed on to cover all companies. According to Kettleidas, grading had been a grievance for 10 years. The new scheme has five grades, rather than 8 or 12.

NUMSA and the employers also agreed to abide by the terms of the SACCOLA/COSATU/NACTU accord, whether or not it became law.

SACP flags, there had been rumours that the SACP opposed bargaining at the NBF. The SACP had in fact already written a letter to the union, supporting its stance on centralised bargaining.

Now the union hoped that the political leaders would, in Nonyukela's words, "bring arguments and information to sober the workers" and break the deadlock.

Slovo and Tshwete intervene

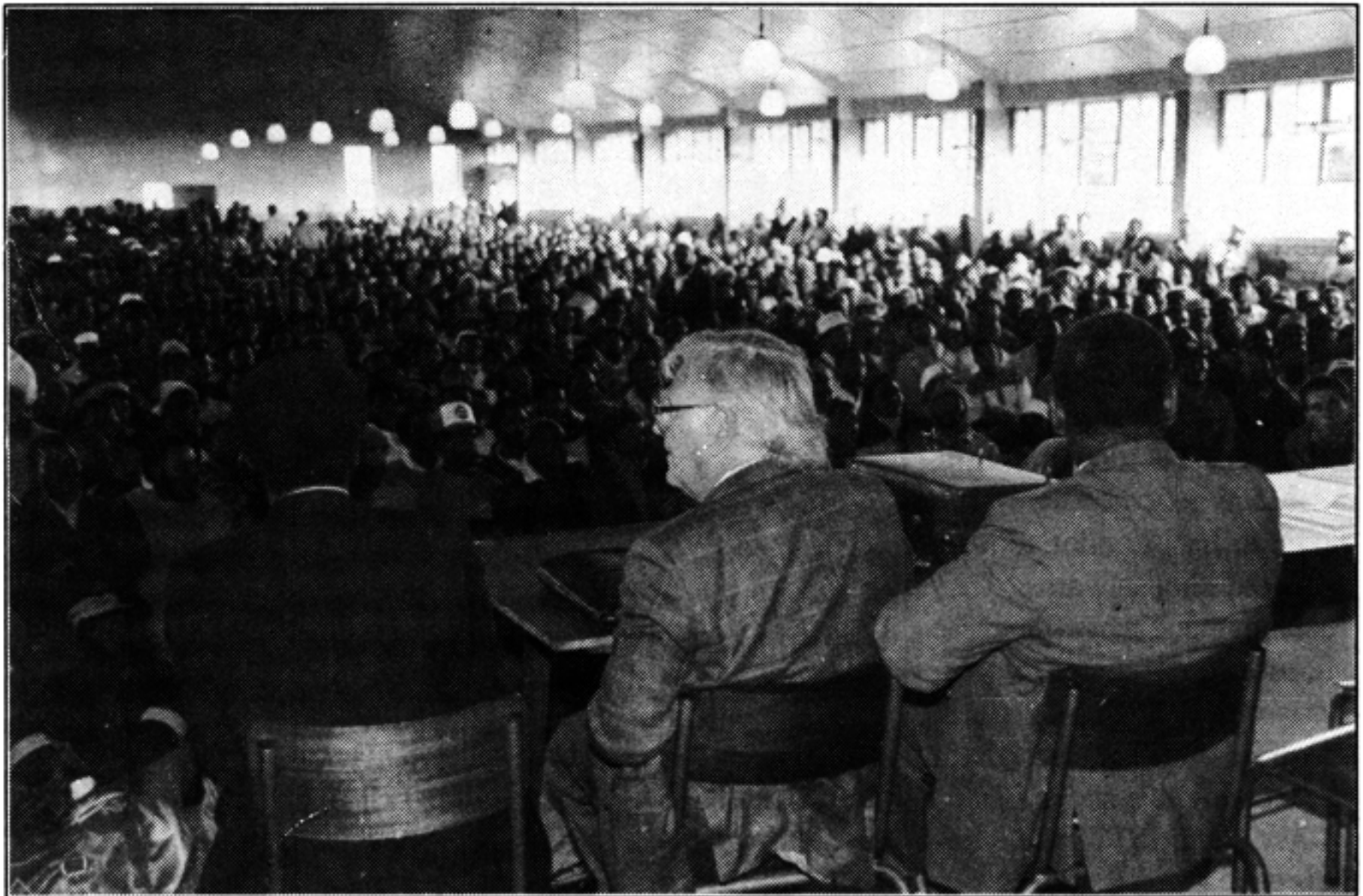
A week later, on Thursday 20 September, an extraordinary meeting took place at a church hall in the huge Mdantsane township. More than 2 000 Mercedes workers packed the hall. On the platform were seated a row of senior political and union leaders. Behind them sat two rows of shopstewards.

The meeting started with the visitors being introduced to the workers: one after the other



Waiting for a settlement: workers at home in Mdantsane

Photo: Morice/Labour Bulletin



From left: Moses Mayekiso, Joe Slovo, Wilton Mkwayi and thousands of MBSA workers

Photo: Morice/Labour Bulletin

Moses Mayekiso, ANC NEC member Steve Tshwete, ANC and SACTU veteran Wilton Mkwayi, ANC NEC member and SACP general secretary Joe Slovo, John Gomomo and Les Kettleidas rose to roars of "Viva!"

The shopstewards had just spent about two hours locked in a meeting with the union and ANC leaders to thrash out a settlement proposal.

Now Bakaco put the views of the shopstewards to the meeting. He said workers should consider whether closure of MBSA would benefit the Border region or any workers.

The shopstewards proposed that they should request management that the dismissals be changed to final warnings valid for three months. He also

pointed out that they would need an alternative plan if the company rejected this.

It was left to the speaker on behalf of NUMSA, Moses Mayekiso, to put the fall-back plan. He said that the threatened closure was not only a problem for Mercedes workers, but a political problem - thousands of workers could lose their jobs. "They will leave with our wealth, and leave us in trouble."

He said that NUMSA proposed that, if the company rejected the written warnings option, the workers should accept arbitration and fight on that terrain.

He ended by noting that it was the first time for the national leadership of the ANC and SACP to visit a factory strike: this showed that it "af-

fects the whole people."

Tshwete - a very popular figure in Border, where he used to be a UDF leader - told the meeting that the ANC fully backed NUMSA and NUMSA's proposal. He reiterated the fact that a closure would affect "all workers, residents and people in South Africa - it will make a desert here."

Slovo reiterated ANC and SACP backing for the union. He said, "Workers can make mistakes, but they can never be wrong. It is not a question of right and wrong, but of power, of being able to continue struggling and making advances." All the speakers stressed that the union and the ANC would try to find ways to help any workers who might be dismissed.

Edging towards settlement

Since the majority of workers and shopstewards at Mercedes are ardent supporters of the ANC and SACP, the speeches of Tshwete and Slovo were taken very seriously. They strengthened the hand of those who wanted a return to work, and weakened the position of the strikers. After lengthy discussion workers agreed to the proposals. This was the second critical movement towards a resolution.

Over the next three weeks there were a series of meetings with management, and report-back meetings to workers, as the parties edged towards agreement. As could be expected, in the first meeting management rejected out of hand the first proposal.

But by this point both the union and management were fairly confident that an agreement would be reached and the factory would reopen. Negotiations shifted to the terms of arbitration, as well as the conditions set by management for re-opening. By 2 October Tom reported that arbitration for the dismissed workers had "overwhelming support from workers". What still remained to deal with were the company demands.

The settlement

Eventually, nine weeks after the plant was closed, the union and the company signed an agreement on Monday 8 October. The plant re-opened the following day.

The sleep-in had obviously

placed the union in a weak bargaining position. Since 1987 management's 'right to manage' at MBSA has been seriously challenged by worker militancy and organisation (see p 38). A careful reading of the agreement suggests that the company has tried to use the dispute to regain control of the shopfloor.

The agreement starts with a preamble which establishes the complete illegitimacy of the sleep-in. The agreement itself binds the workers to accept the NBF agreement, and states that the dismissals will be sent to arbitration.

More important is that NUMSA confirms that workers are prepared to resume work "in accordance with the conditions of employment and all collective agreements concluded between MBSA and NUMSA and all company policies and procedures, subject to the terms of the recognition agreement."

Both parties commit themselves to the "common objectives of industrial peace and stability", the "maintenance of acceptable work and behavior standards" and the "growth and viability of the company".

Even more important is that, under the heading "Factors impacting on the growth and viability of the company", the company and the union agree to run jointly a training programme for all workers covering the recognition agreement, the role of supervision and the NBF agreement.

The agreement states that

the company has advised NUMSA that it will apply discipline to address "unacceptable conduct" and "absenteeism and poor time-keeping", and that the union "agrees to ensure" that all workers "understand and accept the need to reach production targets" which are set out in the agreement.

Through the agreement the company is clearly seeking to re-establish the legitimacy of company authority and goals.

The agreement also obliges the union to take certain internal organisational steps, which is highly unusual in a company-union agreement. The union undertakes that "one experienced organiser" will be based in East London, with "direct responsibility for the union's activities at MBSA... whose primary responsibility will be to assist in establishing stability and sound relationships between management and the union at MBSA." The union also agrees to give "comprehensive training to the shopstewards".

These clauses suggest that the company sees organisational weaknesses in NUMSA as important contributing factors to the wildcat strike.

Finally, the company and the union agree to meet as soon as possible to finalise a "housing, education and social responsibility programme." This, in the company's social democratic perspective, is the other side of regaining management control: joint programmes to meet workers' social needs.



In Russell's view the agreement is a "watershed": "NUMSA and the ANC chose to give negotiated structures credibility, and to honour agreements. This means conflict can be institutionalised."

Aftermath on the shopfloor

In Tom's view management adopted "a very harsh position" in negotiating the agreement. "We are going to honour the agreement, but not to be ruled by management to safeguard their interests. Where regulations are oppressive we cannot accept them. But our struggles must be disciplined - we cannot wage militant struggles that go nowhere."

The sleep-in, divisions and dismissals have had a deep impact on relationships in the plant. The strikers have lost everything: the NBF was upheld, there was no separate wage deal, the strikers were evicted and dismissed, the whole workforce lost 9 weeks' pay, and the stance of the five shopstewards and the regional leadership was confirmed by the union, the ANC and the SACP.

On the other hand, the union has recognised that there are serious organisational problems in the region, suggesting that some of the grievances of the strikers are legitimate.

Many workers are critical of the strikers and the 18 shopstewards who led them, says Tom. On the other hand, there is "demoralisation and dissat-

isfaction" with the union because of the role of the regional leadership, says Bakaco.

For Tom "the most important thing is to consolidate the workers in the plant." He says that in sections of the factory where many workers have been dismissed, workers are "demoralised and scared to challenge management.

We will have to work hard to build workers confidence in themselves again." Bakaco has a different view: workers are "not afraid to challenge management", but are "demoralised with the union".

Clearly there are still tensions on the shopsteward committee. Bakaco believes "the tensions must be explained to the workers, so they can help solve the problem."

Tom sees two possible outcomes to the current situation: either workers regain their confidence and begin to assert themselves again. Or workers can remain demoralised, and "management can impose its oppressive rule."

It will take astute leadership to build unity and re-establish the confidence of workers.

New regional secretary

A week after the settlement NUMSA held a regional congress at which Nonyukela stepped down as regional secretary.

It seems clear that there have been serious organisational problems in the Border region of the union. Bakaco says there is "widespread dis-

satisfaction" and "no confidence in the regional structure as a whole".

General secretary Mayekiso confirms that "some workers" expressed dissatisfaction. Bakaco reports that Mayekiso proposed to the NUMSA NEC that the Border region be suspended and placed under a caretaker, but that the NEC felt the region should have the opportunity to sort itself out. Hence the congress.

Tom acknowledges the region is weak: "Nonyukela stepped down because he lacked administration skills. The region needs to be strengthened, and this requires a secretary with experience and administrative skills."

Nonyukela's lack of specific skills probably contributed to the problems in the region and the crisis at MBSA. However, Bakaco's criticisms are directed at the regional leadership and structures as a whole, and the report that the NEC considered suspending the region indicates that problems and divisions are substantial.

Enoch Godongwana, a highly experienced national organiser who learnt his unionism on the East Rand, was elected as the new regional secretary. He will also take on the responsibilities of the "skilled organiser" mentioned in the agreement.

He says one of the challenges facing him is "to bring unity within the plant." The other challenge, no doubt will be to unify and build the region.



Divisions and 'factory tribalism'

When you ask unionists about the Mercedes sleep-in you get one of two simple explanations: either it is an elite group of workers who just want more money for themselves, or it was all caused by 'SAAWU elements'. But is it really so simple?

Fikizolo and Tom believe the demand for withdrawal from the NBF and the strike were orchestrated by a coalition of groups and individuals who resented particular shopstewards as well as the regional leadership of the union. This group included former SAAWU activists who wanted to undermine the union, and ambitious and opportunistic individuals "who wanted to be seen as militant leaders".

The legacy of tensions with SAAWU

The SAAWU members in the metal sector were finally integrated into NUMSA in early 1989. According to Fikizolo, however, tensions persisted in the Mercedes plant.

Former SAAWU members were quick to mobilise around dissatisfaction or doubts wor-

kers may have had about negotiations at the NBF.

They formed an alliance with the "power-hungry" and "ambitious" individuals among the shopstewards, says Fikizolo, because they both had a common opponent - himself, Tom and the regional leadership of NUMSA. The SAAWU influence did not necessarily come from within the shopsteward committee, but from former SAAWU members on the shopfloor. According to Fikizolo, some of those leading the sleep-in spoke of "infiltrating" NUMSA, of a "coup", and attacked the NBF in the same

KEY PLAYER:

Moses Mayekiso:

'The union will have to investigate whether there are valid grievances.'

Photo: /Afrapix



way as SAAWU had attacked registration and industrial councils in the early 80s.

The leadership of the strike, says Fikizolo, imposed their views by chanting, "howling down" opposition, and accusing others of being "collaborators". Fikizolo points out that of the 18 shopstewards supporting the strike,

10 were former SAAWU members. The five opposing the strike were all long-standing NUMSA members.

"Not a rebellion against union"

Bakaco, on the other hand, rejects the idea of a 'SAAWU factor', pointing out that he himself is a "loyal NUMSA member" and has been for years. "NUMSA is the organisation that will take us to a post-apartheid South Africa," he says. He says the majority of workers were unhappy with the NBF because they did not understand it, and felt they could get higher wages with in-plant bargaining. Resentment developed because the regional leadership was undemocratic and "imposed" the NBF. The decision to strike was not an attack on the union, but a democratic majority decision by frustrated workers.

"Our role as shopstewards was to do something to unite the workers," says Bakaco. "We saw the NBF was dividing workers." He argues that workers were united on the demand to withdraw from the NBF. "Those who left the factory were not opposed to that demand, they were opposed to continuing the sleep-in. But then they landed up at Gompo, as if they supported the NBF."

Bakaco claims that it was the shopstewards at Gompo, and the regional office, "who went around saying, 'This is a SAAWU attempt to topple NUMSA.'" Because the majority of workers are "loyal NUMSA members" they

therefore turned against the strikers.

It is difficult to believe the old antagonism between SAAWU and NUMSA did not play a role in the strike. Conflict between the two organisations has a long history in the plant, surfacing in violent confrontation in 1988 (see p 39). According to Tom, F site - where opposition to the NBF started - was a long-standing SAAWU stronghold. This was confirmed by management. H site, which opposed the sleep-in, was a NUMSA stronghold: the 1987 strike started there.

In the current dispute a deep hostility to union officials and policies was displayed: the key slogan was "Away with the NBF!", coffins were inscribed with the names of officials, the company-union recognition agreement was carried on a coffin, and officials were assaulted. All attempts by the union to persuade strikers to abandon their demand were rejected. One cannot explain this hostility simply in terms of dissatisfaction over wages.

Rivalry on the shopsteward committee

However, other divisions were also important. Many of the strikers and eight of the 18 shopstewards were long-standing NUMSA members, which suggests this was not simply a SAAWU/NUMSA issue. Fikizolo and Tom say they were labelled as people who were "too clever" and had sold out to management.

Fikizolo and Tom are impressive and articulate activists with a deep political commitment. No doubt they are tough and wily bargainers when faced with management. Fikizolo is chair of NUMSA's



Border region, while Tom is vice-chair of COSATU's Eastern Cape region. They are highly exposed to national debates and issues. It may well be that they came to dominate the shopstewards committee, or were perceived to do so, and others began to resent this.

Mayekiso believes this is an important point: "Tom and Fikizolo are highly capable leaders. They were expected to deal with day to day issues and bargaining, but they were overloaded with national NUMSA work and COSATU duties. They became removed from the shopfloor."

Tension around this may have been exacerbated by the fact that most of the shopstewards were fairly new and inexperienced. Tom was the only one who had also been a shopsteward in the 1987 strike (others resigned, were dismissed, or died).

Organisational weaknesses in the region

Added to this was tension around the regional leadership. As Mayekiso says, "Some workers expressed great animosity towards the regional leadership, a loss of confidence. The union will have to investigate whether there are valid grievances." The evidence suggests serious

organisational weaknesses - administrative weakness, lack of information and education, arrogance and lack of democracy, and dissatisfaction and division, have all been mentioned.

Tension with the regional secretary was probably linked to the old divisions between SAAWU and NAAWU/NUMSA. Nonyukela had been chair of the NUMSA shopstewards committee during the 1987 strike, and was also chair in 1988 when tensions between SAAWU and NUMSA erupted into open warfare on the shopfloor. Nonyukela was dismissed with 17 others, allegedly for their role in this battle.

Did the majority support the strike?

Bakaco rejects the idea that the strikers were rebels, or that they were "egged on" by anyone, insisting that the majority were dissatisfied and favoured withdrawal and a strike. Yet the fact that the number of workers occupying the plant so rapidly became a small minority suggests that, even if the majority were present when these decisions were made, their support was not wholehearted. This tends to reinforce Fikizolo's argument that decisions were imposed with militant rhetoric and lack of discussion.

In the heat of the moment a majority may well have backed demands for plant level negotiations when they were led to believe they could get more that way. When it became clear, though, that the

company would not budge and the union would not back their demand, they probably changed their minds.

Bakaco's claim that the NBF decision was imposed in 1989, and that there was majority opposition to it, also seems unlikely. Nonyukela and Fikizolo refer to general meetings where the NBF was discussed and accepted. Demonstrations in support of striking Toyota workers last year, and Delta workers this year, support their view that there was a general understanding.

However, the fact that the strike happened at all shows that there was widespread dissatisfaction in the plant. The 'militant' and uncontrollable nature of the action, and the rejection of union policy and officials, suggests that a wide gulf had developed between union leaders and the rank-and-file on the shopfloor.

Lack of education, information

It is clear that union information and education was inadequate. All parties agree on this. Workers had a very shallow understanding of the goals and processes of centralised bargaining. The inexperience of most of the shopstewards, and possibly the "arrogant style" of some of the regional leaders, contributed to this lack of clarity.

"We did not embark on education after last year's negotiations," says Fikizolo, "because no-one raised complaints or doubts. We thought everyone was clear. But the

KEY PLAYER:

*Les Kettledas,
seasoned auto organiser
and negotiator*

Photo: Morice/Labour Bulletin



arguments raised this year show we were wrong."

Bakaco remembers that "in 1989 when the NBF was discussed and workers were receiving report-backs, they kept saying there are unanswered questions. They demanded education workshops. This year they complained again. Workers were tired of being told, 'This is the policy of the union.' We always have to rely on officials."

Bakaco believes it is essential for education to start now: "The future of the NBF will depend on it."

According to Bakaco, the general feeling at the first joint meeting of workers after the eviction was that "the union should accept responsibility for this problem" because of lack of information.

Mayekiso agrees that "our members were not well-informed." Nonyukela also concludes that "we cannot blame the workers, we have to look at ourselves and see what's wrong."

'Factory tribalism'

The Mercedes wildcat strike was a clear case of 'factory tribalism', that is, where workers abandon unity with workers in other plants or companies and go it alone, hoping to win better conditions or wages in plant negotiations.

Fikizolo, Nonyukela and Tom see this as an issue that was manipulated. "If you put money in front of workers you can lead them in any direction," says Tom. "Workers were told they could get R3 at plant level, and they went for it." They believe that lack of education about centralised bargaining facilitated the development of this 'factory tribalism'.

While this issue may well have been manipulated, it is clearly a real issue facing unions in centralised bargaining. It would also have been a particularly powerful issue in the Mercedes plant.

There is a strong memory of the marathon 1987 strike, when 2 800 workers downed tools for 9 weeks and won a new minimum of R4,50, 30% above the new minimum that had been negotiated in the Eastern Industrial Council. This gave workers a great sense of power at plant level, and confidence that they could push wages way beyond industry averages.

Bakaco feels the demands of the strikers were legitimate. "I am not opposed to centralised bargaining," he says, but he criticises the union team for allowing the NBF to become the forum for setting real rather than minimum rates. "If a com-

pany can pay higher wages this must be accommodated," he argues.

Mayekiso is sympathetic to this view: "I would not say this was a revolt against union policy. Workers felt they were not getting what management can afford, and that the NBF deprived them of the chance to push for more. Dual level bargaining is the answer."



Delays in negotiating

It is clear from the accounts of the shopstewards that the long drawn out negotiations contributed to the emergence of 'factory tribalism'.

Kettledas, a seasoned auto organiser and negotiator, sees this as the crucial factor in workers' dissatisfaction. "Slogans and placards don't necessarily reflect what is happening on the ground. For the majority of our members the problem was delayed implementation, not the NBF.

"This problem is not new. Last year there was a delay in reaching agreement because of the resistance of the employers to entering the NBF. At MBSA in particular workers were concerned. This year again we only reached agreement 2½ months past implementation date." The delay this year was caused by lengthy negotiations over job grading.

Militancy and the history of industrial relations

To the various organisational and personal divisions inside the factory, and the factors that encouraged 'factory tribalism', must be added the

industrial relations history of MBSA. Up until the end of 1988 the management regime at MBSA was authoritarian, anti-union and racist. The current management readily acknowledge this (see p 38).

Union organisation, complemented by the militant political traditions of the Border region, generated a high level of militant resistance in the huge workforce at the plant. This culminated in the 1987 strike, and the frequent stoppages throughout 1988.

The new management has tried to implement a more liberal regime, believing that management and unions should co-operate as they both have a role to play. But the tradition of militant resistance persists. As Kettledas says, "The deep scars of the past cannot just be papered over." This tradition was easily mobilised in the current dispute. Many unionists, including Fikizolo and Tom, commented on the "unguided" and "immature" militancy of the sleep-in.

The current fluid political situation in South Africa, the high level of expectations and mood of militant defiance, probably contributed to the willingness of workers to take action. An unprocedural sleep-in may well have seemed like a 'radical' or 'revolutionary' action, even if it was in support of 'factory tribalism'. The mock AK47s and bazookas, and the ANC and SACP flags, carry the same message.

