

Basotho miners speak

Subcontracting on South African gold mines

In April and May 1998, researchers conducted research in Lesotho to explore the impact that the increased use of subcontractors has had on Basotho mineworkers. They interviewed 93 Basotho mineworkers, who have or were working for contractors. Researchers also collected information from officials of labour recruiting agencies and the coordinator of the Mineworkers Development Agency (MDA).

There has been much discussion and analysis of retrenchment in the mining industry; however, researchers have largely ignored the trend towards the increased use of subcontractors. While in 1987 only 3% of the workforce in gold mining was employed by subcontractors, by 1994 this figure was 10%. A sample of 27 gold mines shows that the total number of employees declined by 32,7% between 1988 and June 1996. During this same period, the use of subcontracted labour on gold mines increased by 96,8%. In 1998, about 7% (5 261) of all Basotho mineworkers were employed by 30 subcontractors registered with the Chamber of Mines.

Subcontracting has always existed to some degree in specialised areas such as shaft sinking. However, since the late 1980s, mines have been hiring subcontractors for an increasing number of 'core' functions that were traditionally performed by regular mineworkers. Those supporting subcontracting justify it on the

Theresa Ulicki provides research findings that show that subcontracted workers on the mines feel exploited and want the system of subcontracting to be transformed.

basis of lower costs, increased productivity, and improved labour flexibility. This may be true, but subcontracting is also clearly an attempt to bypass the labour standards negotiated by trade unions. Critics of subcontracting blame management's increased use of subcontracting on the grounds that the subcontracted workers:

- are paid lower wages;
- are generally not entitled to medical schemes, pension or death benefits;
- do not receive severance packages;
- are required to work longer hours in dangerous parts of the mine;
- are discouraged from joining unions.

Regular miners have benefited from various new acts of legislation, including the Mine Health and Safety Act, the LRA and the BCEA. Subcontractors routinely bypass these regulations.

Recruitment

There are four official recruiting agencies in Lesotho: TEBA, E.R. Ramsden Bleskop,

Ribaneng Recruiting Agency and Acrol (Anglo-Colliery Recruiting Organisation Lesotho). TEBA had recruited the majority of mineworkers interviewed in the study.

One function of a recruiting agency is clarifying the conditions of employment in the contract for the recruited employee. This is particularly important given the high rate of illiteracy amongst Basotho mineworkers. TEBA employees claim that they explain the conditions in the contract to all recruits. However, the TEBA contract used for subcontractors is the same as the regular contract used for mines. This contract does not accurately reveal the terms of employment with individual subcontractors. As a result, the TEBA recruiters may not specify all the terms of employment when they are recruiting.

While TEBA employees probably discuss the general employment conditions with recruits, it is unlikely that the TEBA employees are familiar with the specific terms of employment of each of the 30 subcontractors for which they recruit. Eighty-three per cent of respondents remember signing (fingerprinting) a contract. However, two-thirds claim they were not advised of their contract's terms before beginning work. Even when the terms of their contracts are explained, these may not be the conditions miners experience at the job site. Miners complain that:

- they are not paid the wages they are promised;
 - the subcontractors do not stick to the benefits and bonuses stated in the contract;
 - accommodation is not always available.
- Currently, there is a legal restriction on hiring foreign novices (people who have never worked as miners before) to work for subcontractors. However, interviews show that some subcontractors try to bypass these regulations by issuing false

work service documents. Recruiters believe such subcontractors prefer novices because they are more easily manipulated and exploited.

Recruiting agencies agree that the employment conditions of subcontracted workers are inferior - even unfair - compared to regular mineworkers. Nevertheless, interviews with recruitment agency officials show that while they may encourage subcontractors to meet certain standards (such as providing death benefits and a minimum wage), they do not require any minimum standards before they will recruit workers.

