

# 2010 World Cup

## What have workers and poor gained?

Workers all over South Africa welcomed the hosting of the World Cup in 2010. **Crispen Chinguno** looks critically at how trade unions strategically responded to the event and what benefits have so far accrued to workers and the poor.

South Africa will make history by becoming the first African country to host the FIFA World Cup in 2010. How many will spare a thought for the plight of the millions of workers behind this landmark event? So far debate has focused on the positive socio-economic and political issues that benefit big business. There is glaring silence on how this mega sport event will or can benefit the ordinary worker and poor who are soccer's major fans. This event is not only about football.

The event like others such as the Olympics is part of the globalisation which presents significant threats to labour standards and raises questions on trade regulation, migration, union and social issues. However, given their size, these events do provide political space and opportunities for unions and social justice groups to publicly discuss the impact of globalisation and challenge current neo-liberal thinking.

The labour movement supported the bid to host the 2010 FIFA World Cup with the hope that this would come with socio-economic and political benefits. It hoped that hosting the Cup would help redress the legacy of apartheid and act as a driver of development, in terms of

job creation and poverty alleviation.

At its 9th Congress in 2006 Cosatu (Congress of South African Trade Unions) resolved to 'campaign for the 2010 World Cup to have a developmental focus and act as a catalyst for achieving the broader goals of equity and development'. It also decided to push for a 2010 Framework Agreement with provisions ensuring local procurement; employment creation; sustainable infrastructure creation, explicit labour standards in all procurements and contracts including the freedom to join a union, bargain collectively and ensure compliance with minimum standards; promotion of broad based Black Economic Empowerment (BEE); access to procurement contracts by small collectives; and availability of discounted tickets for workers, the poor and rural people.

Cosatu also saw the World Cup as an opportunity to raise the standards of football in South Africa and promote the interests of the South African Football Player's Union (Safpu).

This article looks at how South African trade unions' attempts to influence events around the 2010

FIFA World Cup in different sectors in order to achieve sustainable gains in working conditions, organisational strength and other benefits to the working class and poor.

### CONSTRUCTION SECTOR

The construction boom resulting from World Cup projects and associated infrastructure provided an opportunity for construction unions to strategically influence preparations for the games. Workers had high expectations that they would benefit from the construction of 2010 projects but unions lacked the necessary unity and organisational capacity to help achieve this.

The construction industry is characterised by a very low and fragmented union coverage of 10.5% of workers. This is one of the lowest in the country only higher than agriculture and domestic sectors. This fragmentation is due to a relatively small portion of skilled core workers with permanent contracts as opposed to the majority of mostly unskilled workers with non-permanent contracts.

Trade union membership is mostly confined to the core where the jobs are secure with superior



*Crecentia Mofokeng of BWI and three SA soccer unions met FIFA's Sepp Blatter who committed to bringing workers' issues before the SA government and FIFA LOC.*

conditions and usually employed by the main contractor. Construction unions are also fragmented such that over five unions organise the 10.5% of the over 1 million workers.

Over three quarters of workers in the sector are employed by labour brokers, subcontractors or are on limited contract. A large and growing portion of these are migrant workers. In the past Cosatu has attempted to unify and strengthen organised labour in this sector but with limited success.

The Building and Woodworkers International (BWI), the global union federation for construction, provided extensive strategic organising support for construction unions in the run up to the World Cup. The BWI, in collaboration with local South African unions and with support from various international allies, decided to use the 2010 construction projects as a platform to build union density in construction and campaign for decent work across the industry (see *SALB 32.1; 32.2*).

The campaign, which was launched at the World Social Forum in Nairobi in 2007, brought

together three of the major South African unions in the construction industry, all affiliated to the BWI but from different union federations with diverse histories and cultures.

The campaign primarily aimed to use 'moral' power to mobilise football fans world-wide and thus, indirectly, put pressure on FIFA, government and construction companies to improve wages and working conditions on 2010 construction projects.

BWI used strategic research to highlight the extensive exploitation of workers in construction to gain public support for union action. It campaigned against the widespread practice of using labour brokers and the negative impact on workers. This contributed to a review of labour broking and the current proposed amendments to the Labour Relations Act to control broking.