It was no doubt partly in recognition of this dimension of the sleep-in that NUMSA

sought the help of the ANC and SACP.

Conclusion

Many factors contributed to the wildcat action at Mercedes. The key factor seem to be weaknesses in union organisation: apart from problems in the region, there was inadequate education, many shopstewards were new and untrained, and key shopstewards seem to have lost touch with the shopfloor because of other tasks in the union, the region and COSATU.

These weaknesses allowed the rivalry on the shopstewards committee, and the divisions on the shopfloor, to fester. The old hostility of SAAWU activists towards NUMSA became an important factor in the general dissatisfaction.

In this situation the tensions inherent in centralised bargaining - wage levelling, delays, compromises on mandates, the remoteness of negotiations from the shopfloor - could become mass grievances.

The union recognises its weaknesses. The October edition of *NUMSA News* states that there "must be a commission of enquiry to find out all the weaknesses and mistakes."

The strikers, on the other hand, must be criticised. Whatever their frustrations, a wildcat strike and sleep-in by a minority is no way to debate union policy or to further the struggle against exploitation. Their action seriously weakened the union's bargaining position and has led to division, dismissals and demoralisation. ❖

The Mercedes Benz crisis a glimpse into our future?



KARL VON HOLDT discusses centralised bargaining, the intervention of the ANC and SACP, and new issues facing organised labour.

The strike at MBSA is unlikely to derail the union struggle for centralised bargaining, as the current PPWAWU strike at Nampak shows, but it does point to problems and difficulties.

The main issue is how to establish a system of centralised bargaining which standardises conditions and wages nationally, but also accommodates variations and differences within each industry. Mayekiso argues that the key is to allow dual level bargaining: centralised bargaining should establish industry minima, but unions could push for improvements on the minima through plant or company level bargaining. Employers should be prepared to accept a dual level bargaining approach, he says, as it is not a new thing: it already exists in the metal and engineering industry.

Kettledas, however, points to the differences between the metal and auto assembly in-

dustries. The auto industry consists of at most 9 manufacturers - currently six are in the NBF. Their operations are similar, and conditions are fairly uniform.

"For two years before the formation of the NBF," says Kettledas, "the union adopted strategies to move in that direction."

"We used the national auto shopsteward council to compare conditions in different factories, and over the years we made them more uniform. In the 1988 negotiations we managed to pull all the company agreements into line, so that they expired on the same date." This made it easier to mobilise around the centralised bargaining demand in 1989.

Because of the uniform, compact nature of the auto industry, Kettledas explains, "The NBF negotiates actual wages and conditions, not minima. There is no basis to then go to the plant level and

negotiate the same thing. Only where the parties agree to refer an issue to plant level will it be negotiated there."

This makes good sense, but it may not prevent outbreaks of 'factory tribalism'. When workers at a particular factory believe they are more powerful, and that the company is more profitable partly through their own efforts, they may well feel impatient at being held back.

Dual level bargaining, on the other hand, accommodates and to some extent institutionalises 'factory tribalism'. This makes it difficult to co-ordinate national action, since workers at bigger, higher-paying companies can opt out and go for individual settlement. There is, however, probably no alternative to dual level bargaining in big, diverse industries such as metal and engineering.

These are complex problems. Unions will need to continue developing strategies

that can unify workers, while being flexible enough to accommodate differences. It is only through experience and constant re-assessment that the most appropriate structure for each industry or sector will emerge.

Beyond 'factory tribalism'

One of the major obstacles in developing centralised bargaining is narrow plant and company consciousness among workers. This emerged as a serious problem in the Mercedes dispute. Many organisers and shopstewards see the answer in 'political education' - that is, education about the virtues of class unity, the long term goals of the working class, and so on.

But political education cannot of itself unify workers where there are real differing material interests. As Tom argues: "You cannot avoid the money issue, you have to *balance* politics and material interests. That is what we are doing in the NBF - on the one hand we ask workers not to abandon their brothers at Toyota. On the other we are trying to share the various gains made at the different companies.

"Mercedes has the highest wages, but it is very backward on other benefits. At the NBF we combined the benefits of the different companies and tabled them. Agreement was reached in principle, and the specific negotiations were referred to company level.

"We are now negotiating a provident fund, a housing scheme and a bursary scheme

with the company. This demonstrates the material benefits of centralised bargaining for the workers. However, these are longer term negotiations, and the money issue was an immediate one."

Negotiations, structures more complex

Centralised bargaining raises other problems for rank and file members, though. Negotiations are much more complex and distant from the shopfloor. For example, MBSA workers have only two delegates on the bargaining team; negotiations take place in a different city; report-backs can never give a binding mandate, as the bargaining team has to accommodate mandates from different companies across the country; negotiations are unwieldy and lengthy, and issues are often complex - for example, rationalising six different job grading systems.

Furthermore, structures and procedures are more complex. In this case the union structures involved were the NUMSA national congress (adopted a policy resolution on centralised bargaining), the NUMSA national bargaining conference for all sectors of the union (which set the demand for a R2 increase, and linked all sectors of the union), the National Organising and Collective Bargaining Committee which oversees the strategies in the different sectors, the auto shopstewards council, the bargaining team in the national bargaining forum, and then of course the usual

local/branch/regional/national structures.

Individual shopstewards such as Tom, Fikizolo and Bakaco may have a sound grasp of the tasks and powers of all these structures, but many shopstewards and rank-and-file members will have a very limited understanding of them. It is little wonder that some grew to resent constant references to 'union policy' laid down in some distant committee, and to the demand that they 'raise problems in appropriate structures'.

Union education will have to ensure that shopstewards and members are familiar with these structures and procedures. This raises of course the problem of *democratising* centralised bargaining, so that the mass membership feels it has some control over the process.

Kettledas feels this is less of a problem in the auto industry, because it consists of a small number of large plants: "Generally workers have a very clear understanding. It is possible to report immediately to the base in the plants, via plant general meetings. Auto workers are more knowledgeable." This did not, however, prevent the Mercedes strike, which echoes the 1988 strike at Samcor over Esops (see *Labour Bulletin* Vol 13 No 6).

The problem of education and democracy raises the further problem of the shortage of resources and skills in the unions. As the unions have grown and become central institutions in the economy, so

they have become locked into ever more sophisticated and complex strategies and negotiations, both with employers and the state. It is only a small number of over-stretched senior officials and office-bearers who fully understand this level of struggle; a gap can easily open between advanced strategies and the mass base.

NUMSA is the most advanced of the unions in many areas of strategy and policy, and it also has the most highly developed educational and policy-formulating infrastructure. The Mercedes dispute shows, as did the Samcor strike over Esops, how difficult it is to ensure that rank-and-file members support and understand union strategy. Moreover, it is impossible for a broad national strategy to accommodate the interests of all members. Problems such as the Mercedes strike may well increase in the future.

The intervention of the ANC

One of the most remarkable aspects of the crisis at MBSA was that it saw the union, the company, the ANC and the SACP all lined up in opposition to the demands and action of the strikers, and in support of the NBF.

This suggests that, while they had different loyalties and approaches to the conflict, they all shared a common interest. This was essentially to get production going, keep the company in SA, and stress the legitimacy of negotiated agreements.



ANC, SACP, NUMSA, MBSA: different loyalties and approaches, but a common interest in getting production going, keeping the company in South Africa, and stressing the legitimacy of negotiated agreements



For the union the credibility of the NBF was paramount. If that went, its whole centralised bargaining policy would be threatened. While this was also important for management, they stressed that the most important issue was the credibility of negotiated agreements and structures: if workers and trade unions showed themselves unable to honour these, they said, the company could see no future for business in SA. This would also influence how they assessed the prospects for a negotiated political settlement.

The union too had a stake in throwing its weight behind the negotiated agreements: without structures and agreements, collective bargaining becomes impossible. This is increasingly important as the unions are transformed from insurgent resistance movements into central social and economic institutions.

The strikers were striking under the banners of the ANC and the SACP. These organisations were anxious to dissociate themselves from this action and demonstrate their support for one of the most powerful unions in the country.

The SACP explicitly supports centralised bargaining. Both it and the ANC were seriously concerned about the implications of MBSA leaving SA. In this they shared a common concern with the company and the union.

The positions adopted by NUMSA, the ANC and the SACP in the MBSA crisis

point to three current trends:

1. In effect NUMSA, the ANC and the SACP were abandoning their call for disinvestment. The current phase of 'negotiation politics' is to some extent shifting their attention from resistance against apartheid to the problems of economic development.

2. By backing the legitimacy of negotiated agreements and structures with employers, these organisations are accepting that capitalists have an important and legitimate role to play in South Africa. They are also accepting that it is necessary to create conditions that capitalists will find acceptable.

Is it possible to reconcile these conditions with orientating the economy towards meeting the needs of the people, and ultimately socialism? This is a crucial question for analysis and debate.

3. In essence, the sleep-in was a rebellion against union policy and agreements. There were many voices calling on the union to "discipline" or expel these members. In the end the union managed to resolve the crisis without resorting to such drastic action. However, the unions are becoming large social institutions involved in negotiations and structures which cover thousands of members.

Inevitably this entails a difference of perspective and concerns between the leadership and base. There may be an increasing trend for unions to discipline members who violate agreements or policies. Such a trend would raise new

difficulties for ensuring democracy in the unions.

Different interests in a democratic South Africa

The intervention of the ANC underlines the differences of interest that may emerge in post-apartheid SA. While their intervention may have been aimed primarily at pushing the workers towards a "sober" unity, it was also clear that they spoke in terms of the economic interests of "the whole people", as against the sectional interests of, in this case, the dismissed strikers.

An ANC government will have to concern itself with the general needs of the people, and the economic development of the country. This may bring it into conflict with organised workers who are demanding higher wages and social benefits for themselves.

In the MBSA dispute the ANC and the union were on the same side. Disputes in a post-apartheid SA may well find them on opposite sides: the union speaking for its members, the ANC speaking for the government or 'the people'.

In the Border region the Mercedes workers are a highly paid minority. Less than 100km away, in Fort Jackson and Dimbaza in Ciskei, workers earn a pittance and battle for trade union rights.

In a future democratic SA will workers such as those at MBSA be prepared to make sacrifices so that their comrades in Dimbaza - both employed and unemployed -

can benefit? Or will they use their muscle and their strategic position in the economy to become a labour aristocracy?

Many strategists in big business and the state would prefer the latter option, as it would enable them to build a coalition of interests between such a labour aristocracy, capitalists and the middle classes both black and white, while the majority of the people are excluded from benefits or development.

However, the answers to these questions will depend on the nature of post-apartheid society. If the interests of the working class are paramount in society, then workers may be prepared to make sacrifices in wage demands and other benefits, as part of a national development strategy. But if working class interests are subordinated to those of a new elite, organised workers are unlikely to limit their demands for immediate benefits.

Centralised bargaining and the future

Centralised bargaining forums provide, as Patel argues (see p 50), a place where the working class can engage with the problems of economic development and restructuring. This is only one of many reasons for supporting such forums. The Mercedes strike does not signify the end of centralised bargaining, but is rather an episode in the struggle to establish and develop it.

It is significant that no-one involved in the Mercedes dispute is now prepared to oppose the idea of the NBF openly.

What one hears instead is that 'the time was not ripe'. However, it is also clear that a developed class consciousness is not a *precondition* for establishing centralised bargaining: rather, centralised bargaining

provides a terrain on which workers consciousness of, and involvement in, broader social and economic issues can develop.

Centralised bargaining certainly has a role in our future,

if only because there is no other way to further develop collective bargaining and the economic and social role of trade unions. ☆

A decade of struggle at Mercedes

Full-time shopsteward MTUTUZELI TOM talks to Karl von Holdt

Between 1981 and 1989 there were two unions organising in the Mercedes factory - as there were in many factories in East London. One was the SA Allied Workers Union (SAAWU), an independent general union aligned with the 'national democratic struggle'. The other was National Automobile and Allied Workers Union (NAAWU), an industrial union affiliated to the Federation of SA Trade Unions, which adopted an 'independent working class' policy.

When Mtutuzeli Tom, currently a full-time shopsteward at MBSA, started working in the factory in 1983, he first joined SAAWU. However, he quickly changed allegiances and joined NAAWU when he realised it was a big national industrial union which was part of the unity talks which would later give birth to COSATU. NAAWU was at that

time the majority union. However a year later its membership was dropping as SAAWU activists made inroads. "They attacked NAAWU for not being community based, for being affiliated to FOSATU."

"Survival of the fittest"

A year later, in 1985, management gave limited recognition to SAAWU shopstewards "in order to keep workers divided". "All through that period we were at loggerheads," says Tom. "Activists were motivating workers to join their union, putting their positions everywhere - in the trains, at the gates when workers went to buy food. It was survival of the fittest, it was a very healthy debate. In the train one comrade would put his position, then another would get up and oppose it. We were at loggerheads, we did not even greet each other.

There were not comradely relations."

The arguments centred on registration of unions, affiliation to FOSATU, general unionism versus industrial unionism. "SAAWU was claiming to follow the Congress line, supporting SACTU. We also understood SACTU started trade unions. Our argument was, why don't you come as revolutionaries and join the masses in these unions, and challenge those whom you call 'reactionaries and bureaucrats'?"

All the activists supported the ANC and SACP. "The only difference was on trade unions." But these divisions and others plagued East London politics - in the early 1980s women's and youth organisations split into two, although they all shared a Charterist political orientation.

Worker activists were often also youth activists. It seems

CENTRALISED BARGAINING

that SAAWU activists tended to be closer to the EL Youth Organisation, while NAAWU activists were involved in the rival EL Youth Congress.

For example, Msitheli Non-yukela was elected chair of the NUMSA shopstewards at Mercedes in 1985. At the time he was publicity secretary for the EL Youth Congress, and later its president. Tom was elected vice-chair at Mercedes in the same year, and was also an ELYCO activist with a history of COSAS activism. ELYCO actually paid for a group of Mercedes workers to go to COSATU's launching rally.

The launch of COSATU as a giant federation in November 1985 gave a boost to NAAWU: "COSATU was a weapon in recruiting. We told workers NAAWU was part of COSATU and the whole working class - COSATU was supported by the ANC and the SACP. People didn't want to be isolated, so they joined us."

After the launch of COSATU, NAAWU was involved in talks with Metal and Allied Workers Union (MAWU) - also a FOSATU affiliate - and Motor Industries and Components Workers Union (MICWU), a former TUCSA affiliate. "The Eastern Cape comrades pushed for SAAWU to be included, for the unity of the workers. It was difficult to persuade the others because SAAWU was not strong in other areas, but eventually the other unions agreed." But at the launching congress of NUMSA in 1987 SAAWU failed to submit



MBSA workers listen to their union and political leaders

Photo: Morice/Labour Bulletin

membership figures and was barred, "despite the arguments of Eastern Cape comrades".

The marathon 1987 strike

Then came the "historical moment" of the 1987 strike: "we were stimulated by the living wage resolution at the launching congress, we wanted to show our appreciation of our leaders' hard work in establishing our giant union." The strike was planned a month in advance, in H plant, and activists were deployed to other sites to discuss it. H plant is the body shop, where production starts. Workers were demand-

ing a minimum wage of R5, way above the new minimum of R3,25 established at the Eastern Province Industrial Council.

"The IC established minima, there was nothing to stop a bigger increase at MBSA - but management refused to bargain at plant level." At this stage "it was NUMSA everywhere, NUMSA in every corner." Workers downed tools in H site at tea time on 3 August. By the following day 1 800 were on strike. The next day, production was suspended, and all workers joined the strike.

The strike lasted a marathon 9 weeks, during which management tried every trick to avoid meeting workers' demands (see *Labour Bulletin* Vol 13 No 1).

Tom has vivid recollections: "I still remember coming out of the doors of the plant, after meeting with management. The workers were there in their thousands, sitting in the sun, some with umbrellas. As we appeared they started whistling, coming together, so that they were ready even before we reached the stage. It was dead quiet, they listened to every word, you could see in their eyes they were committed. If we had said at any stage that this is a waste of time, lets go back to work, some of them would have fallen over dead. They were that committed."

Eventually agreement was reached on a R4,50 minimum, a 42% increase. Workers went back with the highest wages in the auto industry.

Challenging management

"The strike changed many things. Workers had unity, and confidence in their strength, their shopstewards and the union. NUMSA became very powerful. Workers felt they could control the plant. Workers also developed a clear understanding of discipline. They saw that the organisation was not there to defend drinking or theft or fighting - you cannot use the militancy of workers to defend a drunken person." The union also won the right for shopstewards to be elected from constituencies, rather than in a lunch-time general meeting.

Throughout 1988 the workers used their new found power to challenge management. There were frequent stoppages. "Management was very repressive. There was a lot of racism, insults, unfair discipline. Workers would simply down tools when this happened."

SAAWU, NUMSA in battle

In the middle of 1988 a shop-floor battle erupted between NUMSA supporters and SAAWU supporters. The spark was a decision by NUMSA members to stage solidarity action with dismissed NUMSA workers at an MBSA supplier. They refused to handle components from this factory. "Management started bringing in workers from other sections to handle these components, and they were identified as SAAWU members. The comrades decided to strike. They marched to all sites to say, 'Join the

strike'. There was resistance from SAAWU members. There was a terrible fight, people were stabbed and injured. We decided to suspend the strike, we had to heal the rift."

Eighteen workers were dismissed for their role in the battle, including Nonyukela.

At the end of 1988 the company realised that industrial relations was completely out of control (see pp...), and called in consultants. The management team was changed and industrial relations was restructured. "Things improved after that, although there were still many problems. We had to challenge many things." As a sign of the new approach management was prepared to negotiate the return of 17 of the workers who were dismissed after the

shopfloor battle (the eighteenth, Nonyukela, became NUMSA regional secretary). During 1989 the union negotiated a new agreement with the company, hailed as one of the most advanced agreements in the country. It gives the union the right to strike without dismissals, the right to picket, and commits both parties to avoid using provisions of the Labour Relations Act.

Another development in early 1989 was the final integration of SAAWU into NUMSA in East London. New shopsteward elections were held, and both former SAAWU and former NUMSA members were elected. This seemed to promise a new era of unity in the factory - a promise which was rudely shattered by the events of August and September this year. ☆

Coloured and white workers

According to Tom, "The coloured comrades have helped build the organisation we have today. They have a long history in the plant, going back to the days of NUMARWOSA, before it helped to form NAAWU. They are a corner-stone, no-one can take them away from the union. In fact, they were at the forefront in the 1988 battle." Some coloured workers did participate in the sleep-in though.

Unlike many factories, at MBSA African and coloured workers do the same jobs, and there are more African artisans. There are also some white workers doing the same jobs on the assembly lines. About 15 have joined NUMSA - "because NUMSA negotiates conditions of employment and reports back on this. They do not see Yster and Staal doing this." But while the white workers may join the union they do not support the struggle against apartheid: "They are not comrades," says Tom.

He contrasts this with the Volkswagon plant, where workers elected one "white comrade" as a shopsteward. Workers later decided he should stand down, because he was being threatened in his white neighbourhood.

"Our factory has been under worker control since 1987"

says MBSA head

MBSA chairman CHRISTOPH KOPKE and human resources manager IAN RUSSELL speak to Karl von Holdt.

"Worker control is not new to us, we have had a factory with worker control since 1987," says company chairman Christoph Kopke. "Supervisors used to clock in and then lock themselves in their offices for the whole day. They didn't dare go out on the assembly lines. This is result of worker control." These are startling admissions from the head of Mercedes. But as he talks it becomes clear that he was appointed at the beginning of 1989 to rescue a company that was "just about dead."

At a recent talk to the Natal Chamber of Industries MBSA human resources manager Ian Russell explained: "The stark reality was that a highly organised and politicised workforce with very skilled union leadership had in many respects taken control and did not accept that the management of the company had a legitimate role to play in determining its affairs." At times some workers even stood at the assembly lines with mock AK47s or bazookas strapped to their backs. This was a "symbol of



KEY PLAYER:

Christoph Köpke, appointed to rescue a 'dead' company

Photo: Morice/Labour Bulletin



defiance and rejection of the company which many workers believed was merely an extension of the repressive apartheid structures."

It is not surprising that management was desperate. Some of their comments at the end of 1988 were:

- "It is the end, we cannot go on."
- "Management has lost all control of the shopfloor."
- "We should close the plant down for six months."

This led to a process of consultation, evaluation and restructuring. Kopke was appointed, a new industrial relations (IR) manager was employed, and a new IR structure developed. There were a series of relationship-building meetings with the union, NUMSA, and the shopstewards. A pathbreaking 'third-generation' recognition agreement was signed, which significantly extended trade union rights.

The situation has improved, says Kopke, but he sees this as a long term process. "Changing the culture of the company" could take five years. In the meantime,



Autoworkers: who controls the shopfloor?

Photo: Cedric Nunn/Afrapix

worker control is still with him. The sleep-in was “the result of worker control. There have been workers in the factory who have made it unmanageable by design and now things have overtaken them. Basically we’ve got a split in the union. They cannot hold back the momentum, others are seeing the weakness and going for it.”

The lack of management control severely affects production. “Since 1987 we have never achieved our weekly production targets. Five years ago the Honda plant built 70 Hondas a day. In August 1988 workers said they were working too hard, and since then we’ve only built 40 a day.” In April this year there was a dispute over unprocedural action and the factory was closed for 10 days. The company said that

workers would get backpay for that period if they made up lost production: “By 3pm we hit 70 cars a day. The same workers with the same tools did it with ease. That’s what I call worker control. These are the most capable workers in the world. If you can steer that energy in the right direction this would be a land of milk and honey.”

This year workers negotiated to build ANC leader Nelson Mandela a Mercedes, making up the production time by working unpaid overtime. Kopke says he would like to build a Mandela car every day. “If you look at how they built Mandela’s car, that car came off the line with nine faults. In this company cars don’t come off the line with less than 68 faults. In Germany, about 13 faults. Normally it takes 14 days to build that car - Mandela’s

was built in four days! Only nine faults!”

Back to the problem of worker control: “There is nothing more difficult than to answer the question, ‘Why are we only building 40 cars a day?’ To nail a go-slow is very difficult. The guys are working like hell producing 50% of target. You have certain stations in the plant, buffer zones. If the zones are full or empty shows what is or isn’t working. But working at two speeds is difficult to define. This relates to motivation, the culture of the company. The hourly paid have been radicalised to such an extent that they don’t feel part of MBSA. Until we reach a stage where hourly paid workers in this factory and management find common ground we will get nowhere.”

And this is where Kopke

MBSA and the new South Africa

“Business has a price to pay for the legacy of apartheid,” says Russell. “That’s the only way you are going to establish a viable society. You have to find a solution which secures the position of organised labour, organised capital and the forces of democracy.”

