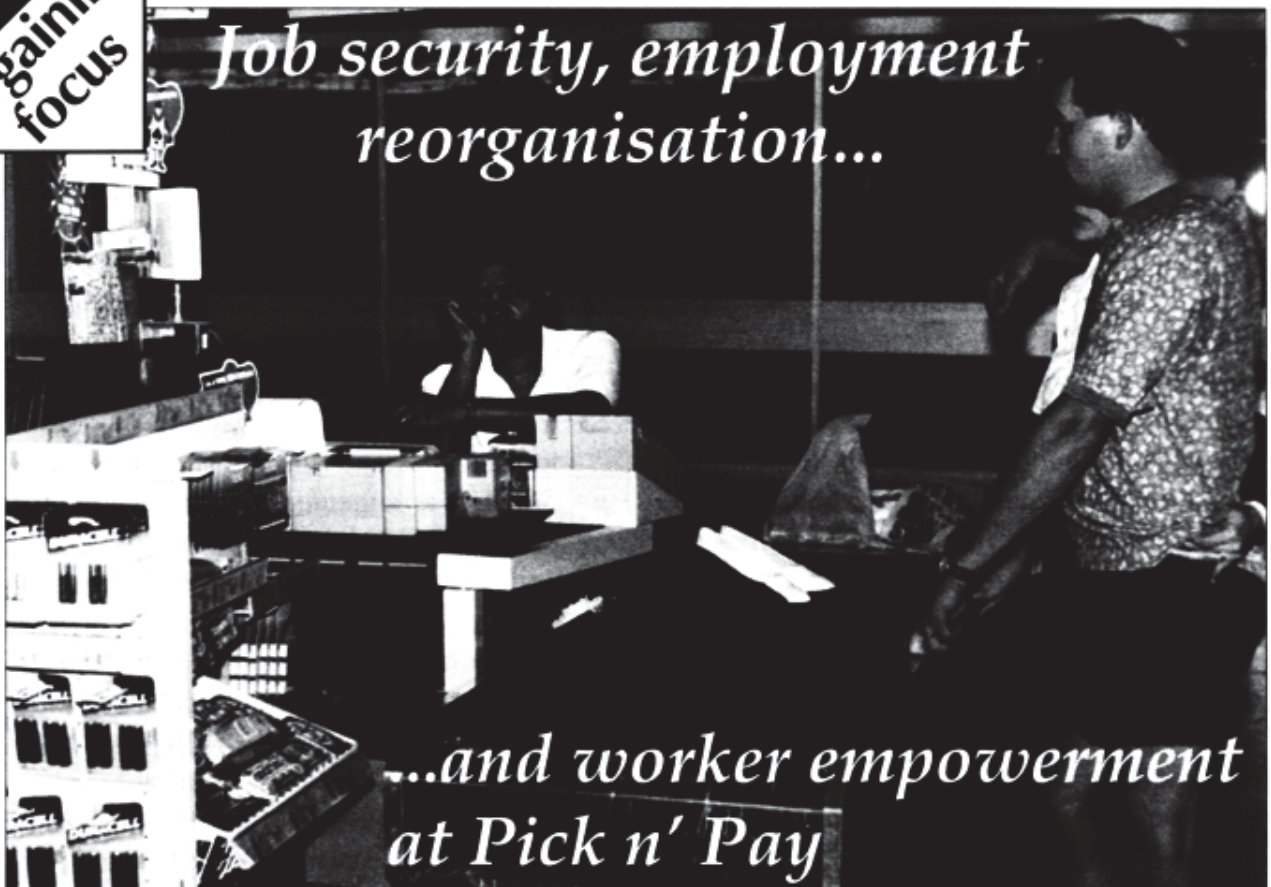


**bargaining
focus**

Job security, employment reorganisation...



...and worker empowerment at Pick n' Pay

1993: 3500 retrenchments threatened...

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SACCAWU has entered into a new terrain at Pick 'n Pay with the negotiation of agreements involving far-reaching changes to the organisation of Pick 'n Pay shopfloors, and which

significantly enhance the job security of all workers. The agreements also stand to shift shopfloor power relations, and re-define SACCAWU's involvement in the running of the company.