In July 2009 the construction sector recorded one of the biggest ever industrial actions, with strikes at all World Cup stadiums and construction projects. While most industrial activities were initiated by non-unionised workers on

temporary contracts (20 out of the 26 strikes), unions were able to take up workers' issues and use the threat of timely delivery of 2010 infrastructure to leverage enterprise bargaining. In this way they achieved wage improvements across the whole construction sector (see *SALB 32.1; 33.2; 33.3*).

The Minister of Labour and the FIFA Local Organising Committee (LOC) executive were drawn in to ensure resolution to the dispute. The strikes received widespread media coverage and the unions successfully managed to articulate their position through the World Cup 2010 decent work campaign. The strike managed to get unprecedented public sympathy and support.

Other more short-term gains on individual sites included coverage of transport costs to construction sites and additional bonus payments.

As part of the campaign, unions also pressured FIFA to take responsibility for working conditions on World Cup sites. The BWI, Swiss unions, and South African construction unions, lobbied FIFA at the international level.

At a meeting in Zurich, FIFA President Joseph Blatter committed FIFA to bringing the workers' issues before the government of South Africa and the LOC and to include unions in official inspections of stadiums. FIFA also agreed to provide all construction workers with free World Cup tickets.

However, despite Cosatu having a seat in the LOC, the latter was reluctant to take responsibility for workers' rights, arguing that it was only the 'event organiser' and not the employer of construction workers. An attempt to initiate an overarching framework agreement governing working conditions on 2010 projects was not successful.

FIFA had to be 'pressed', through the media, into fulfilling its commitment to joint inspections of stadiums. On FIFA's promise of 40 000 free tickets to construction workers on 2010 projects, it is not clear how these will be distributed. Given the high turnover of workers and the precarious nature of many contracts it is hard to see how 'all' workers will benefit.

Nonetheless, unions saw these commitments by FIFA as a significant achievement as they have established a precedent that will be hard for FIFA to reverse in the future.

While the BWI campaign achieved some success, it failed to fight for worker job security and many workers became redundant at the end of projects.

### SECURITY SECTOR

South Africa is perceived as one of the greatest security risk countries in the world. As a result the security sector for the World Cup is very big business.

Unions in the security industry have in some measure acted strategically to ensure good labour conditions were a key consideration in the awarding of tenders for security services for the World Cup.

In 2006 the South Africa Transport and Allied Workers Union (Satawu), which is the biggest union in the security sector, lobbied the South African Football Association (SAFA) against awarding World Cup contracts to the security multinational Group 4 Securicor (G4S), due to its poor labour relations record. Satawu, along with UNI, the global union for Skills and Services, used strategic research to expose G4S' scandalous profit margins and highlighted the injustice of the poor conditions for security guards.

In April 2007, a global fact-finding

team of different unions went to South Africa, Malawi and Mozambique to find out about the employment practices of G4S. The team interviewed workers, their families, union leaders and government officials about the company's practices and found serious violations of labour laws and blatant racism.

UNI invited a representative from *ver.di*, the German services union, to a strategy meeting on G4S in Johannesburg in 2007, to learn how unions campaigned around the 2006 World Cup in Germany. The meeting also sent a delegation to lobby the FIFA World Cup Organising Committee to only consider responsible companies that respected human rights for World Cup security contracts.

The World Cup action was part of an extensive corporate campaign by UNI to achieve a global agreement with G4S. The agreement, which has since been achieved, commits G4S to paying a living wage, providing social protections, and recognising workers' freedom to form unions.

However, the agreements enforceability in the South African

context is open to challenge because some of its provisions are not in line with national labour legislation. The global agreement guarantees bargaining rights to all workers yet the South African labour regulation requires a threshold of at least 30% union membership.

### TEXTILES AND SPORTSWEAR

There has been little union activity in the textiles and sportswear production for the 2010 World Cup. The Southern African Clothing and Textile Workers Union (Sactwu) signed an agreement with the LOC, which guarantees that all producers of FIFA-branded sportswear in South Africa must comply with the collective agreement for the industry, and that all producers must be members of the clothing industry bargaining council.