MBSA is inspired by the German system of co-determination, developed “in times of great difficulty which called for co-operation between the forces of organised labour and capital in addressing the economic devastation caused by a prolonged war.” This is one reason why the company supports centralised bargaining. In language which is very similar to that of trade unionists, Russell argues that “we need strong employer organisations and strong unions at an industry level. If labour and capital are going to play a significant role in the social and economic restructuring of this country, centralised bargaining is the only way to go.”

Kopke also echoes a concern of the unions. “There are hundreds of thousands of unemployed in this area. MBSA workers are an elite. If we were really productive we could make a contribution to those who have nothing. Workers who have jobs, and business, have to understand that.” MBSA sponsors education programmes. “We should be pouring millions into that, not into disputes.”

MBSA also suggests a degree of economic planning: “co-operative advisory boards consisting of employer and union representation at plant and industry level to ensure that future planning is carried out in a spirit of co-operation and consultation for the benefit of all.” These could address the shortage of skills, housing, job security, education and social responsibility programmes. But like many schemes of ‘participatory management’, these planning bodies are “advisory” and there is no suggestion that they can interfere with investment decisions.

Russell believes that “the creation of a non-racial democratic society is not going to remove the political tension from the shopfloor, unless there is a meaningful formula for addressing the basic social needs of the majority of our society in such a way that it is to the mutual advantage of of the working class, business and society.

“We believe that it is possible to develop an effective model in co-operation with the union, which may provide a partial solution to the inequity in the socio-economic distribution of social security and wealth. It is not good enough to cry nationalisation does not work and point to the collapse of Eastern Europe which, for many of our people subjected to the trauma of apartheid rule, may still be seen as a better alternative.”

If MBSA can surmount its problems and “become viable, it would have an enormous affect on this area,” says Russell. “The potential for MBSA to influence other foreign investors is tremendous. If the symbol of capitalism can survive like this in difficult times, then when things are secure others will take their chance.”

References: Russell, I: ‘The Mercedes experience - new wave recognition agreement’. Talk given to Natal Chamber of Industries, 5 June 1990.

and Russell's project begins. Russell says: "Before 1989 we had a real war of attrition. The union did not recognise management's right to manage. Management did not recognise that the union had a role to play. We had no structures to institutionalise conflict, no procedures, no recognition agreement."

Restructuring industrial relations

In the course of 1989 management set out to change this situation. It identified the structure of company authority as a crucial problem. Before 1989 the IR department was responsible for all discipline as it was a "specialised function". Line management lost its power to discipline. This meant that line management "lost all authority and respect", while the IR dept was incapable of handling discipline for 3 600 employees. In addition, "lack of adequate procedures" led to "inconsistent and unfair discipline". This according to Russell "led to a complete breakdown in discipline and the relationship between workers and management."

The IR dept was restructured, new personnel were employed, and "line management was made responsible for its own people again."

Kopke talks about another aspect of restructuring. "We used to have nine levels from the chairman down to the cleaner - we have reduced this to six. We still have one supervisor for nine to eleven workers, whereas we want

one per twenty." His aim is to build a "flat" organisational structure, rather than a "steep" one: a flat structure requiring less supervision would show that "people are motivated" and that management is competent.

But the key to overcoming the crisis of the company is building a better relationship with the workers and their union. For the first six months of 1989 the company and union negotiated a recognition agreement based on the 14 point code recommended by IG Metal, the German metal union (see *Labour Bulletin* Vol 14 No 2). In September that year the company initiated a 'relationship by objectives exercise' (RBO) in which shopstewards and management met together with IMMSA mediators.

The aim was "to identify problems in our relationship and set out ways to deal with them". This exercise established some key objectives: mutual commitment to the terms, spirit and procedures of the recognition agreement; management commitment to "upgrade the performance and understanding of supervisors" and "to improve managers understanding of language and culture"; that the parties should "jointly identify criteria and processes for advancement of employees", and develop training programmes; and that they would share responsibility for social responsibility programmes. Joint RBO committees were

also set up to monitor progress in achieving these objectives.



Kopke argues that there are "formal and informal organisational structures. We've addressed the formal structure, that's easy. It's the informal structure, the culture of an organisation, that's the critical one. If the culture is a racist one then you can change the structure hundreds of times, but you won't change the attitudes. Then there's the culture on the shopfloor, which is that management is the enemy. We have to change that culture, not just sign agreements."

"Since I've been here we've taken some drastic action against management. We fire managers who are racist. People who do not see the new vision of MBSA don't have a place in our organisation." Referring to the sleep-in in his factory Kopke argues that the union has to adopt a similar attitude: "The union has to come to the point of saying, 'I can't identify with that group of people and they can't be my members.'"

Since worker control is the source of so many of his problems, is he trying to re-establish management control? "Yes. The right to manage has been accepted by NUMSA in the recognition agreement. People must start work on time, absenteeism must be reasonable., That's discipline. But the most important thing is that discipline must be fair. It's



Above: the empty docks of economically-depressed East London. Below: a supplier of components to MBSA which had to retrench workers during the dispute

Photos: Morice/Labour Bulletin

the relationship between supervisor and worker that we have to change. Worker control is not only the fault of workers, it's sloppy management." While the plant was shut down during the current dispute, management spent five weeks on supervisor training: "this time has been used very productively from a supervision point of view".

Shared vision

But if the company seeks to impose discipline, won't it

run into resistance and trigger off the old cycle again? "The most important element is the shared vision, there can be no discipline without it. It is important to set joint objectives."

Does MBSA use just-in-time or quality circles? "You can't work with JIT in a country with a labour situation like here," says Kopke. "You can't do it when you're reaching 50% of your targets, suppliers can't operate on that basis. That's my monthly debate with the

union - tell me what we're going to produce in February, then I can get my inventories right. We have a supplier who supplies a Daimler Benz subsidiary with exhausts - it's frightening what stocks he has to keep. We'll never be competitive in the world."

Russell points out that 'participative management' is often seen as a cure-all. "We believe the important thing is the collective bargaining relationship. We are trying to build that, and let it permeate down. QCs and so on can come later."

So how successful has the changed approach from management been? In his talk, given in June this year, Russell said, "From January to November 1989 there was a progressive improvement in the collective relationship and some very positive relationships appeared to develop between members of management and the shopstewards." From November 1989 to April 1990 this relationship continued to develop "but serious problems" of discipline began to develop on the shopfloor.

"What became clear was that whilst the relationship between senior management and the union shopstewards had improved this had not been transmitted through to the shopfloor. The pace of events and in many instances the inability of some employees to identify with and understand the new structures which had been created was to give rise to serious

problems and was to test the leadership of both management and NUMSA to the full.”

In April the company suspended production for 10 days in response to “absenteeism” and “unprocedural industrial action”. In May Kopke addressed the entire workforce on the objectives and vision of the company, and the shopstewards addressed the entire bargaining unit, ie the hourly paid workers, on the need to honour the recognition agreement. After this Russell was very optimistic about the company achieving its goals.

Then came the August sleep-in, where a significant number of workers flouted all agreements and procedures and “ran amok” in the plant. This was obviously a blow to Kopke’s project of establishing the legitimacy of negotiation and the right to manage. Russell says, “No doubt there is an element both within management and the union that doesn’t want the structures to work. The people who are occupying the plant are defying every conceivable structure.” The company saw this as the key issue in the strike, and demanded that the union and the shopstewards reaffirm the legitimacy of agreed structures and procedures. Those who flouted the procedures were dismissed.

The final agreement explicitly reaffirms all agreements and procedures. The company is clearly pleased that not only the union but also the ANC and the SACP

backed this. It appears as if the company has used the dispute over the sleep-in - where the union was in a weak bargaining position - to try to regain control of the shopfloor.

What chances of success?

Kopke and Russell are outlining a programme to change the “company culture” among both management and workers so that a “common vision” and “common objectives” can be established. Their programme is geared to reduce conflict, achieve motivation and discipline, and drastically increase profitability.

What chances are there of success? Shopsteward Mtuzeli Tom agrees that the relationship has improved. “Management recognises the social and political factors that impact on the shopfloor,” he says. But he challenges Russell’s analysis: “Workers on the shopfloor are just as clear as the shopstewards. But when management sees no strikes, they say the relationship is improving. When they see strikes, they say it is getting worse. That is how management views things.

“The problem is top management’s - they see the sufferings of the workers, but they don’t pass the message to their subordinates. Lower management still sees workers just as tools without human dignity. When we see injustice we have to take action to root it out. That is what happened in April.”

Tom believes manage-

ment adopted a “harsh position” in negotiating the agreement to restart production after this year’s sleep-in. “The situation can change in one of two ways,” he says. “Either workers start asserting their position again, or they remain demoralised and management can impose its oppressive rule.”



Tom says management cannot use its ‘right to manage’ in order to unilaterally make decisions that affect workers. Workers do not, however, have problems with management’s right to manage more broadly - that is, make marketing and investment decisions. But he points out that the ‘right to manage’ is a way of entrenching capitalism, and says that may be challenged after apartheid. In fact, he sees the entire approach of liberal industrial relations as “dangerous - it is designed to make capitalism respected.”

Despite Tom’s reservations, if the company continues in the direction described by Kopke and Russell, it will probably be able to improve industrial relations at MBSA. Indeed, they could hardly get worse.

But Tom’s comments focus attention on the fact that MBSA management has more radical goals than ‘sound industrial relations’: their aim is to achieve a partnership of capital and labour - both in the workplace and in society more broadly - which will build a prosper-



ous non-racial democratic SA (see box on p 40). Society

built on this partnership could "address the basic social needs of the majority of our society to the mutual advantage of the working class, business and society."

Social democracy

In other words, Kopke and Russell are talking about a social democracy in which the basic principles of capitalism are preserved - private ownership, the right to profit, the right of the owner to manage and to control investment. But the dynamics of capitalist exploitation and accumulation would be curbed by labour's bargaining strength, and its right to influence social and development goals and social responsibility programmes.

Many of MBSA's shop-floor problems can be traced back to apartheid. With apartheid gone the social democratic project may well be possible. This vision is not only held by MBSA management - it is shared by many of the more advanced thinkers in business. But is it possible for capitalism - even social democratic capitalism - to meet the "basic social needs of the majority" of South Africans? The danger is that it would incorporate and meet the needs of a new elite and a privileged labour aristocracy, and leave the great majority to a life of poverty on the margins of society (see for example Alec

Erwin's argument in *Labour Bulletin* Vol 14 No 1)

The question for the working class movement is how to engage and challenge the social democratic project and push it further towards socialism - to give the broad working class real power over decisions about production, investment and economic development. This will mean continuing to challenge the right of capitalists to

own, control and manage. To do this will require penetrating analysis and well-organised struggles - in Tom's words, "It will depend on the strength of workers generally, and on the programme of the working class." But it may be the only way to establish a society in which the needs of *all* are taken into account, and the needs of the *majority* are paramount. ☆

No worker control at MBSA

says shopsteward Mtutuzeli Tom

Management's understanding of worker control is different from our own understanding. Anyway, this is not surprising to us since we belong to two different and contending classes with different political agendas.

Whenever workers challenge unilateral, stupid and deliberate decisions made by management, that is 'worker control' to their thinking. To management it is alright when workers are "*Ja baas, enkosi mlungu wami.*" [Yes baas, thank you, my boss/white man]. This is an old and outdated approach in industrial relations.

It is not true that worker control was in existence in the plant since 1987. During that era, MBSA management was ill-treating our members. In fact, the workforce was subjected to severe punishment. To prove that fact, the number of dismissals and also of strike actions during that period is very high, as compared to 1989-1990. If that had been a period of worker control, we would have reduced unemployment in the area, improved housing and education, been part of deciding about profits or losses the company has made or suffered etc. All in all, no worker control was exercised here. There has only been the struggle to defend our interests against theirs. ❖

Agreement in the metal industry

some

breakthroughs

by *CAROLE COOPER*

At the beginning of September, the annual agreement for the metal industry, governing conditions of work of about 380 000 workers nation-wide, was signed after protracted negotiations lasting five months.

The majority (12) of the unions on the National Industrial Council for the Iron, Steel, Engineering and Metallurgical Industry indicated in July that they were prepared to accept the employer offer.

However, two unions, COSATU's National Union of Metalworkers of South Africa (NUMSA) and NACTU's Metal and Engineering Workers' Union of South Africa (MEWUSA), together representing the majority of workers in the industry, refused and separately declared disputes with the employers.

Faced with the possibility of a nation-wide strike, the employers threatened to

stage a lockout. In the event neither the strike nor the lockout took place.

NUMSA's demands should be seen against the background of decisions taken in February at its national bargaining conference (NBC) on the restructuring of the economy.

Two steps towards socialism

In his opening address to the NBC, NUMSA's national secretary for organising and collective bargaining, Bernie Fanaroff, pointed to two basic steps for the laying of a foundation for socialism: building organised power and understanding and conscientisation; and winning demands which would start to restructure the economy.

Warning against factory tribalism, he said: "By bargaining at industry level, we can start to restructure the

economy. That is why NUMSA demands for a new industry training scheme and for more job security and job creation programmes are so important."

Job creation should involve using resources and wealth to make more employment and more useful goods, not just more profit; industry-wide training schemes should allow for workers to get enough basic education to qualify; and job security meant stopping management's attack on workers' rights and workers' living standards.

Fanaroff pointed to the need to extend the scope of the industrial council (IC) to include all workers in the metal industry. The council also needed to be more democratic.

A second focus of the February conference concerned the restructuring of the union



to make it more effective when bargaining with employers. It was felt that in 1989 there had been insufficient co-ordination over the living wage campaign, for example, each sector having adopted its own strategy.

To build solidarity across the sectors, the conference adopted a national bargaining strategy which could be adapted in the separate industrial council negotiations in the engineering, motor assembly, motor components and tyre industries. Among other things, conference delegates decided to push for a R2-an-hour increase in all negotiations.

Proposed strike

While the 12 other unions on the council agreed to the final package in July, following a second NBC, NUMSA rejected it and declared a dispute (as did MEWUSA). NUMSA said that SEIFSA's offer was not adequate in terms of wages, job security, parental rights, hours of work, 21 March as a holiday, and the extension of the agreement (*The Star* 26 June 1990)

The union started to ballot its members at the end of July and, in a 53% poll,

NUMSA and MEWUSA both declared a dispute

63 000 out of 120 000 workers voted in favour of a strike and 6000 against. A number of reasons, however, led the union to change its mind about holding a strike.

Firstly, according to the union, it decided to settle because it felt that a major industry strike could have sparked off further widespread violence in the Pretoria/Witwatersrand/Vereeniging (PWV) area.

It said that the violence in the PWV area had had an effect on the balloting, and union organisers taken up with the unrest had not been able to ballot all areas, resulting in the low poll.

Fanaroff cites attacks on striking USCO workers (which left nine or ten of them dead) in their Sebokeng hostel in support of the union's decision. (The union bargains separately with USCO and workers had gone on strike after holding a positive strike ballot.)

Secondly, the low poll itself must be seen as a prime reason for the union deciding not to hold the strike.

Finally, the fact that many demands had been met, and that the union had won significant breakthroughs, also played a major role in NUMSA's decision to settle.

SEIFSA argues that its threat of staging a lockout was also a reason for the union's change of heart, a



claim rejected by NUMSA. The employer organisation's decision to hold a lockout arose out of a strike handling workshop in early August.

At the workshop the view was put forward that as the union was shifting from 'technical' strikes to 'power' strikes (manifested as national industry strikes), SEIFSA's most effective option was the lockout as this would enable it to exert maximum pressure efficiently and forcefully on the union.

SEIFSA ballot for a lock-out

In a ballot conducted on 6 September, 61,2% of SEIFSA members voted for a lockout. Of the 1 959 votes cast, 21 were negative, giving a 53,3% vote in favour of the lockout overall. (*SEIFSA press statement*, 13 September 1990)

The workshop also focused on the adoption of methods designed to break the strike. One tactic discussed was to show that the union's ballot was illegal by demonstrating that the ballot proceedings were illegal. It was suggested that employers use videos, taping, and photographic equipment to build up evidence of such

irregularities.

According to labour lawyers, however, proving that irregularities occurred at particular factories would not have had the effect of rendering the whole strike ballot null and void or of making the strike illegal.

Further tactics included:

- attempts to drive a wedge between the union and workers by showing workers that SEIFSA's proposals on wages were generous;
- plans to use hostel workers as a core workforce, or remove them from hostels if this proved impossible;
- the staging of 'theatrics', for instance, by making sure that trucks would be seen going into and coming out of factories even if they were empty;
- and the subcontracting and/or hiring of temporary workers, who, SEIFSA said, would not be considered as scabs.

Other tactics suggested included sending notices of dismissals to workers' homes; setting up lists of reserve employees; and using security or police if necessary. If a sectional strike occurred, it was suggested that management lock out the entire workforce to induce acceptance of their offer.

Restructuring of bargaining:

This year's negotiations (see Demands and Settlements on page 49) have led the union to re-appraise its negotiating

and mandate procedures. According to NUMSA, it found it difficult to report back on demands because of the complexity of the issues, and it has made suggestions that in future the bargaining process should be divided into three sections:

- 1) cash issues - bargaining will take place on an annual basis as at present;
- 2) long-term structural issues, such as job creation and training. These will be discussed over a longer period of time, the union seeking a mandate from workers on broad policy, rather than on specifics;
- 3) certain issues, such as hours of work, should be taken up by all unions and coordinated by COSATU as national campaigns. Negotiations could still take place annually but within the scope of the national campaign.

The question of deregulation

The union strongly objected to SEIFSA's demand that the scope of the main agreement be amended to exclude small businesses employing eight or fewer people. The main reason for this demand has to do with SEIFSA's representivity in the industry, which the department of manpower judges according to the number of employers the organisation represents.

At present SEIFSA's representivity is poor as it represents only 32% of all metal employers (although its members employ 70% of all workers covered by the

agreement). SEIFSA argued that excluding small businesses, many of which are not members of SEIFSA, from the scope of the agreement would increase the organisation's representivity.

A SEIFSA spokesperson also mentioned the organisation's concern with creating jobs as another reason for the demand, although it is clear that this was very much a subsidiary concern. The exclusion of such businesses from the agreement would have the effect of releasing them from the obligation to pay the same wages as the larger, more profitable employers, and from bureaucratic requirements involved with the agreement, the spokesperson said.

Fanaroff said that NUMSA and other unions rejected employer assertions that deregulation would create more jobs, believing this would lead only to increased exploitation of workers. A more sound way to start addressing the unemployment crisis lies in the negotiation of job creation programmes at industry level. NUMSA believes that a large part of the unemployment crisis is due to big business not investing profits in projects to expand our manufacturing base, he said (*Business Day* 9 April)

Unions vs employers and the state

However, it is not only the employers whom the union has to fight on the issue, but the government as well. Deregulation is one of the

CENTRALISED BARGAINING

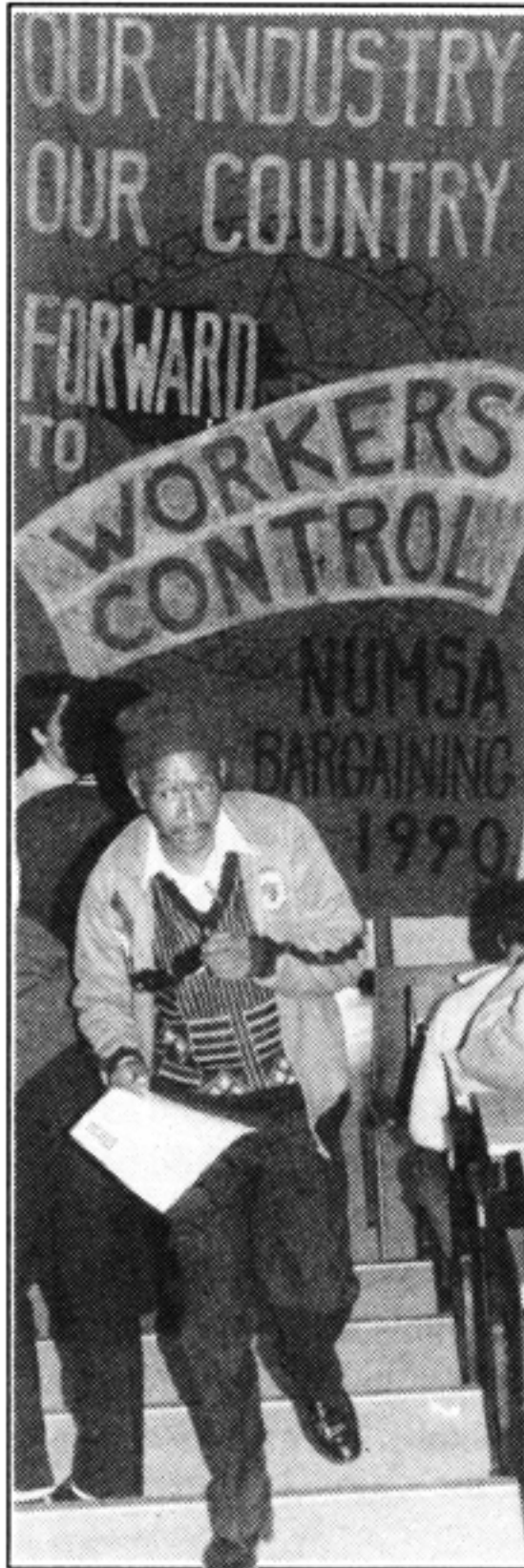
corner-stones of its policy on job creation and in 1986 the department of manpower instructed all ICs to inform it within 30 days of steps taken to deregulate industrial council agreements, otherwise they could be ordered to do so by the state president in terms of the Temporary Removal of Restrictions on Economic Activities Act passed in the same year. (1987/88 *Survey of Race Relations*, p 645)

In October 1989 it sent ICs a second letter on the issue, basically saying the same thing, although without the 30-day proviso, and suggested, inter alia, that the fixing of differential wages on an area basis especially with a view to stimulating economic development and job creation in the rural areas is a further aspect which ought to receive attention of industrial councils. (Department of Manpower, circular letter LR 5/89)

Exemption of micro-businesses

Thirdly, the recent National Manpower Commission report on micro-businesses has suggested that the system of exemption of these businesses from IC agreements be maintained and extended (National Manpower Commission Project Committee on Small Business, 'Working document regarding the possible accommodation of independent micro-businesses in terms of labour legislation', August 1990.)

NUMSA declined to at-



National Bargaining Conference: building solidarity across sectors
Photo: William Matlala/COSATU

tend a meeting between the department and council parties held during the negotiations over the exemption question because of the government's failure to implement union and employer demands over changes to the Labour Relations Act.

However, according to a source within the Confederation of Metal and Building Unions, department officials present were hard pressed to list examples of complaints from small businesses about

being included in the agreement.

While the employers dropped their demand for the exclusion of small businesses, industry sources say they will probably raise it again in 1991.