Employment conditions

The miners interviewed, NUM and recruiting agency employees are very concerned about the lack of standard industry non-wage benefits provided by subcontractors. The vast majority of subcontracted workers do not receive membership in a medical scheme, sick leave or injury compensation, a pension, severance pay, free safety equipment, or death benefits. The differences in employment conditions are very clear to the Basotho men: 'Regular miners are not bathing with cold water, they are eating satisfactory food, they are given money for medical purposes, pensions, bonuses... When one of them is dead, his family is given money.'

The lack of sick leave and compensation for injuries can lead to particularly exploitative and illegal situations. Employers may blame workers who sustain injuries on the job and therefore not compensate them or even dismiss them.

When subcontractors pay employees' medical fees, they may take injured workers to 'back-door hospitals' where medical care is poor. In instances where subcontractors are involved in an accident



Many subcontracted workers are retrenched and given little time to pack.

and the accident results in deaths, the consequences for the victims' families may be devastating. In the Vaal Reefs disaster of 1995, the mineworkers employed by subcontractors were not covered by death benefits and their families received very little compensation. A special disaster fund was established and through this each family was given R5 000. The families of regular mineworkers received R60 000 each.

Subcontracted mineworkers often work in the most dangerous sections of the mines - sections where regular mineworkers and their union representatives have refused to work. Even working in these more dangerous situations, the subcontracted workers may be paid considerably less than regular mineworkers. The average monthly income of those workers interviewed is R788, but this ranges from R150 to R1 800 per month.

One interviewee explained his financial problems: 'I stopped working for the subcontractor because I was working but my family was starving. Now, what use was

my work?' My head would spin around every time I got my monthly salary because now how could I divide R100 between myself and a family at home? It is a shattering idea. If now I send R100, how much is left for me? R5? What do I do? One packet of cigarettes and nothing? If I share it so that it is R50 home and R50 for myself, what do I expect to hear from my wife? That I have thousands of women here and I don't care about my family? The best, yet not better than anything, was to ignore them at home for a couple of months and send R150 the third month, which is still crazy but better.'

Most of the interviewees believe that contractors cheat their employees by making unauthorised or excessive deductions. Interviews also showed that many subcontractors pay their employees late or not in full, while some subcontractors try to get out of paying their workers entirely.

Documentation on subcontracting emphasises that while basic wages are

lower than those of regular mineworkers, production bonuses make up a large part of subcontracted mineworkers' total earning. The majority (70%) of mineworkers report receiving production bonuses. However, many have no idea how much they should receive. The remainder state they are paid very little in the way of bonuses, receive bonuses infrequently or are promised bonuses they never see. Interviewees generally see the production bonus system as another area where subcontracted mineworkers are manipulated and cheated.

Little is known about the hours that subcontracted workers work. However, because so many men rely on production bonuses to increase their income, they often work dangerously long hours - sometimes up to 13 hours per day. The high number of hours worked and the dangerous conditions of subcontract work lead to serious health and safety risks, which are worsened by:

- a lack of medical benefits;
- inadequate or non-existent compensation in the event of injury or death;
- exploitative practices such as dismissal in the event of injury or sickness.

Research shows a direct link between higher percentages of subcontracted workers and higher total death and injury rates on mines. Furthermore, TEBA employees suggest that there are more injuries with subcontractors than are actually reported.

Productivity bonuses may encourage workers and supervisors to take unacceptable risks. One mineworker tells his story: 'Workers work even when they are tired and don't concentrate on what they are doing any longer, but are forced to finish their assigned work before they may have time to rest. The result is working carelessly and causing accidents.

This happened where I was working. We were working for bonus when one man's leg was broken by a locomotive - he was working and not noticing that the locomotive was too close to his leg and it was crushed.'

Some subcontractors ignore aspects of the Mine Health and Safety Act (1997). According to the Act, an employee must report any situation which presents a risk to the health and safety of employees to the supervisor. Furthermore, an employee has the right to leave a dangerous work place. However, many mineworkers report being forced to work overtime, thereby creating a dangerous work environment. If they express concern over the risk of working under such conditions, they are fired. The Act stipulates the employees must be trained and competent to safely perform any task assigned to them; with contractors, this is not always the case: 'They give safety instructions in the mine school and ignore them at work by disobeying them and expelling those who insist on "safety first".'

