

## Can unions organise the unemployed?

# Giwusa gives it a bash

Giwusa (General & Industrial Workers Union of SA) is a rare union that organises and services the employed and unemployed. Its general secretary **John Appolis** describes how the union has embarked on this difficult project.

**T**he trade union movement has on many occasions dedicated itself to the organising of the unemployed. COSATU, for instance, at its recent 9th National Congress, reiterated the urgent need to organise the unemployed and, to this extent, adopted many demands relating to the unemployed. In most cases however there is no systematic theorisation of, firstly, the nature and role of unemployment in the capitalist accumulation regime, and secondly, the organisational strategies and adjustments necessary to undertake such an endeavour.

Our experience of organising the unemployed over the past three years has shown that there is no substitute for the hard, solid and sustained organisation of the unemployed. The relegation of this task to an appendix of organisers' overall work is not sufficient. Further, whilst once off mass campaigns and general strikes around job losses and income for the unemployed are very necessary and must be undertaken and supported, they only serve to illuminate the problem. If this type of action is not either preceded or followed by the actual organising of

the unemployed then again there will be no forward march in this arena.

### UNDERSTANDING UNEMPLOYMENT

Theorisation of the nature of and role of unemployment under neo-liberal capitalism places our organising initiatives on a sound footing and also provides a buttress to the cheap propaganda of the government that it cares for the unemployed.

Recently the government trumpeted the fact that the economy has created new formal jobs. What it does not show is that the rate at which jobs are being created is vastly inadequate to stem the tide of unemployment. Ironically there are already attempts afoot on the part of the Reserve Bank to choke off the consumer-driven economic growth by the raising of interest rates.

This contradictory nature of official economic policies is endemic to the neo-liberal agenda of the South African ruling class. Unemployment in the country is structural, permanent and mass. Since the 1970s, formal employment has been in steady decline. This decline is a direct result of the

structural changes that occurred in the economy where the primary sector diminished and new technological changes accompanied by a fundamental re-organisation of work were effected. Hardest hit were the mining and manufacturing jobs. The picture that graphically emerges is that if you fall in the age group 16-34 years you most likely would not find a permanent job – statistically 70% of this age group have never worked. More significantly, 56% of all unemployed people have never worked.

A major contributor to the unemployment crisis has been the macroeconomic growth strategy of the government – the Growth, Employment and Redistribution Programme (GEAR). It is commonly recognised that government's programme of privatisation, liberalisation of trade through the removal of tariffs, financial liberalisation and fiscal austerity since 1996 are the main culprits. Under the ANC-government's watch more than 1 million jobs were lost between 1994 and 2003 in both the public and private sectors.

The pretence that it has a strategy to tackle the crisis of unemployment

rings hallow upon close scrutiny. The so-called government strategy of setting up a public works programme in the form of the Expanded Public Works Programme (EPWP) to provide short-term employment whilst waiting for economic growth to absorb the unemployed has been a complete failure.

The EPWP is situated within the government's conservative fiscal policies and is designed within the budgetary constraints of the medium term expenditure framework. The EPWP offers short-term employment but the structural economic problems are not transitional problems. The EPWP only delivers a maximum of 200 000 temporary jobs each year. These jobs are not additive, i.e. it is not 200 000 in year one, rising to 400 000 in year two and so on.

The government has committed itself to halve unemployment by the year 2014 but to achieve this target at least between 400 000 and 750 000 additional formal jobs per annum need to be created. The underlying assumption inherent in the EPWP that unemployment is a transient problem is fundamentally flawed.

#### **GIWUSA EFFORTS TO ORGANISE JOBLESS**

With this understanding in mind, Giwusa in 2003 formally integrated the Masibambane Unemployed Project (MUP), a project which had been initiated originally under the Wits Region of CEPPWAWU (Chemical Energy Paper Print Wood and Allied Workers Union) in 2001.

Initially, the MUP organised only ex-members of Giwusa but as the MUP became known in the townships workers from other industries and trade unions started

to join the MUP. The initial response of MUP was to encourage these other unemployed workers to approach their own unions to get them to undertake similar unemployed organising initiatives. Once these endeavours proved to be in vain, the MUP had to deal with the question of who are the unemployed. Out of this question flowed a further question: should Masibambane integrate all the unemployed or only retrenched and dismissed workers? This is an ongoing debate within the structures of the Giwusa and MUP.

#### **WORK OF MUP**

In addressing the problem of unemployment and the associated social problems, MUP has embarked upon a number of campaigns.