Plant-level bargaining:

A further point of contention between the parties was the issue of plant-level bargaining. In line with its long-standing opposition to plant-level bargaining, SEIFSA demanded that a clause be introduced into the main agreement on a parties-only basis which would provide legal protection for SEIFSA member companies against a compulsion to bargain at company level in respect of those matters negotiated and incorporated into the main agreement.

The employer view has the backing of the department of manpower, and the director general, Joel Fourie, is reported as having said that centralised national bargaining is not suited to a developing country like South Africa, while plant-level bargaining is ideal because it allows employers to pay what they can afford (*New Nation* 16 February 1990)

NUMSA, however, holds the view that basic minima should be set at IC level and further improvements on those conditions be set through plant-level bargaining. SEIFSA eventually agreed to drop their demand for this clause. ☆

DEMANDS AND SETTLEMENT

Commenting on the final settlement reached with the engineering employers' body, the Steel and Engineering Industries Federation of South Africa (SEIFSA) in September, NUMSA said that there had been some significant breakthroughs, and that it had had some success in fulfilling its task to establish a basis for restructuring the industry. The main area where it had failed to make enough progress was wages.

Wages

The final wage settlement granted a 19% increase (67 cents an hour) at the lowest rates and 15,5% (R1,29 increase an hour) at the highest rates, with a new minimum rate of R4,18 an hour. This was an improvement on the employers' opening offer of 10% to 12,9% - an across-the-board increase of 46 cents for labourers and 83 cents an hour for artisans, which would have brought their minimum hourly rates to R4,02 and R9,14 an hour respectively.

The settlement fell far short of the union's demands for a R2-an-hour increase (set by the NBC), which amounted to 56% at the lowest grade and 24% at the highest grade and a R5,50 an hour minimum wage. Significantly, while the employers revised their wage offer a number of times, the union consistently held out for the R2 increase. The fact that an in principle stand had been taken on the wage demand probably accounted for this.

Job Security

Regarding job security, the agreement stipulates that employers should give the union notice of retrenchments, redundancies and plant closures or transfer, and consult it with a view to reaching agreement on severance benefits and all aspects of retrenchment.

According to the union, this practically gives unions the right to negotiate on all retrenchments or redundancies - which is what the union had demanded. (NUMSA press statement, 3 September 1990)

NUMSA has expressed concern at what it sees as an increasing trend among metal manufacturers to use temporary labour

and demanded that this practice and all probationary periods should stop. The employers agreed to the monitoring on a monthly basis of the number of temporary workers in all establishments. According to a union spokesperson, SEIFSA said that if the monitoring revealed that the use of temporary labour was on the increase, it would agree to restrictions on the practice.

Training

Regarding training, the union demanded immediate, concrete steps to end discrimination and segregation in training. These steps were to include the development through negotiation in the council of guidelines for non-discriminatory recruitment, selection, training and testing procedures; and pressure on the state and training institutions to end all racist and sexist entry requirements.

SEIFSA undertook to work for the removal of all discrimination in training and education, and negotiate guidelines for non-discriminatory recruitment, selection and testing procedures for training. It agreed to give the training institutions on which it is represented until the end of 1991 to remove discriminatory practices, otherwise it would withdraw its representatives and recommend to its membership to withdraw financial support from those institutions.

Job creation and hours of work

The union in its demands expressed the view that instead of asking workers to work overtime, employers should hire more workers as a way of dealing with unemployment. It demanded that overtime should be limited to a maximum of five hours per week for emergencies. In addition, normal hours of work should be reduced from 45 hours a week to 40 a week without loss of pay.

While there was no agreement on the overtime demand, employers agreed to reduce the ordinary working week to 44 hours from 1 October 1990. However, workers will be required to work an additional hour per week at a rate of time and a third. In effect, then, workers will still work a 45-hour week but for more money.

While this is out of line with the union's demand that overtime should be reduced, a NUMSA spokesperson sees it as a significant breakthrough in that SEIFSA had never before granted any concession on the issue of working hours. From July 1991, hours of work will automatically be reduced to 44 a week.

In addition, agreement was reached on the union demand that a special committee be formed to explore all ways of increasing the permanent employment opportunities in the industry.

Exemption from Agreement

In a significant step forward in NUMSA's attempts to protect rural workers, it was agreed that employers applying for exemption from the main agreement in respect of wages will be required to consult first with representative unions.

SEIFSA also agreed in principle that workers in the homelands should be covered by the agreement. For this to happen, the LRA would have to be amended to include workers in these areas.

Bonuses, allowances, benefits and provident fund

Both the leave bonus and the living out allowances for workers on site were increased. Maternity benefits were increased by 5%, while all women workers who want them will be able to have free pap smears. However, union demands for 14 days paternity leave a year were not met. Final agreement was reached on the establishment of a provident fund for the industry and the union believes that a large proportion of the members of the Metal Industry Pension Fund will transfer their entitlements to the new fund, making it the largest in South Africa. There was also agreement in principle to amalgamate the industry's two pension funds after the establishment of the new provident fund.

SEIFSA rejected NUMSA's demand that 21 March be declared a public holiday. It was agreed, however, that 16 June will be treated as a holiday, while 21 March will have a 'no work no pay no discipline' provision. ☆

The struggle over appropriate levels of bargaining has resulted in one of fiercest clashes between employers and trade unions. COSATU has launched a major campaign to promote one particular level of bargaining. In practice though bargaining takes place at a number of different levels in South Africa, from highly centralised multi-plant bargaining to completely decentralised plant bargaining.

These levels include:

- inter-industry bargaining which brings together employers and trade unions from a range of different industries (such as the recent SACCOLA/COSATU/NACTU talks on appropriate labour legislation).
- industry bargaining such as the metal industry negotiations involving a range of different operations and products in a single industry.
- sectoral bargaining which involves only plants in a single segment of industry (such as the blanket division of the Textile industry).

The case for centralised bargaining

The Mercedes strike has focused attention on the struggle over levels of bargaining. Here SACTWU's EBRAHIM PATEL* puts the union case for centralised national bargaining forums. He argues such forums facilitate collective bargaining, promote industrial democracy and strengthen self-regulation of industry.

- plant bargaining which involves only a single plant or physical operation or what is sometimes called a profit centre.

The democratic trade unions have over the last few years come out strongly in favour of industry wide centralised bargaining. The biggest industrial conglomerate in South Africa, the Barlow Rand Group has been equally vociferous in opposing all forms of centralised bargaining.

Unions argue for centralised bargaining.....

The traditional arguments by trade unions for centralised bargaining are simple and compelling.

Firstly, centralised bargaining allows for the most efficient use of skilled union and employer negotiators. Instead of using 500 man hours to motivate the need for a maternity agreement at 250 different factories the same results could be achieved in two hours at a centralised forum.

Trade unions in particular do not have the human resources to adequately negotiate hundreds of separate agreements. With plant level bargaining unskilled or overworked officials are often delegated to sensitive negotiations, with disastrous consequences for the company and the workers.

Secondly, centralised bargaining allows trade unions and employers to establish industry wide minimum and fair standards. Since trade unions are fundamentally concerned with the quality of life of their members, we see fair mini-

*This is an edited version of a talk given at the Third Annual Labour Law Conference in Durban, 1990

mum standards of wages or other conditions of employment as a desirable and worthy goal.

Thirdly, where centralised bargaining is conducted through institutions which allow the legal regulation of minimum standards, for example industrial councils, it sets a clear rate for the job. This prevents wage cutting by weakly unionised competitors of companies paying fair wages. The success of a business would then depend on the quality of its management not the lowness of its wage or the weakness of its workers.

Fourthly, some industries consist of a large number of small operations and plants, and wage agreements cannot realistically be concluded at each such plant. For instance, our trade union has members at about 2 000 different plants. Should we negotiate separately at each we would need to conclude about eight agreements per day - a prospect well beyond our capacity.

Fifthly, some negotiations such as those involving benefit funds or training schemes benefit from economies of scale which can only be achieved through centralised agreements.

Finally, the existence of centralised bargaining institutions increases the power of both parties. Labour is strong because it is able to close down an entire industry during industrial action.

Employers too are strong because an industry wide strike disperses trade unions' resources and prevents a union

from concentrating its collective resources on one plant. Where unions do indeed isolate a single company, employers can combine to support such a company financially as happens in West Germany and Sweden.

In short, the very scale of industrial action across a wide front poses grave risks for both parties, and has a mutually deterrent affect on the parties. They will therefore concentrate their efforts on seeking a solution through discussion and negotiation.

.....while employers come out against it

The arguments of employers against centralised bargaining have been many and varied.

The first set of employer arguments rejects the very notion of centralised bargaining and argues that centralised bargaining promotes strikes, and undermines economic growth through setting high wage entry levels for employers in an industry.

Unions have replied that there is no empirical evidence to back up these contentions. On the contrary there appear to be a number of examples where the opposite is true. Italy has a highly complex dual bargaining system with strong centralised bargaining arrangements, including for small business.

Yet Italy has a vibrant economy with a GDP that has overtaken that of largely decentralised England. West Germany has a highly centralised system of collective bargaining yet its dynamic and

strong economy has grown faster than the United States economy which is characterised in turn by a high degree of decentralised bargaining.

These examples show at the very least that there is nothing inherent in centralised bargaining which makes it more prone to labour instability and which stunts economic growth.

Operations criticised

The second set of employer arguments challenge the operations of centralised institutions. Those arguments contend that:

- centralised bargaining removes negotiations from the key actors at plant level, namely the shop stewards and managers
- it denies access to the bargaining forum for trade unions which have strong plant representation but lack an industry majority
- it lacks flexibility in that disputes are often declared for an entire industry and strikes take place even when the more profitable sectors of the industry are able and willing to pay more than the average offer of the employers
- the tendency to dual bargaining exposes employers to a double risk of strike action. One for industry demands, and then for supplementary plant demands.

Many trade unions will respond by accepting the need to restructure centralised bargaining forums. The operation of the forum is a matter like any other which will require nego-

tiation between the parties.

To overcome the distance between the forum and the factory, trade unions from their side have started to convene large representative shop steward caucus meetings. These gather close to the venue of wage talks, shape union mandates during the course of negotiation and report rapidly to members at the different plants on the progress of negotiation.

Trade union representation in bargaining forums differs in a number of industries. It varies from an all comers approach where every union which has members in the industry can sit on the council, to proportional representation where the number of seats for each organisation is determined by that degree of representivity you have in the industry, to majoritarianism where the majority union is the sole worker representative.

Unions are considering introducing greater flexibility in central bargains through, for example a single condition of employment agreement which should regulate public holidays, sick leave etc, but with a series of different wage schedules for each distinct sector of an industry. Dual versus single bargaining can similarly be regulated, either:

- through clauses in agreements which prohibit dual bargaining or
- through specifying the issues on which bargaining can take place outside the central forum.

Dispute procedures ought to address the issue of industry wide strikes and whether sep-

arate settlements in distinct sectors of an industry would be necessary, desirable or permissible.

In short merely because some real difficulties have arisen in centralised bargaining forums does not mean that the forum need to be scrapped.

In truth though, unions are sceptical of employers sincerity when they talk about the alleged flaws of centralised bargaining. As an example I will cite Barlow Rand. First, I would like to quote from some Barlow Rand Reports and public statements issued in the newspapers.

In 1974 the Barlows chairman said, "we welcome the fact that the (Black Labour Relations) Act gives blacks the opportunity to participate in discussion at industrial council level." *Unions hardly existed at the time.*

In 1977 the chairman said, "we would like to see negotiations at industry or national level between the employer organisations and multi-racial unions." *Unions were still weak.*

In 1980 the Barlows chairman said again, "we would ideally like to deal with registered unions in an industrial council structure." *Unions were weak.*

Barlows considers pulling out of the IC

In 1983 when labour was getting its act together, Barlows decided to reconsider its position on the industrial council system. The chairman reported: "The year has seen the use of the industrial court and entry into the industrial council system by trade unions.



Unions doubt their sincerity

Decisions of the court have created considerable uncertainty among employers as to what they can and cannot legitimately do. Unions are entering the industrial councils on the basis that centralised negotiation is complementary to but exclusive of plant level bargaining."

By 1986 the human resources report of Barlows said: "the decentralised nature and collective bargaining arrangements of the group helped the group to deal effectively with industrial unrest and political demands." *Our giant federation COSATU had just been launched.*

In 1987 the human resource report said that during the labour unrest in 1987 Barlow companies fared better than most due to the group values and plant level bargaining.

And by 1988 we heard: "recognition agreements are logical extension of our decentralised management structure and the belief that industrial relations should be managed at plant level." (*Human Resource Report*).

These changing statements over the years show clearly an initial support for centralised bargaining when unions could not use the economic muscle that comes with it, and then a period when the group turns against centralised bargaining because powerful national

unions were emerging.

Second, our experience has been that Barlow companies have in some instances been very active and vigorous participants in industrial councils until strong and independent trade unions entered the councils.

When that happened Barlows sought to break up the councils on the grounds of its belief and philosophy that labour relations is best conducted at a decentralised level. Why is it that this philosophy is only discovered when strong trade unions enter industrial councils and not where weak trade unions occupy centralised bargaining forums?

Consensus on democratising society

The above issues are the traditional arguments of the trade unions. South Africa is entering a new period characterised by growing consensus on the need to democratise our society.

The trade union vision is one of a democracy not limited to the political process, but a democracy which includes industry and the economy. Labour's legitimate concerns in a democratic South Africa cannot be confined to the rate for the job and the length of the working week, for these are not the only issues which affect our members and their families.

Trade unions intend to play a role in shaping future macro-economic policy. We regard it as vital that workers help to shape policies on employment creation, inflation, economic growth, investment, income policy, training, productivity

and a host of other matters.

Unions are committed to the goals of high employment, high wages, high productivity, economy with economically viable, competitive enterprises. I am quoting from a COSATU statement here. We need to go beyond slogans and negotiate agreements which give effects to these commitments.

The programme to extend the frontiers of industrial democracy means extending the areas of economic decision-making which are negotiated by labour and capital.

Unions and macro policy

How best then can trade unions enter the terrain of co-shaping macro policy. They can do so in one of two ways. They can seek to increase their influence in a future democratic state and use the institution of the state to regulate economic matters.

This may include minimum wage legislation, re-shaping of the industrial judicial process to produce a more pro-labour position, changes to the labour laws to regulate conditions of employment, increased taxation or nationalisation of enterprises.

Alternatively they can seek to achieve self regulation in industry through collective bargaining with employers on a broader range of issues than is the case at present. This would require centralised institutions and forums since macro issues cannot be dealt with adequately at plant level.

Many trade unions prefer the latter option of self-regulation within industry and a more active, genuine and wider

dialogue with employers on economic policy, rather than state intervention. This preference for self regulation is based on three propositions.

Firstly, the need to avoid an over centralised commandist approach to economic policy by the state. Commandism, that is, a series of laws, regulations and instructions issued from an authority far removed from realities of industry, is less likely to be economically sound.

Secondly, the importance of developing a strong civil society independent of state and political party with real economic power. The danger of concentrating all power in the hands of an all powerful state has well been demonstrated. The state itself becomes a tyrant over the people and the people are effectively left out of decision making. Strong civil society requires strong trade unions.

Thirdly, the advantage of creating a compact state without a massive bureaucracy which will need to regulate and implement all policy.

In conclusion, trade unions want to expand the areas of economic decision-making which they participate in. They can do so through state regulation in a new democratic South Africa, or they can do so through using strong dynamic centralised bargaining forums to bargain with employers and reach common decisions. Which route the unions choose will depend on whether employers are prepared to co-operate. ☆



NACTU 's 3rd congress

*what prospects
for unity?*

DEVAN PILLAY looks at the 258 000-strong NACTU, the second largest trade union federation in South Africa, after its third biennial congress, and asks: Has the Africanist-oriented federation overcome its internal divisions, and can it forge unity with COSATU? How different in fact are the principles and practices of NACTU from that of COSATU?

The National Council of Trade Unions (NACTU), after a period of internal disarray which saw its membership plummet to below 150 000, claimed at its third biennial congress in September to have overcome its divisions, and grown in strength. The federation now claims to have at least 258 000 paid-up members, 43 000 of which come from new affiliates.

Ever since its formation out of a merger between the Council of Unions of South Africa (CUSA) and the Azanian Confederation of Trade Unions (AZACTU) in 1986, NACTU has been overshadowed by the more than one million strong COSATU.

After its 1988 congress, when an Africanist-oriented leadership was elected, NACTU was seen by many as a PAC-aligned federation with deep internal divisions, and an

unwillingness to seriously seek worker unity.

NACTU, however, rejects this picture painted of it, and claims to have consolidated its organisation, and grown in strength.

NACTU claims increased numbers

The table shows NACTU's numerical strength at the September congress, based on the affiliation fees each affiliate has paid to the federation.

These figures do not reflect the "real" paid-up membership, says NACTU, which is in the region of 320 000. For example, SACWU claims a paid-up membership closer to 60 000, but for technical reasons only paid affiliation fees for 40 000 at the time of the congress.

This also applies to a number of other affiliates, says NACTU general-secretary Cunningham Ngcukana (see figures in brackets in the table). In addition, the figures do not include the 20 000 signed-up members of NACTU's new Teachers Union. Ngcukana claims that its March 1990 signed-up membership was 588 000.

Based on these figures, NACTU is strongest in the chemicals sector (COSATU's CWIU has a membership of 35 000), the construction industry (COSATU's CAWU has a membership of 21 000), the metal industry, the furniture trade and the food industry. Unions which have claimed significant growth since the last congress are HOTELICA (from 1 800 to 8 000),

MWASA (from 5 000 to 10 000), NUF (from 350 to 10 000), SACWU (from 32 000 to 40 000), SEAWUSA (from 5 500 to 20 000 and TAWU (from 5 000 to 15 000).

These figures indicate a significant improvement over the past ten months. Last January NACTU's former general-secretary, Piroshaw Camay, said that NACTU's membership had fallen to below 150 000. This, he said, was due to the fact that "NACTU unions are not servicing members effectively, not recruiting new members, and members are voting with their feet... there is growing evidence that COSATU unions are winning over NACTU membership, especially in the food and metal sectors...the union leadership generally has not sufficiently moved to recruit new membership, build structures and

provide worker education in the past 18 months" (*Weekly Mail* 26/1/90).



But is this view still valid? According to Ngcukana, NACTU's membership has increased because some affiliates have improved their methods of organising. HOTELICA, for example, went on a recruiting drive after implementing the NACTU principle, adopted in 1988, that "an organiser is someone who builds membership, and not a cheque collector", says Ngcukana. If an organiser cannot recruit properly, then he or she has to be replaced. This approach is still being discussed with affiliates, says Ngcukana, as each have their own employment practices.

From its 1988 congress NACTU has insisted on strict measures to ensure that affil-

NACTU PAID-UP MEMBERSHIP, September 1990

Banking, Insurance, Finance, Assur (BIFAWU)	1 000	(3 000)
Black Trade Union of Transnet (BLATU)	31 750	(45 000)
Black University Workers Assoc (BUWA)	486	
Brushes & Cleaners WU (BCWU)	2 000	(5 000)
Building, Construction and Allied WU (BCAWU)	+35 000	
Federated Mining Union (FMU)	7 000	
Food Beverage WU (FBWU)	18 000	
Hotel, Liquor & Catering (HOTELICA)	8 000	(14 000)
Media Workers Association of SA (MWASA)	+10 000	
Metal Workers Union of SA (MEWUSA)	12 250	(30 000)
Natal Liquor & Catering (NLCTU)	6 732	
National Union of Farmworkers (NUF)	10 000	
National Union of Furniture Workers (NUFW)	24 000	
National Union of Public Service W (NUPSW)	750	(5 000)
Nat Union of Wine, Spirits & Allied (NUWSAW)	6 000	(11 000)
SA Black Municipal & Allied WU (SABMAWU)	3 000	(6 000)
South African Chemical Workers Union (SACWU)	40 000	(60 000)
SA Laundry, Drycleaning & Dyeing (SALDCD)	1 900	(3 320)
Steel, Engineering & Allied WU (SEAWUSA)	20 000	
Transport & Allied WU (TAWU)	15 000	
Transport & Omnibus WU (TOWU)	1 200	
United African Motor & Allied WU (UAMAWU)	2 000	
VUKANI Guards and Allied WU	2 000	
TOTAL	258 068	



ates do not inflate their membership figures for congress. According to Ngcukana, the federation insists on audited financial statements from affiliates, and if necessary will check their books.

NACTU has in the past experienced difficulty in ascertaining its true membership figures. At the 1988 congress, the total membership registered was 150 000, but NACTU felt that its true paid-up membership was nearer 300 000 (see *Labour Bulletin* Vol 13 No 7). Ngcukana now says that the membership then was only between 200 000 and 250 000.

Nevertheless, there is evidence of increased activity of some NACTU affiliates over the past year. SACWU has always been very active, and this year won major wage demands at AECI, Plascon and Sasol. According to Ngcukana, it has made significant gains in the Transkei and Ciskei.

MEWUSA worked closely with COSATU's NUMSA in this year's metal industry bargaining, and the two unions came close to embarking on joint strike action. NUSAW has recently come out with a successful first-ever national strike in the wines and spirits industry (see *Labour Bulletin* Vol 15 No 2).

Since August, around 1 500 members of the NUF have been on a wage strike at the Zebedelia Citrus Farm in the Northern Transvaal. The NACTU congress resolved to organise a nation-wide day of



Members of SACWU - NACTU's strongest union - protest in early 1990 against racism at AECI

Photo: Morice/LabourBulletin

action in support of the workers after consulting with other progressive organisations, including COSATU.

Divisions within NACTU?

After initiating the first Workers Summit in March 1989, NACTU pulled out at the last minute, causing some of its affiliates to rebel and attend as individual unions (see *Labour Bulletin* 14 No 1). In his opening address to the congress, NACTU president James Ndaweni explained that the federation pulled out because it needed time to develop "clear guidelines after full discussion" within its ranks of the serious issue of building working class unity.

NACTU did, however, attend the second Summit in August 1989, and participated in the highly successful anti-LRA stayaway in September of that year.

But the spirit of unity gener-

ated by the anti-LRA action did not last, as NACTU pulled out of the Conference for a Democratic Future (CDF) in December, despite having served on the convening committee (see *Labour Bulletin* Vol 14 No 6). It was seen to be following the line of the PAC, which had also decided not to attend the CDF.

However, individual affiliates like the Black Allied Mining and Construction Workers Union (BAMCWU) defied the NACTU decision, and followed its black consciousness (BC) ally Azapo and attended the CDF (which brought together a wide range of anti-apartheid forces, including the UDF and COSATU).

This gave the impression that NACTU was deeply divided along ideological and political lines. This view was strengthened when, on the eve of the CDF, NACTU's general secretary, Piroshaw Camay, resigned (see later).