Unionisation

Subcontracting impacted significantly on unions. It has contributed to the decline in the membership of Basotho mineworkers in NUM. It has also affected the way Basotho mineworkers perceive NUM.

A number of mineworkers interviewed believe that mines have increased their use of subcontractors to discredit and destroy NUM: 'The mines ran away from NUM [which was] exposing their corruption and the way they cheat illiterate, poor workers just because they could not interpret a thing on their pay slip. NUM is now working for its supporters and it is not easy to cheat miners any longer. So mines made an excuse that there was no more gold, to dismiss workers and hire subcontractors



Subcontracted workers work in dangerous areas in which NUM members refuse to work.

who could employ desperate people they could cheat since they won't allow them to join unions.'

Union membership amongst subcontracted mineworkers is much lower than that of regular mineworkers. Sixty-six per cent of mineworker interviewees are not union members. Of those who do belong to a union, the 77% are NUM members, while the remainder do not know which union they belong to. Some mineworkers are registered with small and unknown unions without their consent. This is possibly an attempt to prevent them from joining NUM. While no legal barrier prevents employees of subcontractors from joining unions, 72% of the mineworkers report that the subcontractor they work for discourages them from joining a union. Forty per cent of respondents claim that subcontractors expel workers who join a union: 'Subcontractors don't allow workers to join unions. That's how they can make employees work no matter what. If you

want to be fired, be big-headed and complain. They will kick you the hell out of work and you're going to starve.'

Nearly half the interviewees believe that NUM has made no attempt to assist subcontracted mineworkers and are bitter that NUM has not played a more effective role in lessening the exploitation they experience: 'NUM is a union which works on behalf of workers. It must meet challenges like any other union fighting for rights. If it does not meet these challenges, what work will it have to do?... This is a good chance for it to show what it can do for workers and not just take fees without doing work [but] it hasn't done enough, at all.

'Subcontractors work under bad conditions and are abused. NUM knows that these workers cannot force employers to let them join, but it doesn't do anything to help them because they are not members. How can they be members while it does not help them acquire membership?'

Relations with regular miners

The introduction of subcontractors at mines sometimes leads to hostility, and even violent conflict, between regular mineworkers and subcontracted mineworkers. Mineworkers feel that subcontractors undermine the basic employment standards that they have achieved and that their jobs may be the next to be subcontracted. The majority of respondents maintain that relations are conflictual, involving name calling, mockery and even violent fights: 'Regular miners despise us. They dismantle or steal mine property but they say it's us. Sometimes they go for a strike that will benefit them, as NUM will be on their side, but they threaten us subcontracted workers that they will kill us if we go to work. We would stay and later get problems with our management for not working.'

Retrenchment

The uncertainty of employment in the mining industry - especially when working for a subcontractor - is strongly felt when workers are retrenched from a contract. The vast majority of workers employed by subcontractors did not receive a severance package when they were retrenched. Almost half the men who have been retrenched by subcontractors were not given notice - they had to leave the work place and hostels within a matter of hours. This practice causes many difficulties and complications. Many retrenched subcontracted mineworkers complained that they could not collect their belongings in the short period of time given to them by the subcontractor. They also complained that they often had to wait until pay day to collect their wages. During this time they may incur debts for accommodation and food.

Conclusion

Overall, the employment conditions that subcontracted mineworkers endure are inferior to those of regular mineworkers. Critics of subcontracting argue that subcontracting is merely a strategy that allows mines to bypass the unions and increase profits.

This study's purpose is not to formulate policy guidelines in hope of changing the system - that would require a much more thorough investigation. The intention is much more modest - to allow the voices of those most affected by subcontracting to be heard. The men we interviewed regard the conditions under which they work as exploitative. They believe the system of subcontracting must be transformed and the majority call for subcontractors to be required to:

- follow the regulations and provide the same conditions as regular mineworkers;
- pay better wages;
- allow unions. ★

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