The global union federation for textile workers, the TGLWF, called on FIFA and the LOC to disclose where clothing for the 2010 World Cup would be sourced. As part of the 'Proudly South African Campaign', Sactwu has over the past few years, pressured local



Blatter agreed to including unions in official inspections of stadiums.

Skyscraper city

retailers to enter into agreements to 'buy local' and to include labels on all garments, showing their country of origin.

As the countdown to the Cup gained momentum, government launched the Football Friday campaign to build enthusiasm and support for the games by requesting citizens to wear football shirts every Friday. However, the reality is that most shirts are produced outside South Africa, in South-East Asian sweatshops (China in particular) by unorganised labour as no measures were put in place to prevent this.

Other unions in key sectors such as transport, hotel and catering seemingly had no significant strategy in organising around the World Cup.

#### LINKING WITH INFORMAL SECTOR

Unions in South Africa have partially engaged with social movements and NGOs working in the informal sector through involvement with StreetNet International's campaign, World Class Cities for All. This campaign seeks to address the impact of the World Cup on informal traders and the poor, including forced removals and so-called 'slum' clearance.

Campaign partners have engaged municipalities in host cities in order to challenge FIFA by-laws and restrictions on traders and to engage with the LOC to push for implementation of the stalled Nedlac (National Economic Development Labour Council) 2010 Framework Agreement.

With the advent of mega sports events such as the World Cup many street traders are shut down and municipal clean-up campaigns take place to ensure that the host country and its cities present a 'picture-perfect' face to the world. Rather than benefiting them, street traders in South Africa are

discovering that many of the FIFA by-laws governing the sale of merchandise, use of logos and trading zones place severe restrictions on their ability to make a living. Considering the history of FIFA this is unlikely to change.

#### DISCUSSION AND CONCLUSION

Distela, the labour college, and SALB (supported by Friedrich Ebert Stiftung) organised through its Siyakhuluma series discussions on the political economy of the 2010 World Cup. The unions bemoaned the lack of benefits for ordinary workers and the poor. The Safpu representative remarked: 'We are not seeing any tangible benefits to the players from the World Cup. It is only benefiting big business. SAFA promised to organise the legends (former players) through running some coaching clinics but this never happened.'

Others echoed the lack of debate on the workers' conditions and benefits to the public through such comments as 'We are worried about the pathetic level of debate on workers' conditions and welfare. The focus is only on the good. No one is worried that the majority of workers who constructed 2010 World Cup infrastructure are in a sector where less than 10% belong to a union and over 70% in contingent employment. The majority earns less than R2 500 per month and are part of the army of working poor. Most will have no jobs when the games kick-off.'

Has the 2010 World Cup assisted in the attainment of developmental goals and in mitigating poverty and inequality? This may actually be the reverse given that South Africa recently became the most unequal society in the world.

Trade unions in construction were generally more strategic in organising workers around the

World Cup. Union membership increased from 70 736 in 2006 to 98 196 in 2009; a gain of 27 453 (39%). The campaign however, had weaknesses in that it was externally driven by the global union and may not be sustainable. Beyond the construction sector not many unions saw opportunities around the 2010 World Cup.

Nevertheless, there is still hope. The games will attract over 40 000 journalists into the country. Unions can exploit such an opportunity to articulate the plight of workers and the unemployed poor to the world. This will give them critical symbolic leverage.

The National Union of Metalworkers of South Africa for example, is setting up big public screens at its offices where the public will have free access to watch the games. The union will then engage in political discussions and union organising before matches. Its better late than never.

The 2010 promise to deliver socio-economic, political and social benefits looks unattainable. The number of expected visitors is said to be lower than expected with some hotels not fully booked just a few months before the games. The failure to organise may have been a missed opportunity for labour but the 2010 World Cup has also revealed that engagement with global capitalism will do little in mitigating apartheid legacies of poverty, extreme inequality and worker exploitation. LB

*Crispen Chinguno is a PhD student at the Society, Work and Development Institute at the University of the Witwatersrand. The article draws from Schwetz, W, McGuire D and Chinguno, C 'Why trade unions should pay attention to mega sports events?' Peripherie 117.*