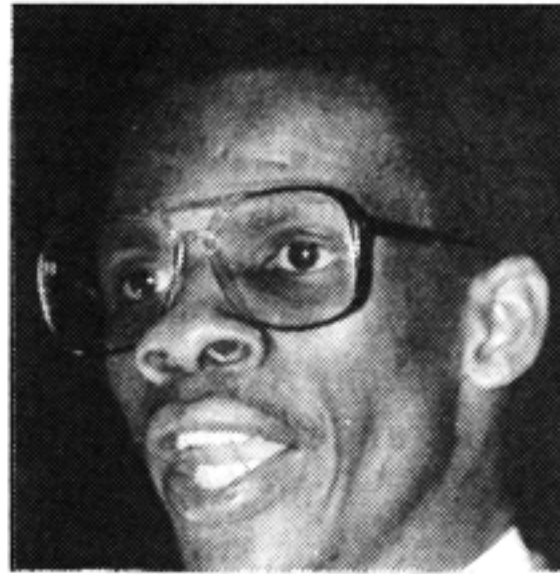
Expulsions at the congress

Press reports before the congress indicated that NACTU was still 'strife-torn'. BAMCWU, which claims a paid-up membership of 20 000, reportedly threatened to stay away from the congress because of allegedly being "victimised financially" by the federation. Voices of dissatisfaction with the federation were also expressed by unionists in MEWUSA and NUPSW (*Weekly Mail* 29/9/90).

At the congress it was decided to effectively expel BAMCWU, which in the end did not turn up. The reason given was the failure to pay subscription fees for a year. They "disaffiliated themselves", says NACTU, and the congress merely endorsed that. They paid their fees with two "bouncing cheques". If they have financial problems, they have "not discussed it with us", says Ngcukana, despite the federation calling upon them to do so.

As far as NACTU is concerned, therefore, BAMCWU cannot make their expulsion a political issue. NACTU denies any financial victimisation, and point to a sum of R91 750 which the federation helped BAMCWU to receive from the British TUC for an asbestos project.

In a press statement, BAMCWU insisted that its expulsion was "politically motivated", as it was based specifically on the union's attendance of the CDF "as recounted by delegates" to the congress. It also charged that



Cunningham Ngcukana,
NACTU general secretary
Photo: Anna Zieminski/Afrapix

the decision to expel the union "was not constitutional, procedural and democratic", and undertook to "challenge" the decision. The union wrote to NACTU "demanding its reinstatement".

BAMCWU general secretary M Mokhine told the *Labour Bulletin* that it did not pay its affiliation fees because NACTU was distributing its resources "on a partisan basis", and not according to the needs of the affiliates.

Many other affiliates, he claims, have not paid their fees, as reflected in resolutions at the congress calling on affiliates to pay, yet "only BAMCWU was singled out". Mokhine disputes NACTU's claim that it had assisted BAMCWU in getting money from the TUC, as "BAMCWU raised the money directly without any assistance". The only role NACTU played was to act as a channel for the funds to come into the country, as requested by the TUC.

The decision to expel another BC-oriented union, the Black Domestic Workers Association (BLADWA), was made because NACTU "is not

sure whether it is a union". Mokhine, however, alleges that



the real reason was to "pave the way for another union formed which espoused the political tendency which makes NACTU comfortable".

Mokhine alleges that serious divisions surfaced during the congress, as a number of affiliates "walked out" of proceedings, and many resolutions, including those on expulsions, were passed by "six to seven affiliates". Most others, he claims, abstained from voting, including NUPSW, MEWUSA, BIFAWU, BCAWU and SALDD.

The Textile Workers Union, whose membership is in the region of 4 000, was expelled because of alleged "mismanagement" of the union, where it was found that the members were not being serviced, and the officials were not accountable. The union had an opportunity to appeal against this decision, but, says NACTU, they failed to turn up for the appeal hearing. They instead wrote a letter to the federation confirming their expulsion.

Mergers

MEWUSA and SEAWUSA are meant to merge under NACTU's new policy of one union per sector, although before the congress Zithulele Cindi of MEWUSA charged that NACTU allowed mergers only when an Africanist-oriented union (like SEAWUSA) can be dominant (*Weekly Mail* 28/9/90). This is



denied by Ngcukana.

NACTU adopted a firm resolution on mergers at the congress, and gave a deadline of six months for fourteen affiliates to be created out of the present 24. Ngcukana expressed confidence that "there is a commitment by all affiliates" to merge. While the deadline might not be strictly met, he was confident that there would at least be a lot of movement by then.

The most divided sectors are the metal industry, with three unions, MEWUSA, SEAWUSA and UAMAWU, the food industry, with FBWU and NUWSAW in operation, and services. Given the political tensions amongst these unions - out of the 24 affiliates, 12 are said to be Africanist-inclined, and 8 are apparently BC-oriented (see *Indicator SA*, Winter 1990) - it would be a major achievement if the unions in these sectors merge.

Is NACTU 'non-aligned'?

Although the congress re-elected the Africanist-oriented executive which ousted BC supporters in 1988, the federation firmly denies that it is controlled by the PAC or any other political party. The congress adopted a resolution on 'non-alignment', resolving to "co-operate with all political organisations within the policies and principles of the federation".

This principle was put into practice at the congress's opening day, when speakers from the ANC, PAC, New

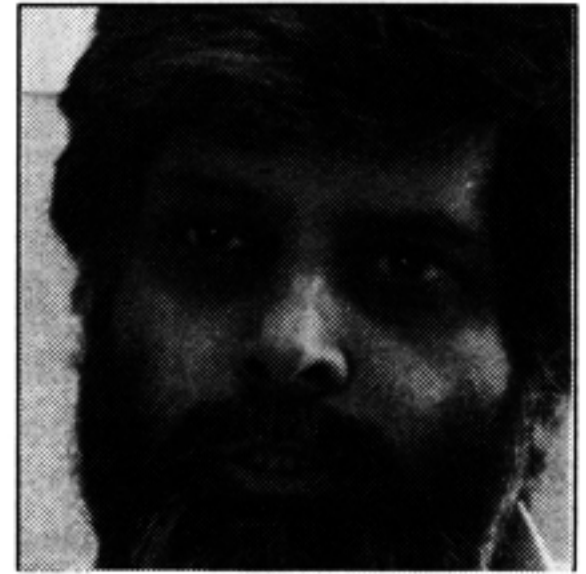
Unity Movement and Azapo were invited to address the delegates. While all the speakers were warmly received, by far the most enthusiastic response was reserved for the PAC's Benny Alexander.

Alexander accepted NACTU's need for independence in its decision-making, and applauded it for inviting different organisations to the congress. However, he urged the federation to openly collaborate with its "natural allies".

"Isolation from the liberations movements is nothing less than a crime of social betrayal of the African working class", he said. Senior PAC representatives told the *Finance Week* (11/10/90) that the PAC has "neither the power nor the inclination to prescribe to workers in NACTU", but confirmed that "the largest section of NACTU members are also PAC members".

NACTU's largest affiliate, the strongly Africanist SACWU, had to be persuaded to withdraw a motion calling for contact to be restricted to the New Unity Movement, Azapo and the PAC. However, NACTU has adopted political stances which are little different to that of the PAC.

For example, its preconditions for negotiations with the South African government include the "redistribution of resources, particularly the land", a key PAC demand. Its principle of 'African working class leadership', which replaced the BC 'black working class leadership' at the 1988 congress, is based firmly on



Piroshaw Camay: resigned because of divisions in NACTU

Photo: Anna Zieminski/Afrapix

Africanist thinking (see *Labour Bulletin Vol 13 No 7*). Mndaweni and Ngcukana both admit to being PAC members, although they insist that they are careful not to allow their political affiliation to interfere with their unionism (see *New Nation* 12/10/90).

Last December division came to a head when Camay resigned, charging that the federation was being run by a political "caucus" which imposed its decisions on NACTU (*Weekly Mail* 26/1/90). Ngcukana does not think that there is anything unusual about an organisation having caucuses to discuss issues.

It is "part of the democratic process", he says, as long as the structures of the organisation openly debates and discusses the issues before decisions are taken. The existence of a caucus, he insists, does not imply that NACTU is not non-aligned.

Camay's resignation came after the resignation of officials, including two from SACWU, during 1989, and was followed by the resignations of five others during

1990. Early this year there were reports of severe in-fighting in the Natal region of MWASA, with expelled BC officials refusing to vacate their positions. The BC *Azanian Labour Journal* (Vol 3 No 1) is highly critical of the Africanist leadership, claiming that it has lost its most talented officials, and was now in a state of "inefficiency". It also points to victimisation of BC supporters in the federation.

There is, however, some substance to NACTU's claim to being non-aligned politically. In contrast to COSATU, the federation does have contact with a wider range of political forces. Its relationship with the ANC and SACP seems fairly healthy. ANC general secretary Alfred Nzo, in his address to the congress, praised NACTU for the "valuable contribution" it has made in organising the working class, and urged NACTU to continue to pursue unity with COSATU.

When the SACP's Joe Slovo spoke to NACTU leaders earlier this year, he was well received. Ngcukana confirmed that NACTU has maintained contact with the SACP, and has asked Slovo to present his paper 'Has Socialism Failed' to a NACTU seminar. NACTU would also like to convene a workshop with the ANC, PAC and Azapo to discuss their respective economic policies, in order to "be clear what the thinking is around us", said Ngcukana.

How far apart is NACTU from COSATU?

In addition to the principles of 'African working class leadership' and 'non-affiliation to political organisations' mentioned earlier, the congress re-committed NACTU to its principles of 'worker control', and 'financial accountability within unions'. It amended its principle of 'independent action of unions within the federation' to insist that affiliates are "bound by democratic decisions of the federation", and that any deviation from that would mean "disciplinary action" for the affiliate. This brings the federation closer to COSATU's conception of a tight federation. At face value, many of NACTU's policies and stated practices do not differ markedly from COSATU's.

Africanism and non-racialism

NACTU claims that it has been non-racial from its inception. The philosophy of Africanism, and building African working class leadership, does not refer to race, insists Ngcukana, but to the continent of Africa, and the "material conditions of the people". Thus all those who identify with the continent of Africa, and not with the interests of settler-colonialism, are regarded as Africans, no matter what their skin-colour.

Worker control

During the time of CUSA, officials tended to dominate the

affiliates and the federation. NACTU seems to have adopted a



policy which brings them very close to COSATU's conception of worker leadership.

When NACTU was formed, a principal of two-thirds workers delegates in all structures of the federation was adopted, and entrenched at the 1988 congress. This policy, says Ngcukana, has been applied strictly. An official has no vote if he or she arrives at a meeting of the federation without workers as part of the union's delegation. If the trade union is for the workers, then the workers should come and speak for themselves, or officials should speak on their behalf in their presence.

The main effect of this policy has been to assist workers in learning about debates, and to participate effectively in decision-making. "They ensure that decisions which are made are worker-controlled decisions," says Ngcukana.

But do all NACTU affiliates really abide by the federation's policies of worker control? The congress resolution points to problems the federation has in getting the affiliates to practice internal democracy, and for leaders to be accountable to the membership. It remains to be seen whether the federation can impose its will on the affiliates.

Fighting sexism

Like COSATU, NACTU has adopted a policy of anti-sexism, and believes that women should be integrated into all



the structures of the federation. At the 1988 congress Patricia de Lille was elected vice-president, the only woman on the executive. This time she decided not to stand for re-election, because of her duties in the Western Cape PAC. No other woman came forward for election, hence the all-male leadership of the federation. However, at least three affiliates have women general-secretaries (NUWSAW, SALDD and BCWU), and there are a number of women in the executives of various affiliates, according to Ngcukana. NACTU resolved to run a workshop programme to discuss the position of women, and to strengthen the Women's Unit.

Ngcukana concedes that, as with COSATU, there is a problem of male chauvinism amongst the membership, and a need to educate men. This is the result of "a whole tradition and culture behind us", and "we need a transformation of cultural values in the whole of society. We are making whatever contribution we can in the context of our time and structures," says Ngcukana.

International affiliations

Another issue which used to divide the workers' movement was its international affiliations. CUSA was viewed with suspicion by the rest of the democratic trade union movement because of its close links with the International Confederation of Free Trade Unions (ICFTU), whereas SACTU was a member of the

Moscow-aligned World Federation of Trade Unions (WFTU).

At its founding congress NACTU, like COSATU, decided not to affiliate to either international federation, for the sake of preserving internal unity, although they have maintained a close relationship with the ICFTU (it is only affiliated to the Organisation of African Trade Union Unity (OATUU)). Recently NACTU established contact with the WFTU, and will be attending its congress in Moscow in November. This is in line with their policy of establishing "fraternal bonds with everybody".

Like COSATU, NACTU has expressed an awareness of the pitfalls of financial dependency. It resolved to call on affiliates to become self-reliant, and "reduce dependency on international funding".

"Unity in action"

NACTU has committed itself to the principle of One Federation One Country. Ngcukana, however, is not optimistic about the possibilities of unity in the near future. Instead, he feels that unity should be slowly forged through creating appropriate forums to minimise conflict, and facilitate united action on the ground.

Minimising conflict

While NACTU seems intent on eliminating conflict amongst its own affiliates operating in the same sectors, it still has to contend with clashes between its affiliates

and COSATU affiliates. Ngcukana does not see competition as "necessarily unavoidable", and argues for "mechanisms" to be built to avoid serious clashes. He believes that, while the present situation of a divided labour movement pertains, minority unions should be recognised, and there should not be an "arrogance of numbers".

He concedes that if workers are divided at the workplace, management can manipulate that to their advantage. In principle he believes in majoritarianism as the "essence of democracy", but the current situation of two federations existing demands "interim measures".

Building unity

Ngcukana, in a recent interview with *New Nation* (12/10/90), spoke of the "lost opportunity" during the 1985 unity talks, which led to the formation of COSATU without CUSA/AZACTU. This, he felt, was "due to a lack of political maturity, vision and tolerance". One of the chief obstacles to unity, says Ngcukana, is the political alignment of COSATU, particularly its adoption of the Freedom Charter. Hence they point to the necessity to first forge 'unity in action', in order to "develop trust and confidence" between COSATU and NACTU.

Ngcukana believes that in a transitional society, one "cannot run away from the impact of politics". Where there is no political democracy, there are "various theories and ideologi-

cal currents which come into play," says Ngcukana, and these have a direct impact on the trade union movement. This is unavoidable, and the best that can be hoped for is worker unity through action and co-operation.

Ngcukana feels that there is a need to incorporate the unaffiliated unions into the two federations, as it is easier to pursue unity with two entities. He is confident that problems can be overcome "once we all know what unites workers".

The first instance of unity in action was the second Workers Summit in August 1989, which led to the highly successful joint stayaway against the LRAA (see *Labour Bulletin* Vol 14 No 4). COSATU and NACTU have also cooperated closely in negotiations with SACCOLA on the LRA, which led to the historic CNS agreement in May (see *Labour Bulletin* Vol 15 No 2). NACTU has resolved to participate with COSATU in a restructured National Manpower Commission, and to continue to struggle for the inclusion of public sector, farm and domestic workers under the LRA.

NACTU proposes a Third Workers Summit to facilitate the process towards unity. It is hopeful that a date will be set soon with COSATU and the independent unions.

Another example of unity in action occurred during the Nampak strike (see *Labour Action*), when NACTU affiliates SACWU and MWASA pledged their solidarity with COSATU's PPWAWU. In ad-

dition, NACTU organised plants in Wadeville held joint demonstrations and refused to handle Nampak products.

Workers Charter Campaign

One of the objectives of COSATU's workers charter campaign is to unite the workers movement around a set of common demands. Ngcukana confirms that NACTU has received a request from COSATU to be part of the campaign, but points to its own programme of formulating a "workers manifesto". This process will not entail "intellectuals imposing ideas on the working class", but a programme of education which will allow workers themselves to formulate their own manifesto. They have already run workshops and seminars. While Ngcukana would not comment on the nature of COSATU's campaign, he stressed that NACTU's campaign was not a "top-down" process. He felt that the Third Workers Summit could discuss a joint campaign between NACTU and COSATU.

The prospects for unity

While there are clearly major obstacles to forging unity between NACTU and COSATU, these are not insurmountable. NACTU regards itself as a "parliament of the working class", in that it believes in allowing all political views of the liberation movement to be expressed. COSATU, on the other hand, has strengthened

its alignment with the ANC and SACP, and some of its most prominent leaders are SACP leaders. Is it desirable for COSATU to adopt a more 'non-aligned' position, in the interests of broader working class unity? Is this the **main** issue dividing the union movement? Or is this issue merely a red herring, to obscure what some believe is a desire of the PAC to maintain an independent base within the union movement?

Given that there is more that unites the working class than divides it, it is the responsibility of the trade union movement to actively seek unity. Difficult as it may be, political and ideological differences ought not to keep the workers movement divided, especially since both NACTU and COSATU subscribe to the principle of trade union independence.

NACTU is clearly a substantial organisation, and many of its affiliates have won important battles for the working class. NACTU may be influenced by PAC thinking, and the allegations of political partisanship within its ranks cannot be dismissed. However, NACTU has shown a degree of political openness by, for example, inviting a range of political groups to address its congress. The federation insists on its commitment to seeking worker unity and to "bridge divisions" within the liberation movement. COSATU needs to respond to this challenge. ☆



Poem



and the heart - rending sound of weeping continues

Photo: Cedric Nunn/Afrapix

In her letter

in her letter
keitumetse says that
the umsindusi river
still runs its

serpent - smooth course
through the lush
ever - green edendale valley
on its way to the sea

in her letter
keitumetse says that
fishes however

no longer break
the umsindusi's clear surface
at dawn -

for the throat
of its song
is now choked
with the grim harvest of conflict:
mutilated bodies
stick in its throat
like fishbones

in her letter
keitumetse says that

in the valley and
its surrounding areas
 coffins bearing the remains
 of comrades and inkatha vigilantes
have become as common
as kitchen tables

In her letter
keitumetse says that
the valley's thick mist
 now lies soft and still
 like cotton wool
 over the dark wound
 of its bleeding heart
that is often wrapped
in a shawl of fear
smoke and fire

in her letter
keitumetse says that
comrade rolihlahla
has made an impassioned plea
to all those whose hands
are stained red with blood
to throw their weapons
into the sea
 but the monstrous
 metallic roar of guns
 and the heart - rending sound
 of weeping continues

in her letter
keitumetse says that
the search for peace continues
and other than the foregoing
life still goes on however
in the land of rusted ploughshares
 spring is in the air
 the world grows greener
 buds abuzz with bees and birdsong
 are fluttering in the breeze
and she may soon be getting married
if she can overcome her notion
that marriage means being pinned down
like a museum butterfly ...

dikobe ben martins (written while in prison)

Photo: Cedric Nunn/Afrapix



*Natal
violence:
new
conditions,
new
strategies*

There are strong indications that the UDF/COSATU/ANC alliance may be developing a new strategy for peace in Natal. ASHWIN DESAI and KARL VON HOLDT traces the changes.

Earlier this year the Joint Working Committee (JWC) of the UDF and COSATU called for the disbanding of the KwaZulu police, and embarked on an open attack on Buthelezi's credibility as a person committed to 'peace'.

Central to this strategy was a demand that De Klerk must act to stop the violence. To mobilise support for this position the JWC called a national stayaway on July 2 and a peace conference in August.

Millions of workers all over South Africa responded to the ANC/UDF/COSATU stayaway call.

The stayaway kicked off a week of action that culminated in a series of marches across the country. Significantly, there was a 75-80 % stayaway in Natal. These actions led to a meeting with De Klerk on 11 September.

All these events have come and gone, and the violence continues. The JWC strategy has reached a dead-end.

There are now strong indications that the JWC is planning another strategic shift to break the impasse. This new strategic initiative comes in the midst of increasing criticism of the ANC from within its own ranks, of the organisation's response to the recent Transvaal violence (see *Work In Progress* 69).

Alongside this a number of political commentators with a range of political leanings have called on Nelson Mandela to meet Buthelezi.

Shifts in MDM strategy

Since 1986 the strategy of the UDF/COSATU alliance towards Inkatha has undergone a number of shifts. When the violence in Pietermaritzburg developed into an outright struggle for political control between UDF/COSATU and Inkatha around mid-1987, the response of the UDF/COSATU was to form defence committees.

1987: defence committees

The defence committees were to prove fairly successful in fighting off the incursion of Inkatha supporters in the urban townships. In the semi-rural townships too the warlords often met with strong resistance. In some areas Inkatha-supporting chiefs were removed and their supporters driven out.

The primary objective of the UDF/COSATU was to transform the defence committees into mass-based structures. Alongside this objective was a commitment to drive a wedge between Inkatha and support from key sectors such as business, overseas governments and the liberal establishment, by embarking on an aggressive campaign to expose Inkatha as the perpetrators of violence (see *Labour Bulletin* Vol 13 No 2, p 53 - 62).

.....and peace talks

In November UDF and COSATU agreed to meet with Inkatha to discuss peace.

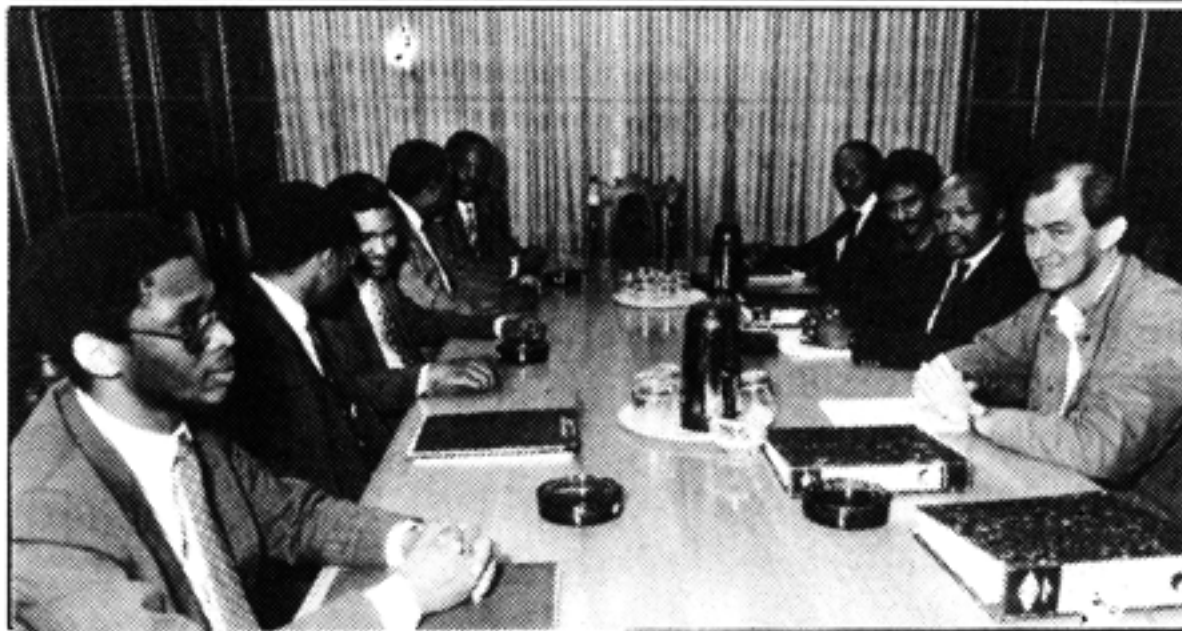
UDF/COSATU activists felt the peace talks could "put pressure on Inkatha and the police". They could also win the moral high ground by exposing "the role of Inkatha supporters" and serving to "undermine support for it in a number of key sectors." (see *Labour Bulletin* Vol 13 No 2, p 53-62)

The UDF/COSATU delegation met Inkatha in November 1987. An air of optimism prevailed after the first meeting. However, at the second meeting on 9 December, Inkatha pulled out of the talks (see *Labour Bulletin* Vol 13 No 2 for a more detailed account).