##### *Campaign for First Preference*

At the time of retrenchment negotiations, trade unions, including Giwusa, ensure that the retrenchment agreements contain the "First Preference Clause". This means that when new employment opportunities arise in the company that has retrenched workers, then it must give retrenched workers first preference to access those opportunities. However, employers have largely ignored this provision and have employed other people with no regard to their obligations under the retrenchment agreement.

The MUP in conjunction with Giwusa have targeted these companies, staged marches, negotiated with employers on this matter and declared disputes where no agreements could be reached. This is an ongoing campaign.

##### *Pension Surplus Campaign*

The second campaign initiated by



MUP has been the Pension Surplus Campaign. It is calculated that there is a R80 billion surplus in many different pension funds throughout the country. This surplus came about because workers were not paid out their share of the surpluses in the pension funds at the time they were either retrenched, dismissed or transferred out of the funds.

The Campaign involves:

- Educating the unemployed about their rights in terms of the Pension Surplus Legislation.
- Compiling data of MUP members who are party to pension funds with a surplus and submitting them to the relevant financial institutions administering these funds.
- Engaging with financial institutions on the pension surplus by requesting information on surpluses and demanding input on redistribution of surpluses.
- Staging marches to the reluctant and uncooperative financial institutions.
- Staging marches to employer bodies, like SIEFSA, who want to share in the surplus. Presently there is a R12 billion surplus in

the Metal Industry Pension Fund and there is a disagreement between employers and trade unions on how this surplus should be distributed.

#### *Cooperatives*

In 2004 the MUP initiated discussions on cooperatives as possible ways of generating income for members of MUP. A series of workshops were organised outlining what cooperatives are, the government's proposed legislation and the requirements for setting up cooperatives.

#### *Campaign on the Right to Work, Income and Poverty Alleviation*

This campaign was launched in August 2006 with a march to the Gauteng Premier's office and was followed by local marches to local municipalities. The latter marches led to engagements with local councillors on job creation projects in their areas.

The MUP has linked up with RSW Campaign in that it is part of the R2W Committee in Gauteng.

The basic rationale for the Campaign was that members are unemployed for a very long time, that unemployment is not their problem and that they are willing and able to work but there is no work.

The present Unemployed Insurance Fund (UIF) is totally inadequate. Access to the UIF depends on how long a worker has contributed to the Fund. Nevertheless, it has a maximum of 12 months. After a worker has used up the UIF then there is no access to an income from the government.

#### *The Structural Integration of the Unemployment*

To structurally integrate the

unemployed Giwusa has effected a constitutional change where a member remains a member when he/she becomes unemployed. The implication of the constitutional change is that unemployed members have similar rights and obligations to employed members. One requirement is that the unemployed members must participate in the structures of the MUP.

For historical reasons MUP is presently based in Gauteng and located in five townships. In each township where MUP is located there exists a MUP Committee that meets once every fortnight. On a monthly basis delegates from the MUP Committees meet in a coordinating committee and delegates from the coordinating committee attend Giwusa's Branch Executive Committee (BEC).

#### **THE LESSONS**

Our experience has shown that organising the unemployed has become doubly difficult in a context of rampant job insecurity, casualisation, outsourcing and abject poverty. What Giwusa must remember is that the workplace of today is unrecognisable from that of the previous decade. The structural re-organisation of work has brought in its wake a divided, fragmented working class with workers locked in a competitive battle for survival against each other. This competition between the different layers of the workers requires careful mediation on the part of the union.

For instance, in respect of the First Preference Campaign, tension arises between the permanents and the unemployed when employment opportunities (whether permanent, casual or temporary) become available after retrenchments and

sometimes relatives of permanents are brought in to fill them.

Within the ranks of the unemployed there are competing interests between the young and the old. Giwusa's First Preference Campaign and Pension Surplus Campaign incorporate largely the older members of MUP. This generates tension over the prioritisation of campaigns, allocation and utilisation of scarce resources.

Further the union has to balance the utilisation of its scarce resources, such as person power and infrastructure, between the needs of the subscription-paying employed members and those of the MUP. The union itself is small and independent with a membership of 14 000 and totally reliant on subscriptions for funds. Understandably, the need to find an appropriate balance between ensuring a constant inflow of funds for the continued financial viability of the union and undertaking the organising of the unemployed becomes more acute for a small union like Giwusa.

Despite the difficulties thrown up by the socioeconomic context and the union's own organisational make-up, the unity thus far forged between the employed and unemployed has assisted in making advances in certain areas. At times of strikes, for instance, MUP has become an important ally in showing solidarity by staging pickets and discouraging the unorganised unemployed from scabbing. Giwusa can only build on these first steps.

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*John Appolis is the general secretary of Giwusa but has written in his personal capacity.*