This process dented Inkatha's public image. Businessmen, the liberal establishment and foreign embassies began to question Inkatha's commitment to peace. Activists were still confident that they could defeat the violence of Inkatha supporters through organisation and self-defence.

However, the situation changed rapidly in early 1988. Top level UDF leadership were detained just before a fresh round of "talks about peace talks", and COSATU, UDF and other organisations were restricted. COSATU/UDF saw the detentions as aimed at blocking the credibility and moral victories that they were gaining at the expense of Inkatha through the peace process.

At the same time, the restrictions and mass detentions



Inkatha, COSATU, UDF at peace talks: no progress 1987 - 89

Photo: Cedric Nunn/Afrapix

paralysed UDF/COSATU's ability to organise on the ground. In the first six months of 1989, 460 UDF/COSATU supporters were detained while only 21 Inkatha supporters were detained.

COSATU/UDF and independent observers made numerous allegations, backed up with affidavits, of SAP and KwaZulu Police (ZP) collusion with violent attacks by Inkatha-supporting vigilantes.

New priority: search for peace

The search for peace now became the priority for UDF/COSATU. Before this point the main thrust of their strategy was to build organisation and defence committees, and the talks about peace were a secondary element. However, now it was clear that progressive organisations could not win a war against both vigilantes and the state on the ground. The violence was out of control. Violence and state repression made it impossible to build organisation, and the State of Emergency left no political space for

UDF/COSATU to operate. Peace would provide the space to build organisation and develop political strategies for again challenging Inkatha and the state.

For much of 1988 the search for peace was accompanied by a campaign to expose the warlords and vigilantes and their close relationship with Inkatha. As Inkatha resistance to any talks increased, so did the UDF and COSATU call for the recommencement of the talks become more insistent.

At last in September 1988 COSATU and Inkatha agreed to set up a Complaints Adjudication Board (CAB) to settle disputes between them. But the CAB collapsed when Inkatha members refused to appear before the CAB because they had already been charged in court.

The focus of negotiations shifted. The churches facilitated a series of meetings between Inkatha and UDF/COSATU in mid-1989. These laid out a peace process, endorsed by both delegations, which included a joint peace conference.

But once again the initial euphoria was short-lived. Inkatha raised a series of problems and new proposals which seemed designed to stall the peace process (see *Labour Bulletin* Vol 14 No 5). Eventually in September Inkatha declared a moratorium on further talks. This ended the 1989 peace initiative.

Throughout this peace initiative there was a concerted effort by UDF and COSATU to curtail criticisms of Inkatha and draw it into a joint peace process.

UDF and COSATU deliberately refrained from engaging in an ideological offensive against Inkatha. This strategy reached its high point at COSATU's Third National Congress when delegates endorsed the President's Report "and made a conscious effort, in both singing and speeches, not to attack Inkatha in particular." (*Labour Bulletin* Vol 14.5). SACCAWU official and Joint Working Committee (JWC) member Jay Naidoo told *Labour Bulletin*: "A certain level of diplomacy was required - we had to strenuously avoid any accusations of provocation."

New political conditions

By October COSATU and UDF were beginning to re-evaluate their strategy.

During 1989 the political climate in the country was changing. FW de Klerk's reform initiatives were counterpointed by the increasing assertiveness of the MDM defiance campaign. The unbanning of the ANC, SACP

and other organisations on 2 February 1990, and the release of Nelson Mandela a week later, radically transformed the political terrain. This provided new opportunities, but also opened up tensions and contradictions in ANC/MDM strategy.

Mandela's speech: still seeking peace

In February the JWC strategy was still focused on reaching a peace settlement with Inkatha. In pursuit of this strategy, Mandela's first move was to strongly endorse the process of seeking peace with Inkatha. At his King's Park speech Mandela called on those involved in the violence to throw their guns, knives and pangas into the sea. On Inkatha he said: "Although there are fundamental differences between us, we commend Inkatha for their demand over the years for the unbanning of the ANC and the release of political prisoners, as well as for their stand in refusing to participate in a negotiated settlement without the creation of the necessary climate."

Mandela also added that talks between the ANC and Inkatha were being planned. The talks were never to take place.

A month after Mandela's King's Park address, violence on an unprecedented level engulfed Pietermaritzburg. Inkatha member Ntombela mobilised some 12 000 armed vigilantes, according to press reports, who swept through the Maritzburg townships. Within ten days beginning on 28 March, 80 people were killed

and 14 000 people became refugees. This attack took place five days after Buthelezi delivered an extremely bellicose war talk to a gathering of chiefs.

"The sabotage of the peace talks - the horrific scale of violence - makes it clear that any attempt to talk peace with Buthelezi is futile. It strengthened the idea among activists that we were at war, and that we must organise self-defence. The idea of a peace talks lost all credibility," Naidoo told the *Bulletin*.

New strategy: pressure on De Klerk

The new strategy adopted by the JWC was to focus pressure on De Klerk to stop the violence, rather than reaching a peace agreement with Buthelezi. According to Naidoo, "If there's going to be any hope for peace talks there has to be a climate of peace - which must come from disarming Buthelezi and his warlords, the disbanding of the ZP which is controlled by Buthelezi as KwaZulu's police minister, and by the effective neutrality of the peace forces. The man who has got to do that, and who has the power, is De Klerk. Peace will depend on De Klerk."

At the centre of this strategy was the national campaign of action - including the stayaway - in the first week of July, and the convening of a peace conference. The idea is

"to force the problem of violence in Natal to the very top of De Klerk's agenda -

and the national agenda. If we can succeed in that, and if De Klerk can take up the challenge, then peace would be possible."

The peace conference held at UDW and attended by top ANC leadership, including Mandela, resolved to persuade De Klerk to act to stop the violence in Natal. Crucially Mandela would not meet Buthelezi.

However the meeting with De Klerk on 11 September made it clear that he was not prepared to act against Buthelezi.

Dead-end

The JWC strategy to end the violence had reached a dead-end. The search for new avenues to peace became increasingly urgent as fighting between Inkatha and ANC-inclined organisations in the Transvaal escalated. The ANC needed to move beyond the hard-line approach adopted by the JWC.

The arrival of Jacob Zuma, head of intelligence of the ANC, in the region had begun to impact on the 'hard-liners' in the JWC. Importantly, high ranking Inkatha members seemed to have a great deal of respect for Zuma.

Zuma's arrival saw the almost immediate signing of two local peace initiatives. On 1 September the Lower Umfolozi Peace Accord was signed between Inkatha and the ANC. Other signatories were COSATU, the South African Police, the Kwazulu Police and the mayors of Enseleni, Ngwelezane and Esikhaweni. The Accord entrenched the

right - to be upheld by law - to freedom of political association.

Two weeks later senior Inkatha and ANC leaders and community leaders from strife-torn Ndwedwe, near Verulam, met and drew up an agenda to bring peace to the area.

Alongside these developments there were two meetings between high-ranking Inkatha and ANC leaders. The meetings were the first between such high ranking officials from the two organisations since they met in London in 1979. The Inkatha delegation included Kwazulu Ministers, Steven Sithebe and Frank Mdlalose, and the ANC delegation included Jacob Zuma, John Nkadimeng and Gertrude Shope.

Crucially, the dashing of the JWC's demand that De Klerk act against Buthelezi meant that the JWC, according to Jay Naidoo, had to "become less vociferous and lower expectations in our strategies to end the violence". It must be remembered that it was Naidoo who first signalled the 'hard-line' approach in a May Day address in Cape Town.

Multi-party agreement

In an important position paper written recently, Naidoo points to the fact that the meeting with De Klerk showed that he

"will not take measures that will prejudice Inkatha against the ANC or in relation to the negotiation process."

This meant that an accommodation would have to be reached with Inkatha directly.

Naidoo argues that what is required

"is a multi-party agreement between Inkatha, the State and ourselves - the main protagonists - which binds all parties because of their mutual interest, and contains an effective mechanism of enforcing and 'policing' the implementation of the agreement."

This proposal, according to Naidoo:

"would mean dropping our demands for the dismantling of the Kwazulu police and Kwazulu homeland structures, leaving such demands to be dealt with in the context of the general negotiations that would take place on the future of the bantustans. Matters such as meetings at the highest level between ANC and Inkatha, in particular, Mandela and Buthelezi would obviously have to be dealt with positively in the process of moving towards such an agreement."

For Naidoo it is only an international agency that will be able to monitor the agreement. In a subsequent interview with the Labour Bulletin, Naidoo stressed that he did not envisage a 'peace-keeping' force but an information gathering force.

Explaining this change of strategy, Naidoo told the *Bulletin* that the current political conjuncture had thrown up the potential for new sources of conflict:

"Right-wing elements both inside and outside the security forces have a tremendous capacity for

counter-insurgency and could feed on emerging new tensions or create conflict. Also the security forces and Kwazulu police could get together to create or take advantage of schisms. This must affect how we approach the issue."

For Naidoo, we have a Renamo situation in the making and the ANC needs to respond.

"De Klerk alone has the capacity to take them out militarily but will only act if it is politically attractive."

According to the position paper, a multi-party agreement will be attractive to De Klerk because it provides

"for the continuation of negotiations with the equal participation of other forces outside of the ANC, in particular Inkatha, while maintaining law and order in the country."

'On the ANC side, it is necessary,' Naidoo told the *Bulletin*, 'that we stop treating Buthelezi as a mere Bantustan leader - a Mangope - who has no role in creating a new South Africa? In any event Naidoo pointed to the fact that singling out Buthelezi contradicts the ANC's position that all parties have a role to play.

For Naidoo, locally based peace accords in the absence of a national agreement are bound to fail. He argues that the major actors involved in the peace accords are not rooted in the area. The accord does not permeate to the ground and is open to misinterpretation. For example, Inkatha leadership in Em-

pangeni felt that the ANC should not have held a Shaka Day rally in the area. Only Inkatha was entitled to a rally.

Also since national leadership were not bound by the agreement, Buthelezi for example could make a speech vilifying the ANC in Stanger and this could feed back into areas covered by peace accords. For Naidoo in the absence of a national accord, locally based peace initiatives can best be described as a "temporary truce".

Naidoo, in outlining the basis of a multi-party agreement, argued it would ensure a code of conduct that would deal with non-vilification, a ban on carrying of dangerous weapons and the creation of practical measures to ensure freedom of political activity of all parties.

"In addition", according to the position paper, "the agreement should include measures to be taken to ensure impartial and effective peace-keeping by the security forces and the establishment of joint management or consultative structures to monitor and supervise the activities of the security forces."

Critical reaction

Naidoo's paper has generated critical reaction. The October edition of WOSA's newspaper, *Vukani Basebenzi*, attacks Naidoo's call for "joint management or consultative structures to monitor and supervise the activities of the security forces."

WOSA argues that such "joint control implies a desire to enter into an agreement with

the government which would give COSATU/ANC joint responsibility for the actions of the police and the army."

WOSA poses three fundamental questions that arise from Naidoo's position:

- "Have we forgotten that the fundamental task of a capitalist police force is to protect capital?"
- Can we really not remember the number of times in the last years that these forces have been used to break our strikes, attack our organisations and kill our people?"
- Are we so simple minded that we believe we can collaborate with this state to turn these forces into organs that will protect us?"

In addition to WOSA's position, a paper purporting to be from NUMSA-Isipingo began circulation in COSATU ranks on 18 October. The paper is sharply critical both of Naidoo's position and the JWC of UDF/COSATU.

The paper attacks the JWC for not pursuing campaigns consistently:

"We begin a campaign by announcing a programme of action, and then we change it without explanation or without consultation with your grass-root structures. For instance, when the programme of action for Natal was announced, we said that after the July 2 stayaway a conference of organisations in the mass movement, with representatives from grassroot structures, was going to be called. This conference was never called and no explana-

tion was given about why it was changed to a conference of core forces only. Even the delegation that was supposed to meet De Klerk was supposed to be made up of people from the ground as well as our leaders. But this did not happen. This is just one example of campaigns and programmes of action that have been abandoned without explanation. We must seriously correct this weakness. The effect of programmes that are dropped without explanation is that they demoralise the masses."

Two criticisms are directed at Naidoo's paper by NUMSA-Isipingo. The paper argues that Naidoo is wrong to assert that business has an interest in peace:

"... the business community does not have an interest in peace, but it has an interest in weakening people's organisations. The business community has the same interest as the State and Inkatha. We must also remember that big business has business links with Inkatha. It is only when we undertake mass action against the violence that business becomes concerned about the violence. It will be a big problem to put the initiative in the hands of business, as Comrade Jay suggests."

The second criticism flows from the issues of accountability and democracy. The paper argues that Naidoo is mistaken "when he says we must accommodate Inkatha politically. What we have been fighting for is a basic democratic right. But the most important principle is that of

democracy in our ranks.”

The starting point for a way forward according to NUMSA-Isipingo is the building of defence committees and the calling of a national conference. For them the calling of a national conference is crucial because this will prevent a situation where the masses hear in the newspapers “that there has been an accord, and Inkatha likes a situation where our leaders act in a rush without thorough consultation.”

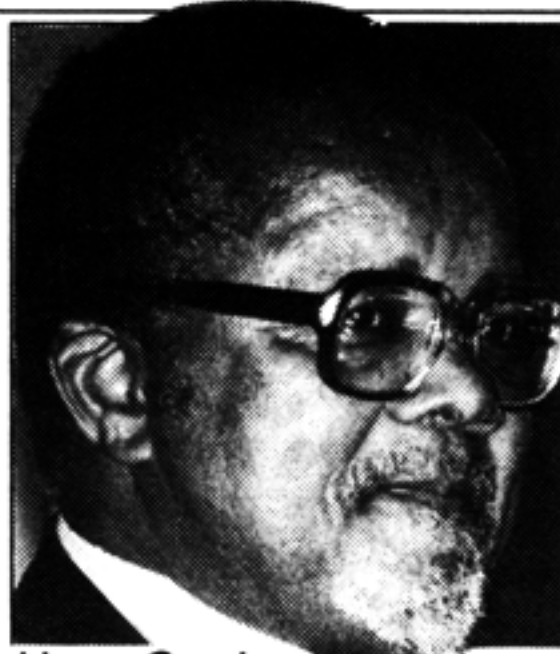
Buthelezi and Mandela.

Naidoo’s position is sure to generate controversy within the ranks of the ANC. Harry Gwala, the ANC’s Midlands convenor is known to be against a Mandela/Buthelezi meeting and would probably oppose Naidoo’s position. Gwala has consistently argued that constitutional negotiations could only take place if FW De Klerk exercised his influence to end the Natal violence. The ANC youth who have manned the battlelines will also need convincing.

Many commentators have pointed to the differences in the approach to the violence adopted by members of the ANC alliance.

Mathew Ketrige has recently pointed out that:

“UDF comrades, for whom the war is a way of life and mistrust of Inkatha the most fundamental component of their world-view, were not prepared to ‘throw their weapons into the sea’ despite being exhorted to do so by Mandela at a peace rally in Durban in February ... At ANC



Harry Gwala - known to be opposed to a Mandela/Buthelezi meeting

Photo: Anna Zieminski/Afrapix

leadership level there is a major difference in approach between those such as Harry Gwala who favour a hardline attitude towards contact with Inkatha, and leaders such as Archie Gumede who are more conciliatory.” (*Innes Labour Brief*, Vol 2 No 1, 1990)

It was these differences that forced the calling of a peace conference of ‘core forces’ only, in order to try and hammer out a unified position.

The strength of Naidoo’s position lies in putting forward a programme of concrete steps that is sensitive to the new political climate. The critics in WOSA and NUMSA-Isipingo are empty of any alternative plan.

Naidoo’s position dovetails with the sentiments expressed by Dhlomo in an article in the *Sunday Tribune* (26.8.1990).

Dhlomo argues that the ANC blundered by calling the dismantling of the Kwazulu bantustan without calling for the dismantling of the other homeland governments. This blunder, according to Dhlomo:

“prompted Buthelezi to al-

lege that the ANC is singling out Kwazulu and therefore, the Zulu people, for vilification and humiliation.”

Dhlomo ends his article by making an impassioned plea for a Mandela/Buthelezi meeting:

“I have spent sleepless nights thinking of a strategy for ending the violence without Dr Buthelezi and Mr Mandela meeting. I am afraid that there is no such strategy.”

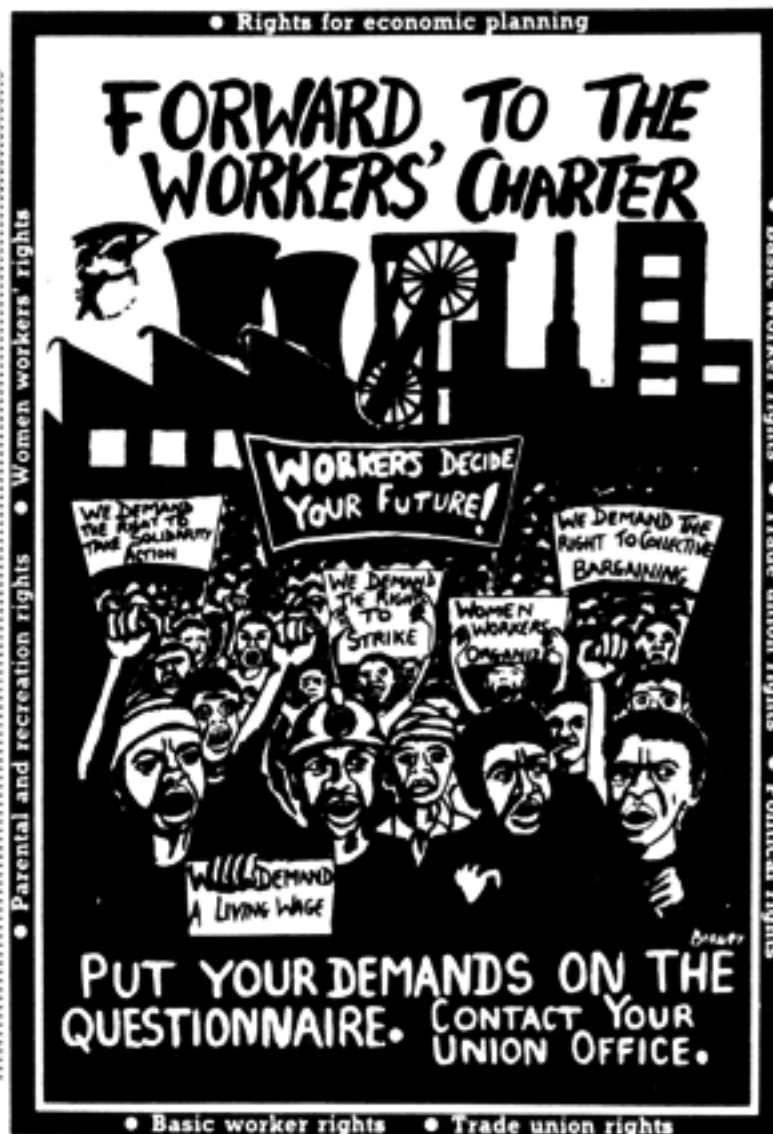
Both Naidoo and Dhlomo arrive at similar sentiments - vilification of Kwazulu should stop, and Buthelezi and Mandela should meet. Both are influential figures, with Dhlomo still commanding respect in Inkatha circles. It will not be surprising if their positions prevail and a national multi-party agreement envisaged in Naidoo’s paper becomes a reality. Naidoo in the interview with the *Bulletin* and Dhlomo in his numerous newspaper articles remain optimistic of this scenario unfolding very quickly. ☆

Stop press:

The ANC National Executive Committee announced on 23 October that there would be a meeting between Mandela and Buthelezi. The meeting would also be attended by the ANC [NEC] and the central committee of Inkatha.

This announcement suggests that the JWC’s ‘confrontationist’ position has been jettisoned for the approach envisaged in Naidoo’s paper. ☆

Workers Charter:



issues for debate

HASSAN AMRA, a para-legal officer of the Chemical Workers Industrial Union (CWIU), argues that all the demands of the Workers' Charter should be included in the new constitution for South Africa. He feels that the campaign for the charter should draw in all sections of the oppressed, and that it should be linked to the campaign for a constituent assembly, in order to ensure that the working class has a strong influence on the new constitution.

The current situation in South Africa, with negotiations firmly on the agenda, has made discussions over the nature of the post-apartheid constitution more urgent than ever before. For the labour movement the discussion and the struggle around the Workers' Charter presents a direct contribution to that debate. COSATU's la-

test *Campaign Bulletin* (No 2, 1990) has raised a number of important issues for debate. Among these have been the relationship of the Workers' Charter to the South African post-apartheid constitution, the labour movement's attitude to the right to work, and others. This article attempts to take the debate over these issues further.

The Charter and the Constitution

The idea of a charter setting out the demands of workers has a long history in the labour movement, and many debates have been taken up around it. The publication of the ANC's Constitutional Guidelines last year, which called for a charter protecting the rights of workers as an in-

tegral part of a new constitution, marked a new period in the development of the debate. At that stage, and when the charter became generally accepted as a necessity, it seemed clear that the Workers' Charter would be included in the constitution. On page 7 of the *Campaign Bulletin* the issue is presented as: "But what are we really trying to do? Are we only trying to write a very long list of workers demands? No. We are looking forward to seeing Workers' Rights recognised in South Africa's new constitution."

It is important to view the demands as set out in the Workers' Charter as having a special significance. It differs from other demands made by the working class (low transport costs, cheap electricity etc) in that they would shape the terrain on which struggles between labour and capital will be fought in the new South Africa. The inclusion of the Workers' Charter demands in the constitution will not mean an end of the struggle for workers and the working class, but it would ensure that the terrain of battle favours the working class.

The *Campaign Bulletin* errs when it argues that not all demands in the charter should be included in the constitution. To argue that only some of the demands in the charter and not others should be included in the constitution fails to see the significance of the Workers' Charter.



Pigeons fly as SACTWU workers toyi-toyi through the streets during the recent 'human chain', organised to popularise the campaign for a workers' charter. Members of the union also contributed 50c each to pay for an airplane to fly over Johannesburg pulling a banner which said: 'SACTWU for a Workers' Charter'.

Photo: Brett Eloff/Afrapix

So how do we deal with the fact that not all the demands can be met immediately even though they have been enshrined in the constitution? The *Campaign Bulletin* suggests that since the post-apartheid constitution "opens up the possibility of compromises from the point of view of workers", some demands need not be included in the constitution.

It suggests that these must be viewed as long-term goals, and not immediate rights. Although it is possible that workers might well have to compromise on some of their demands, the mistake here lies in how the conception of the nature of such compromises is understood which cannot be predetermined. The extent and the nature of compromise that workers make would be

determined in the process of, and through their struggles. Our approach to this aspect of the debate should be contrary to the approach that the *Campaign Bulletin* suggests. We should struggle for the *entire document* to be included in the constitution, together with a clause which allows for unions and employers to agree to temporarily suspend certain rights which both parties might see as immediately impossible. This approach has an advantage of being "realistic" without shifting the terrain of battle against the working class.

At issue: the Right to Work

In the approach suggested by the *Campaign Bulletin* on the question of the right to work, a similar mistake is made. After questioning, "Should

we demand the right to work?", the *Bulletin* continues to suggest that "The demand for the right to work depends on a healthy economy based on socialist principles. If the economy can't provide jobs for all, then can a worker demand a job as a right?... We have to regard such rights as long-term goals, not immediate rights."

Firstly, it is not true that the right to work is a demand that can only be made by socialist economies. The Scandinavian countries, especially Norway and Sweden, are known to have made considerable effort to provide employment, without those countries becoming socialist. It is also known, for instance, that the right to education and such pressing demands as the end to illiteracy cannot be achieved at a stroke, but it does not follow that the right to education should not be part of the post-apartheid constitution.

Secondly, the *Campaign Bulletin* is silent on why there are not sufficient jobs available. Many workers work overtime on the one hand, whilst on the other hand there exists massive unemployment. In 1987 the Labour Research Service wrote that South Africa's manufacturing capacity remained idle while millions remained unemployed. The right to work would provide the working class with a powerful weapon in combating such practices.

Thirdly, such a right en-

shrined in the constitution obliges the government of the day to:

- provide adequate social insurance to the unemployed, and
- to pursue such economic policies which would create jobs.

Fourthly, with such a weapon as the right to work, the unions and the government are in a better position to compel the capitalists to take a serious attitude towards the creation of jobs at a living wage.

As suggested in the *Campaign Bulletin*, it is conceded that such a right in itself would be meaningless without the availability of jobs. But what the *Bulletin* fails to understand is that such provision in a constitution would assist in shifting the terrain of battle in a direction which favours the working class.

The Workers' Charter as a "Peoples' Document"

In its resolution on the Workers Charter, COSATU said that the campaign must "involve the broadest section of the oppressed and exploited masses of our country". What is clear is that very little has been done to involve all sectors of the mass movement in this campaign.

The danger therefore exists that we might lose sight of an important principle of our struggle. The working class as the leading class in the struggle for democracy and socialism, must draw in all sectors of the oppressed under its

leadership; it must conduct its struggle in a way that the issues facing other sectors and classes become the concern of the working class, while in turn the issues affecting it (the working class) must become the concern of these sectors and classes. The Workers' Charter must therefore not become a charter of workers alone, or even worse, of the organised workers. It must become, by active participation in the campaign by the other sectors of the oppressed, a peoples document.

COSATU must therefore seek at length to include the independent unions and NACTU in the campaign, and if need be, in the campaign structures. The rank and file of COSATU need to engage workers from other union federations and from the independent unions on the need to struggle for the Workers' Charter. In fact, the Workers' Charter can be used as a means by which members of the white working class is drawn away from the right wing white only unions.

It is thus a serious error for the *Campaign Bulletin* to suggest on page 16 that the Congress which is to adopt the charter will be a COSATU Congress. It is important that the Workers' Charter Congress involves all sectors of the oppressed. By so doing the organisations of the working class will be provided with an opportunity to use the Workers' Charter to strengthen the

unity of all forces in the democratic and socialist movements, at a time when the regime and its allies are clearly doing all in their power to ship-wreck this militant unity.

Similar initiatives to take up the Workers' Charter campaign must be undertaken in the youth, the civic and the student movements.

The Workers' Charter and the Constituent Assembly

It has been argued that it is crucial for us to struggle for the entire Workers' Charter to be included in the post-apartheid constitution. It has been correctly noted in the Campaign Bulletin that "all classes will fight to ensure their interests dominate the new constitution." As to which classes will win this all important battle will depend on the balance of forces in the structures that will draft the constitution.

The position of the democratic movement and socialist forces is that the constitution for a post-apartheid society must be drawn up by a constituent assembly. It is clear that the future of the Workers' Charter is inextricably tied up with the convening, and the composition of the constituent assembly. This fact presents the labour movement, indeed the mass movement as a whole, with an important challenge:

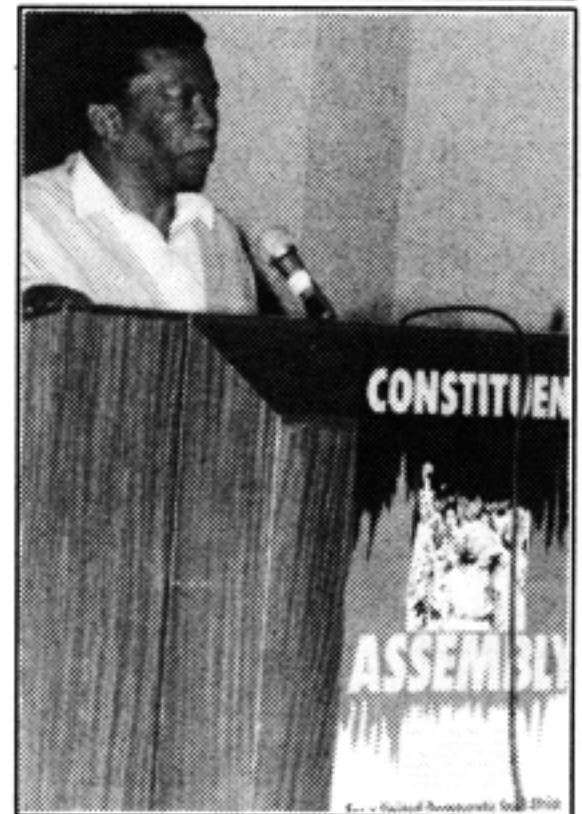
- How do we intensify the battle for a democratic constituent assembly? and

- How do we ensure that its composition favours the interest of the working class and its allies?

The most immediate way in which our struggle for a democratic constituent assembly needs to be taken forward is to build a mass based African National Congress (ANC). The task of the democratic movement as a whole, and of the labour movement in particular, is to ensure that the position of the ANC at the constituent assembly must be to reflect the interests of the working class.

The ANC, as a member of the ANC/SACP/ COSATU alliance, needs to discuss and endorse the charter of worker rights and demands. The ANC needs to take up the Workers' Charter campaign throughout its ranks and throughout its structures. On the other hand the Workers' Charter campaign in the factories and in other formations of the democratic and socialist movement, must be used to build a mass-based ANC.

Also raised in the Campaign Bulletin is the question of how do workers ensure that they have a say in all aspects of the new constitution? The most important task in this regard is that the workers continue to take an active part in campaigns and workshops and other activities that take up the major organisational and political issues of the day. At the head of these issues is the struggle to popularise the constituent assembly and to



The Workers' Charter Campaign must be linked to the call for a constituent assembly

Photo: William Matlala/COSATU

link this call to all our other struggles.

It is generally recognised that the outcome of the constituent assembly will depend on the balance of forces in the constituent assembly itself. While political discussions throughout the structures of the worker movements are important, such discussion has to be backed by mass action.

This brings us back to the Workers' Charter. The demands of the working class must be struggled for today, and not be shelved for use in the future. Only by beginning here and now to struggle for those demands will we be taking the important steps necessary to make working class influence on all aspects of the constitution felt. ☆

The Labour Relations Decrees of the Ciskei and the Transkei

The CENTRE FOR APPLIED LEGAL STUDIES (CAL S) assesses new labour laws in the bantustans

Most of the independent and self-governing homelands have their own labour law. In the independent homelands, a major purpose of this legislation has been to prevent South African trade unions operating in their territories. This is still true of Bophuthatswana.

However, the military governments in the Transkei and Ciskei, which overthrew the unpopular regimes of the Mantanzimas and Sebes, have accepted that South African trade unions can operate in their territories. Both homelands have experienced widespread labour unrest recently.

Both territories' laws are less complicated than the South African Labour Relations Act. Each contains innovations not found in the South African Labour Relations Act, but also contain significant flaws. The Ciskei legislation is interesting because some of its provisions are drawn from the COSATU/NACTU/SACCOLA agreement. This note concentrates on those areas where the laws differ from South Africa's.

Ambit of the laws

The Ciskei Labour Relations Decree excludes farmworkers, domestic workers and public servants (including teachers and other educators in state-funded institutions) from its cover. In addition, it does not protect workers employed in small businesses with less than 20 employees.

The Transkei law, on the other hand, covers all employees but gives the government the power to exclude certain employees from its operation. The government has used this power to exclude public sector workers from the protection of the law. This is a significant omission as a very high proportion of employees in homelands (up to 70%) are employed by the government.

The protection of farm and domestic workers in the Transkei is a significant development. Unlike South Africa, the Transkei also has a wage determination which sets minimum wages and conditions of employment for farming and forestry workers.

Certification and registration

The Ciskei law has a simplified process of certification for trade unions. Trade unions must apply for certification within 30 days from the time they started to operate in the Ciskei.

Trade unions registered in South Africa may obtain certification by submitting their constitution, the address of their office in the Ciskei and certain other information to the Registrar. All trade unions operating in the Ciskei must apply for certification.

The registration procedure in the Transkei Labour Relations Decree is much simpler than in the South African system. It is, in essence, a formal requirement provided that the necessary information, including the constitution, and application forms are submitted to the Registrar.

However, the Registrar may refuse to register a trade union if its constitution is, in its view, contrary to the law or unreasonable. An unregistered trade union in the Transkei cannot make use of the structures (the Industrial Court etc.) created by the Decree.

The unfair labour practice

The Ciskei Decree utilises the definition of the unfair labour practice contained in the COSATU/NACTU/SACCOLA Agreement. This definition, using the same wording as the pre-1988 South African definition, gives the Industrial Court a wide jurisdiction to determine unfair labour prac-

tices.

In addition, the definition of an unfair labour practice deals explicitly with unfair dismissals. An employer may only dismiss workers on one of three grounds:

- incapacity (inability to do the job);
- misconduct;
- operational requirements (retrenchment).

In the case of incapacity and misconduct, the worker must be given a hearing before the dismissal. In retrenchments the employer must consult in good faith in an effort to reach an agreement with a trade union about the retrenchment. In the absence of a trade union, the employer must give notice to and consult with a works council or other body representing employees and, if they do not exist, each employee to be retrenched.

Like the pre-1988 South African definition, the Ciskei definition of an unfair labour practice excludes strikes and lock-outs. This is also the case in the Transkei, although it does allow for a sympathy strike, regardless of its legality, to be declared an unfair labour practice. Otherwise the definition is in wide terms and gives the Industrial Court a wide discretion to determine unfair labour practices.

The Industrial Court

Both the Transkei and Ciskei laws establish industrial courts. In the Ciskei, the members of the court, other than the president, are lawyers who must be nominated jointly by

the major trade unions and employers' organisations because of their knowledge of labour law.

This provision is significantly better than the South African law where trade unions play no part in the nomination of court members. By contrast, members of the Industrial Court in the Transkei are appointed by the government.

Both the Transkei and Ciskei courts provide for urgent interim proceedings to challenge unfair labour practices as well as final unfair labour practice determinations.

In the Ciskei, the unfair labour practice application must be brought within 180 days of the event giving rise to the dispute; in the Transkei it must be brought within a reasonable period. Both courts are able to expand their resources by making use of the services of arbitrators who are not members of the court. In the Ciskei, these persons are referred to as adjudicators, and are nominated jointly by employers and trade unions.

Conciliation Boards and Industrial Councils

The Transkei Act makes use of the South African structure of conciliation boards and industrial councils. In the Ciskei however the Act does not make provision for the establishment of industrial councils and all disputes requiring conciliation are dealt with through conciliation boards.

This is a recognition of the fact that no industrial councils have been established in home-

lands.

In neither the Transkei nor the Ciskei is it necessary to apply for the establishment of a conciliation board (or to refer the dispute to an industrial council) before making application to the industrial court for an unfair labour practice determination.

However, the court may direct that the dispute be the subject of conciliation before it hears the matter. In all other disputes, it is necessary to refer the dispute to statutory conciliation, so as to stage lawful industrial action. The referral procedure is simpler than in South Africa and neither territory has the requirement of a letter of deadlock.

In the Ciskei, the application for a conciliation board must be made within 180 days of the dispute arising, although the industrial court has the power to condone a late application. In the Transkei, the application must be made within a reasonable period.

Mediation

Both Acts encourage the use of mediation as a method of resolving disputes. In the Ciskei, the parties to a dispute can appoint a mediator who will thereafter preside over conciliation board meetings in an attempt to settle the dispute. In the Transkei, the Minister may on request of the parties appoint a mediator who is acceptable to them. He may also appoint a mediator, even if not requested to do so, where he considers that it will assist the parties in settling the dispute.

Strikes

Both Decrees extend the definition of a strike so as include the refusal to work voluntary overtime. This is to avoid the problem raised in the well known *SA Breweries v FAWU* case in which the Appellate Division held that it was not a strike to refuse to do voluntary overtime. Both territories also prohibit local authority and essential service sector workers from engaging in industrial action and disputes in these industries are resolved by compulsory arbitration as in South Africa.

The Transkei Public Security Act also makes it a criminal offence for employees involved in the supply of light, power, water or sanitary or transport services to breach their contracts if that could have the consequence of depriving members of the community of that service.

Both Industrial Courts are empowered to interdict unlawful strikes; i.e. those staged during the currency of an agreement, award or determination binding on the parties to the dispute, those in industries subject to compulsory arbitration or before the completion of statutory conciliation at an industrial council or conciliation board. In the Transkei however there are two further situations in which otherwise lawful strikes can be prohibited by the industrial court. These are:

- where the strike is a sympathy strike directed at an employer not involved in the dispute causing the strike;

- if, in the court's view, it is likely that the strike will endanger the life, personal safety or health of the community or a part of the community. Such a strike would also be an offence in terms of the homeland's Public Security Act.

Both laws require the holding of ballots before a lawful strike and contain an indemnity against civil actions arising out of lawful strikes similar to that in the South African law before the 1988 amendments. The Ciskei Act introduces a requirement that trade unions must give 24 hours notice of strike action (a similar provision applies to lock-outs).

It also provides that where workers go on an unlawful strike, the employer will be able to lock them out in response to the strike without going through the statutory procedures and vice versa.

Worker rights

Both laws outlaw victimisation of employees for trade union membership and have a freedom of association provision preventing employers from stopping workers joining a union. The wording differs between the two and in Ciskei, it would appear that the law also prohibits the operations of closed shop arrangements.

It also places an obligation on employers to make stop order deductions for subscriptions for representative trade unions once a written request for deductions has been lodged by the union on behalf of employees. ☆

Banker: "The ANC is correct in criticising us"

by PATRICK BOND

Throughout the great economic debate" of 1990, leading ANC and COSATU economists have denounced the waste of money in stock market and real estate speculation. Since the early 1980s, hundreds of billions of rands spent on 'paper chasing' stand in stark contrast to the decline in productive investment in plant and equipment.

Occasionally, even establishment economists become worried about the situation, which is now serious indeed. To illustrate, a slight cooling of tensions in the Gulf conflict led, recently, to a drop in the gold price and a two-day decline in the value of JSE shares of more than R28 billion.

That's an enormous amount of money that just disappeared into thin air. Properly invested, it would have been enough to pay for the entire electricity installation for the two thirds of South Africans who have none, twice over.

Shortly after this incident, Nedbank's chief economist, Edward Osborn, admitted to a US national business radio audience that speculation by South Africa's leading capitalists has reached epidemic proportions.

'The ANC are exactly right in criticising the amount of money that has gone into the financial markets,' Osborn told Marketplace radio network in September. 'In fact, there has been a preoccupation, I think,

with investment in financial market.'

Osborn was asked if the big insurance companies and bankers have any excuses for misdirecting capital so badly. 'I don't if one can really defend this. One can criticise it, one can express regrets about the whole thing.'

Others, however, like JSE President Tony Norton, say there's nothing to regret. They still deny that the high value of the stock market represents a danger, or even an imbalanced economy: 'People are willing to buy the future. We've changed South Africa in the last three years. There is a future now.'

Norton isn't bothered by the fact that the Japanese stock market has crashed by 50% since January, or the New York's Wall Street stock market has fallen 18% since July.

'The other societies aren't renaissance societies,' he says, without a trace of irony. 'They're tired democracies in many cases. They're on a paradigm shift in this country.'

Politically this may be true, but if the ANC have any say over the financial markets in a post-apartheid economy, Norton is whistling in the dark. In the meantime, the South African financial system remains on knife edge, with a major bank (Bankorp) bleeding hundreds of millions of rands in losses, and a huge R80 billion merger deal planned for four other faltering financial institutions.

Shouldn't the ANC soak the financiers, then, Osborn was asked. This could be done through taxes or even nationalisation, and would serve two purposes: financiers have benefitted greatly from the speculation and the extremely high interest rates, so some redistribution is necessary; and to discourage even more paper-chasing.

Says Osborn: 'I don't think that is the logical extension of that position.' In fact, it most certainly is, but the banker's honesty appears to wilt when the implications affect the bottom line.

Instead, Osborn argues, ordinary South Africans must pay the bill for the splurge of financial speculation: 'In order to get to grips with this whole inflationary situation, we've got to go through a period of stress, in terms of recession, retrenchment and the like. And the great risk we are facing — in fact that's emerging — is the consequent social distress.'

The question that can only be answered through struggle, of course, is, can that 'social distress' be shifted back to bankers? ❖

Company Profile: Mondi

Report by *LABOUR
RESEARCH SERVICES
(LRS)*

The Mondi Paper Company is one of the ten largest paper and timber product enterprises in the world. It is one of only two paper producers in South Africa. The other company is Sappi.

MONDI - Operating Divisions

Division	Operation
Forests	timber plantations
Timber products	sawmills
Board	board and waste paper
Paper	manufacture of paper
Richards Bay	bleaching
Main Paper and VRG	distribution

It was formed by the Anglo American Corporation (AAC) in 1967. Today AAC owns 30% of Mondi. AAC's industrial arm, Anglo American Industrial Corporation (AMIC), owns 64% of Mondi.

Mondi is a fully integrated forest products business. This means that it owns every stage in the production of paper: from the trees in the forest, through the sawmills, to the paper factories, to the distribution outlets.

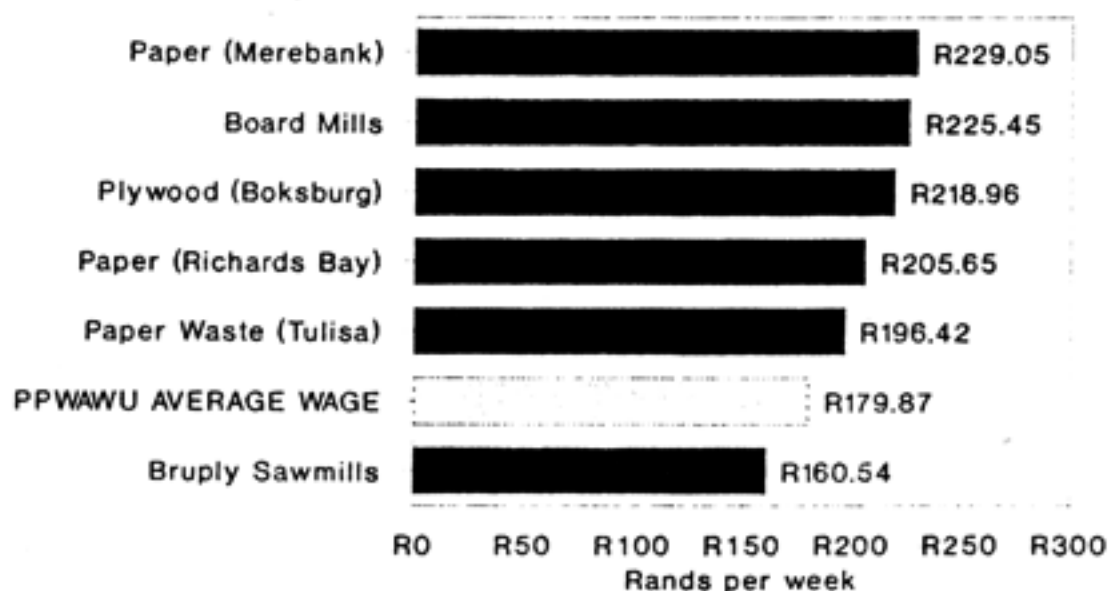
Profits increased from R357 million in 1988 to R363 million in 1989. Mondi employs 15 500 workers. This means that each worker pro-

duced a profit of R450 per week in 1989. Mondi pays its labourers, on average, R206,01 per week.

An important source of Mondi's profits is exports. Between 25% and 30% of sales are from exports. The bulk of this is exported from Richards Bay, where Mondi has recently built a new bleaching plant.

According to AWARD, the average PPWAWU labourers' wage is R179,87 per week. Only Mondi's Bruply Sawmills was below this average, where labourers are paid R160,64 per week. The highest paid labourers are at

MONDI LABOURERS' WAGES Generally Above PPWAWU Average



Labour Research Service AWARD 08/90

ECONOMIC NOTES

Mondi's huge paper manufacturing plant at Merebank, site of a protracted strike earlier this year. They take home R229,05 per week.

The two paper manufacturers, Mondi and Sappi, are currently under investigation by the Competitions Board. They are allegedly setting their prices at unfair levels. Mondi and Sappi can do this, because between them they have monopoly control over the paper industry.

Mondi plans to invest R514 million over the next few years. This will not be spent on building new factories, however. The money will go to replacing old machines with new computer aided machinery. Instead of creating new jobs, Mondi's investment is likely to *threaten* workers' jobs! ❖

Job Creation

Report by LRS

To satisfy the demand for 'Jobs for all!', jobs have to be *created*. Very few jobs were created in the 1980's. Job creation will be a priority for a new democratic government. But what does it cost to create a new job?

The capital:worker ratio is one important measure of the cost of creating jobs. It measures the average value of machinery, equipment and factories per worker.

Inflation

Area	Consumer Price Index (1985=100)	Annual rate of inflation (% increase over 1 year)
	July 1990	July 89 - 90
Cape Town	202,4	13,6%
Port Elizabeth	204,9	12,0%
East London	200,0	14,9%
Durban	194,7	14,7%
Pietermaritzburg	197,6	12,3%
Witwatersrand	206,3	13,9%
Vaal Triangle	198,1	13,1%
Pretoria	210,8	12,2%
Klerksdorp	209,7	11,5%
Bloemfontein	182,2	10,4%
OFS Goldfields	200,0	11,3%
Kimberley	194,0	12,8%
South Africa	203,2	13,3%

Source: Central Statistical Service

Inflation

Area	Consumer Price Index (1985=100)	Annual rate of inflation (% increase over 1 year)
	Aug 1990	Aug 89 - 90
Cape Town	205,7	14,1%
Port Elizabeth	206,7	10,9%
East London	202,8	14,6%
Durban	197,1	14,1%
Pietermaritzburg	200,1	12,2%
Witwatersrand	207,0	13,0%
Vaal Triangle	201,0	13,0%
Pretoria	213,9	11,9%
Klerksdorp	211,8	11,6%
Bloemfontein	184,2	9,4%
OFS Goldfields	201,2	9,8%
Kimberley	195,6	12,2%
South Africa	206,5	13,6%

Source: Central Statistical Service

In the manufacturing sector this amounts to R60 439 per worker. This means that, on average, R60 439 of capital has to be invested to create a new job in the manufacturing sector.

It costs only R11 311 to create a job in the construction sector. This is far cheaper than

the manufacturing sector. It costs R99 198 to create a job in the mining sector.

If R99 198 is invested in the mining industry, it creates one job. The same amount of money invested in the construction industry would create eight and half jobs. ☆

ICs and wage determinations

Report by LRS

Eleven industrial councils set new wages during the first half of 1990, with wages increasing by 24,2% on average. This was higher than the 20,9% increase union's won for labourers in company negotiations.

The largest increase was 33,3%, set by the Clothing Industrial Council for the Transvaal.

The lowest increase was 15,8%, set by the Sugar Manufacturing and Refining Industrial Council.

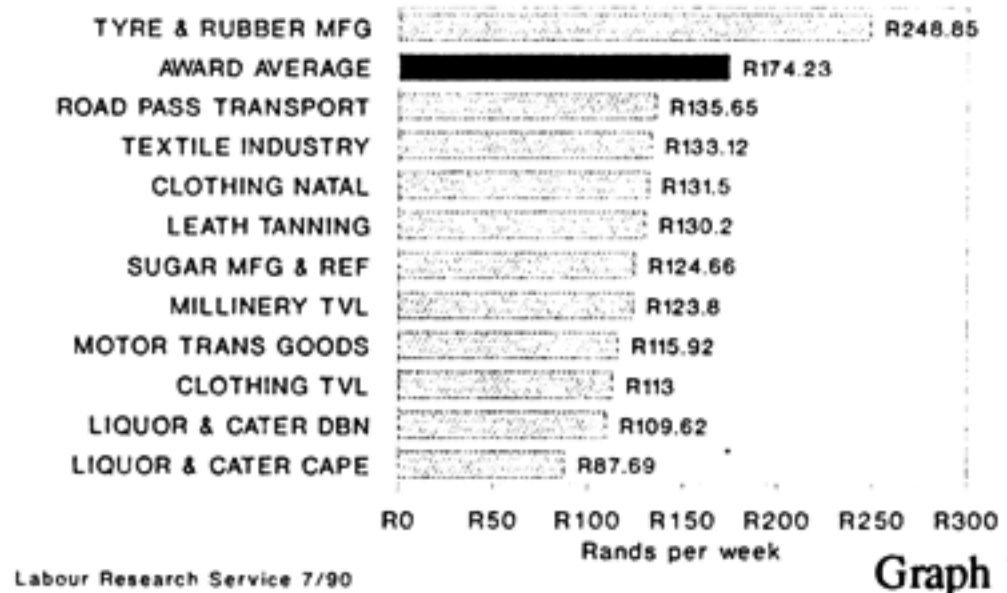
The top labourers' rate was R248,85 per week in the Tyre and Rubber Industrial Council of the Eastern Province. (Graph 1)

Unions have succeeded in consistently raising the average wage for labourers above the inflation rate since 1987.

The largest real wage gain was made in 1988 when the average rate of inflation was 13,3% and labourers' wages rose by an average of 22,9%. This gave an above inflation increase of 9,5%.

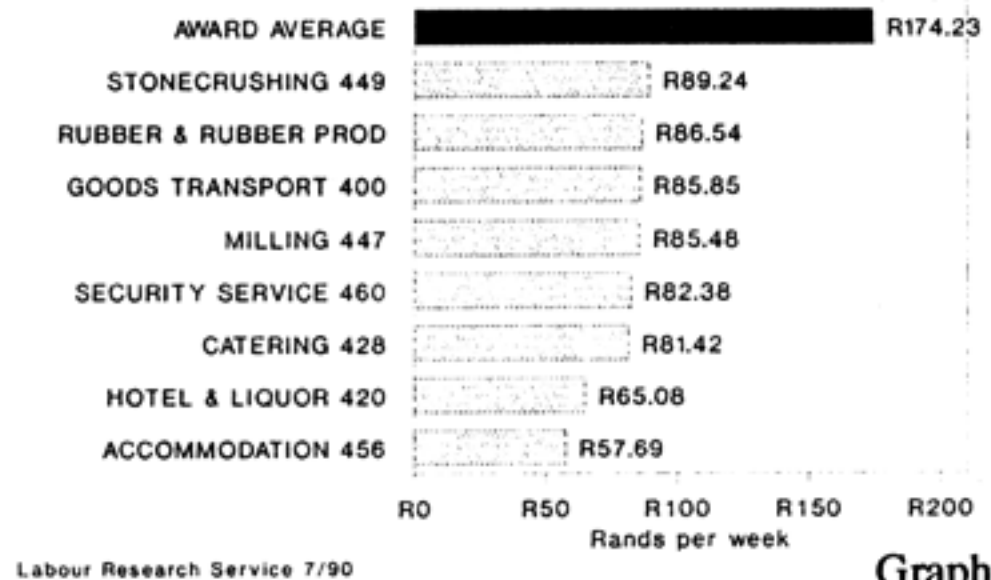
Between January and June 1990, eight new wage determinations were set. The top increase of 26% was set in the Stonecrushing industry, setting a new wage of R89,24 per week for Labourers. This wage is well below the average rate for labourers of R174,23 per week, for unionised labourers

INDUSTRIAL COUNCIL WAGES Labourers' Weekly Wages



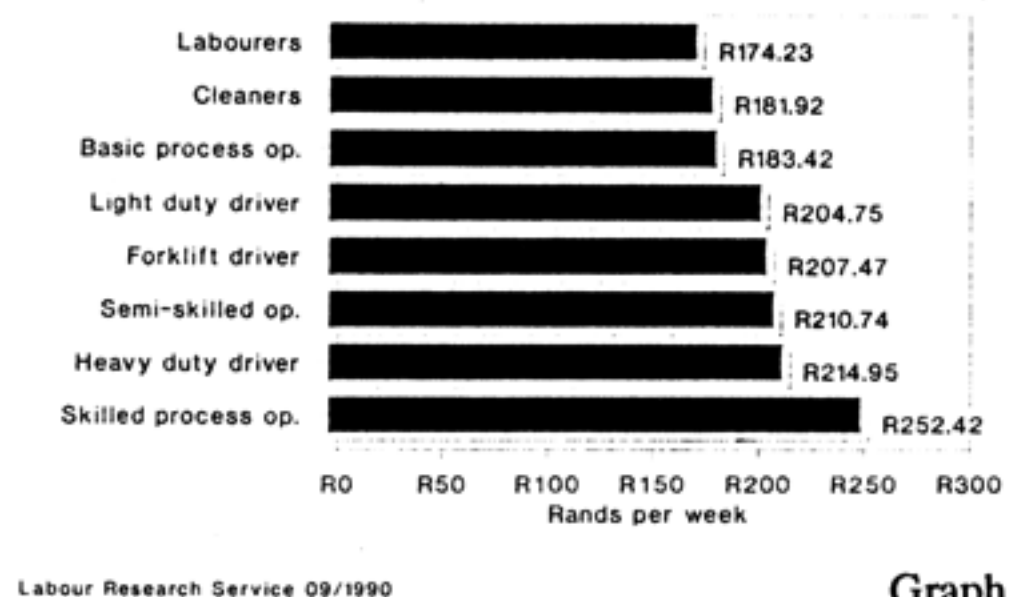
Graph 1

WAGE DETERMINATION WAGES Labourers' Weekly Wages (area A)



Graph 2

AVERAGE WAGES - ALL INDUSTRIES Job Categories Compared



Graph 3

across all sectors of the economy. (Graph 2)

The average wages of vari-

ous job categories across all industries are contained in Graph 3. ♦

BUS TRANSPORT

State gets taken for a ride

Bus companies in South Africa are privately owned. These companies have made big profits for their owners. The growth of the taxi industry, political stayaways and boycotts over the past few years has, however, threatened the big profits.

Since 1948 the Group Areas Act has forced workers to live far from their places of work. Large privately owned bus companies were formed to transport workers to their jobs. The government gave these bus companies subsidies so they could operate at a profit.

The bus owners used an accounting trick to show that their profits were low. By showing low profits, the bus owners received higher subsidies. They were also able to keep fares high for commuters.

The cost of the wear and tear on a bus is called depreciation. Depreciation reduces profits. The bus owners charged larger than necessary amounts of depreciation to their profits. The bus owners also regularly revalued their buses so that the depreciation cost was kept high.

The bus owners said they did this because the cost of replacing an old bus with a new bus was very high. But the bus owners have not replaced all their old buses with new buses. Since 1985 the bus owners have

actually reduced their bus fleets.

In 1985, for example, Putco owned 3 348 buses. Now it owns only 2 200 buses. What has happened to all the money kept aside to replace the old buses? About half of it was paid out to the owners earlier this year when Putco declared a special dividend amounting to R81,5 million. This dividend was tax free for the owners!

Tollgates tentacles

Tramways is another large bus company. This company operates a fleet of more than 2 400 buses and conveys more than 300 million passengers per year. Tramways is owned by Tollgate. Tollgate also owns Gant's (the food company), Arwa (the clothing company), Budget Rent-a-Car and Motorvia (goods transport).

Cape Tramways has announced its intention to close its Port Elizabeth bus service. It will move its 400 buses to the more profitable Western Cape, reported one of its directors.

By doing this Cape Tramways does not have to buy more buses for its Cape Town service. So its large reserves, held back for the purchase of new buses, will not be used. We can expect a large tax free dividend pay-out by Cape Tramways soon.

This also means that without Cape Tramways, Port Elizabeth has no bus service. Port Elizabeth is being held to ransom by private bus operators.

New strategies needed

An efficient, reliable and

stable bus service is needed. In most countries public transport is either run by the state or local authorities. A privately owned profit making bus service is open to abuse. A new strategy is needed for South Africa's ailing public transport system. ❖

Settlements trend is down

Unions achieved a 20,9% average increase for labourers in the period January to June 1990. This is the result of a review of 198 wage settlements by the Actual Wages Rates Database of the Labour Research Service.

Since the high of 22,9% in the first half of 1988, the trend in wage increases has been declining. This indicates a harsher bargaining environment and a weaker economy overall.

The public sector tops the log of average increases by industry. Large wage increases, often after strike action, have resulted in substantial improvements in this sector.

Industry average increases are tightly bunched. The lowest ranked food industry is just below the all industry average.

Labourers now earn R174 rand per week on average in unionised companies. This average has grown steadily, in real terms, since the first review of wages in 1987, exceeding the increases in price levels. ☆

Jabu Gwala

SACTWU organiser

How it all started

I was born in 1951 in the Pietermaritzburg area, next to Howick. I was one of seven children. My father worked for Sarmcol in the boiling department, as a labourer. In 1965, he was dismissed from Sarmcol. He had missed work for about three days, attending to a family problem and when he went back to the factory, he was dismissed, after 15 years service. He suggested I leave school and go and look for a job, so I did and I started to work in 1967.

Pietermaritzburg has very few industrial areas and very few jobs, so I went to Pinetown looking for a job. I was employed by Frame Textiles in 1967, and worked there till 1980.

In 1969, we had a strike in my department of the factory, which employed about 1 500. The strike was about the bonus system and attendance deductions, whereby a whole rand was deducted if you were late for just one minute.

The union is formed

We had another strike in early 1973, which led to the formation of the union in September. When it was formed, I became involved as just an ordinary worker. Then in 1974, we had another big strike which led to Halton Cheadle - one of the students involved in labour matters then - being banned. That is when I started to take a leading role in the union. When the strike was on, management requested a couple of people to come and discuss. Most people were reluctant not knowing what the employer was going to do. There was a liaison committee, but it was very new and blamed by workers for collaborating with employers, and not being concerned

with worker's grievances. I was not on the liaison committee at that time. So I took the initiative with a couple of guys to go into the factory and to negotiate.

When the strike was over, some people were dismissed, but fortunately I wasn't. People started to follow me and push me to be elected to the liaison committee. We decided to make it our strategy to infiltrate the liaison committee and to use it to the advantage of workers. So in 1974, after the strike, the company called an election and I was elected to the liaison committee and I served on it from 1974 to 1980. In 1974, I was also elected to the underground shopsteward committee, which was meeting in the office, planning outside of the impimpis who were serving on the liaison committee. From there I was elected a chairman of the branch and the treasurer of TUACC.

That was when I began to understand politics, recognising the rights of workers to be represented by a proper trade union. In 1980 we had a big strike resulting in myself and another two comrades being detained. One of my colleagues was assassinated after the strike.

So I was dismissed in 1980 - I was not lucky any more! I got a job at Romatex and worked there for nine months. Then I was appointed as an organiser in 1982, and organised 18 000 workers in Hammarsdale, Pinetown and Ladysmith. Then I was transferred to the Eastern Cape. When I got here we had no recognition at all, other than in Port Elizabeth, where there were about 4 000 members. So we organised and started to employ people in the union and today we are approaching 30 000 members.

PROFILE

I was involved in the formation of FOSATU and I was regional treasurer for FOSATU in 1979. I also took part in the formation of COSATU. .

Hard worker

I think I'm a hard worker. I don't have time limits. I work any time which is available to me - which has led to me losing my wife. I was married with two children. The children are with my sister, and my wife has run away. I would love to be married again, and to have a more organised life now, instead of burning myself out. I'm approaching forty, I don't have a house, I don't have a family, I don't see my kids - they are just growing up without me. When you reach forty you start thinking about such things.

Family influences

My father was a member of SACTU at Sarmcol in the 1960s. He came home once and told my mother to take any paper that anything to do with the union or the movement, and burn it because the police were arresting anybody who has got that interest. People used to talk very softly, they were so scared.

One of the things that motivated me was the kind of impression my parents had regarding the white people. I thought rather than hating or being scared of the white people, you have to have got prove that a human being is a human being. So that was my first approach in the trade union field and the second approach is to whether we can't end this kind of terrible system.

Searching for a system

The thing I enjoy most is to win rights for the workers, to win a strike, to prove that workers have power, and to win benefits, to improve people's standard of living. The most important thing to me, is that workers should not suffer for ever. We should have an ending point whereby no workers would be suffering. If we must suffer, let's all suffer, not just workers. So I've been searching for a system which will allow that.

At the moment, we are looking at co-operatives and we've got the workers' charter campaign. This is reviving my spirit after the problems in Eastern Europe - you know it deteriorates the spirit of everyone who thought that they had the best system. But the workers' charter approach such as demanding that workers should be represented on the board of directors

etc, I think is the area which one has to explore. We must find how workers can really control their own lives rather than to rely on someone else, because he has been appointed as a director. .

I think if we expect real change in the system soon, not just in getting rid of apartheid, I think we'll be disappointed. It's going to take time. The level of education is not up standard. We are at a stage when black people will be in parliament. So we have to assess what parliament can and cannot do for us as the working class. I wouldn't like us to aim very high at this moment. The changes won't be to the system yet. The capitalists are still strong. and politically the working class is still not clear.

Building the confidence of the masses

I see the role of workers as getting rid of apartheid and then going further. That is why I prefer the independence of the unions, building the consciousness of the workers. We managed to build up consciousness against the employers by creating trade unions. Now we have to build the consciousness of the workers, of the working class, to lead. But I don't think we are very near to that. In a real sense, when we speak of the leadership of the working class, we are talking about the intellectuals in the trade unions. The experience of intellectuals should not decide for the masses. We have to come up with the masses rather than be there for the masses.

Let's take the campaign that has been conducted by SACTWU. We started a campaign that shopstewards should go and negotiate for an exclusive notice board in the factories to be used for the workers' charter campaign. They negotiated that and they came back very proud that they have that board. They are now holding their discussions about what we want in a new South Africa.

That is the kind of leadership I mean, building up the confidence of people so that they can do things themselves. That is the level we should go for to get serious changes. If we give confidence to the people on the shop-floor and the working class at large, I think that will be the right stage at which to expect changes will be understood by the people.

A long battle for socialism

You experience a lot of things in the trade union. Say workers win a big lump sum. You say: 'Comrades, why don't you start a co-op and buy

kombis and we'll know that the kombi belongs to our comrades, rather than allowing SABTA with their capitalist interests to give us transport.' But they say: 'No ways, I want my money. I'll decide what to do with it.' You can see, even if you talk about socialism, it's not right down to the grassroots, people don't really understand what it means. But you'll find those people wearing t-shirts with all kinds of logos. We've got a lot of work to do to get people to understand. Otherwise we'll introduce socialism in the country, and then we'll have a revolt against it like in Eastern Europe.

Alliances mean having differences

I was involved in civic organisation in Clermont, and I support the mobilisation of all the people. But there must also be a difference between the unions and political organisations. For example, we as COSATU have an alliance with political organisations. But how can you call it an alliance any more if worker leaders are also leaders on political organisations?

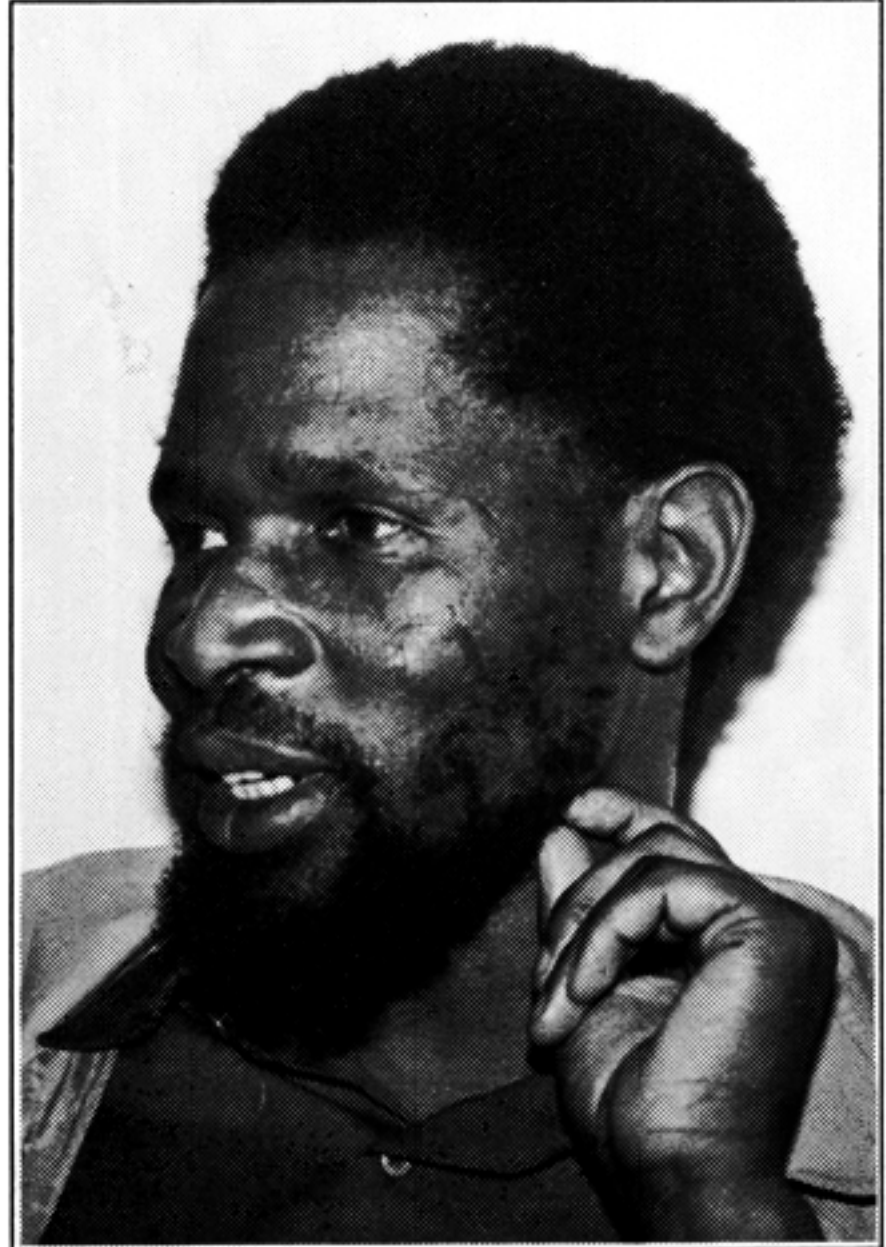
Alliances between two organisations means meeting together discussing a common purpose. But if you can't see the difference between the organisations it's a problem. I think it's forcing each not to clash with the other, whereas it is helpful to have some disagreement. You can be a member of a political organisation - it would be wrong to refuse people to be members - but to be on the executive is not necessary. That will break down the independence of the unions.

Bear in mind also that political organisations have the advantage of having educated people, and more political understanding than workers, and you end up having the decisions coming from one side all the time. What I am suggesting is other constituencies should have proper discussion on their own as well, and then to have an alliance in the true sense of the word.

No government should dictate to workers

I don't think the ANC is against trade unions. But at the same time they will, like any government, have things against the trade unions, and they may take some actions which will not be seen as a good decision by the workers. I think you cannot avoid that.

For example, I don't think that the new government should have anything to do with wages. I don't think anyone should dictate between the employer and employee. The



government has been helping employers all these years, but just because workers are organised now, for the government to dictate for the workers is wrong. They've left the employers to do whatever they want to us for all these years and now it's our chance to fight back. Seriously, it will limit the chances of changing the system if the government tries to improve the economy at the expense of the workers.

The moment the government comes, for example, with a minimum wage, no-one will be able to get more than the minimum wage. Employers will insist on the minimum wage, and from that, worker power will be demolished. There will be no more worker power and so what will the trade union be for - nothing. And what will we be striking for - nothing. I feel the fair fight between employer and employees is a good education for people to understand how bad the capitalist system is.

Unfortunately in South Africa, we have always had more white capitalists. It looks as if the capitalist is only white. In a new South Africa, I hope blacks will have businesses and people will see that it is not the colour which oppresses them, it is the system. So in the process of fighting the system, they will gain the confidence and understanding of what is wrong with the system. ☆