The possibility of retrenchment is all but removed, realising the union's policy position regarding a moratorium on retrenchments. Non-permanent work at Pick 'n Pay stands to be dramatically reduced. A task team consisting of shopstewards and

management will examine aspects of the working conditions, structures and functioning of each of the company's workplaces. Negotiations are pending on a worker empowerment programme, which will entail addressing a wide range of issues aimed at restructuring and developing shopfloor relations and conditions at Pick 'n Pay.

However, workplace re-organisation involves more flexible working practises, and increased shopfloor mobility. This entails multi-tasking, transfers within and between workplaces, and changing shift patterns. This poses a potentially difficult and conflictual transition process for the workers involved, and for the task team responsible for implementation. With this in mind, the agreements include arrangements for full consultations, for minimisation of conflict, and for flexibility and mobility to be as fair and equitable as possible.

The background, strategic approach and details of the agreements are briefly



described, and the question of the union's increased participation/control in the running of Pick 'n Pay discussed.

Signing of process agreement

In October 1993 a process agreement was signed, involving two phases of negotiations: job security, flexible working practices and mobility, minimisation of casualised work, and customer courtesy to be addressed in the first phase, and worker empowerment and related issues to be negotiated in the second phase, including job grading, skills development and information disclosure.

This agreement stems from a notice to the union of 3 500 retrenchments of permanent workers at Pick 'n Pay in April 1993, and thereafter an intensive process of discussions and consultations with union membership on approaches to adopt. The company argued that declining growth rates in profits between 1990 and 1993, culminating in a negative growth rate in after tax profit in the 1993 financial year, in combination with a rationalisation study, had indicated that in excess of 3 500 permanent employees had to be retrenched, unless alternative solutions were found. The company also maintained that overstaffing levels were such that the company's viability was threatened, and this situation was aggravated by the lack of flexibility of full-time staff, resulting in the employment of large numbers of casual employees.

After months of discussions and consultations with membership, the union entered into job security negotiations (as opposed to retrenchment negotiations), resulting in the process agreement. Discussions centred around the following views and approach:

- job security and flexibility is part of the broader issues of workplace re-organisation, and changing production methods and relations;
- as such, the solution lies in addressing

the broader issue;

- capital is rapidly developing new strategies and approaches globally, which impact directly on South African workers, and unions need to intervene in a pro-active manner, or be outmanouvered;
- workplace re-organisation is inevitable, and unions should take control of the process to the advantage of workers;
- in the Pick 'n Pay situation, this translates as entering into flexibility and mobility arrangements in exchange for job security, minimisation of non-permanent work, and worker empowerment.

Membership supported this approach, with it then being the basis for the negotiations that followed. An important precondition was that flexibility and mobility arrangements must be fair, not involve exploitation and victimisation, and must result in significantly increased permanent employment and job security.

Job security, flexibility, and mobility of labour

As part of implementing the first phase of the process agreement, the union and the company have concluded, but not yet signed, a job security, flexibility, and mobility of labour agreement. This agreement aims at protecting the jobs of all Pick 'n Pay employees through re-organisation of the workplace. The agreement stipulates that agreements must be fair and mutually acceptable, and be implemented without workers being subjected to exploitation, abuse or victimisation. The agreement also recognises the need of the company to meet changing trading patterns and expectations of customers.

The following are some of the main aspects to the agreement:

- withdrawal of retrenchment notices;
- increased shopfloor mobility and changed shift patterns, but under reasonable conditions;
- transfers within and between workplaces under certain circumstances;
- factors to take into account include

personal circumstances, availability of transport, appropriate remuneration, adequate notice, and induction and training;

- ❑ where it is agreed that staffing levels need adjusting, this shall be carried out through transfers and attrition, and not by retrenchment;
- ❑ disagreements arising out of the implementation of the agreement will be processed through specially designed procedures;
- ❑ a task group consisting of union and company representatives will review each workplace, in consultation with the workplace shopsteward committee and management, to establish appropriate staffing levels and shift patterns.

A key issue arising out of this negotiation was the nature of the criteria to take into account when determining appropriate staffing levels and shift patterns. This involved extensive debates between the parties, and the utilisation of outside research groups, in the form of the National Productivity Institute (NPI) by management and the Sociology of Work Project (SWOP) by the union. In essence, the company argued that units per manhour should be the yardstick to use, and the union maintained that a range of factors and variables must be taken into account, and that management's understanding of the notion of productivity must be broadened. In its research report SWOP proposes "a social model of productivity", which is presently under discussion.

An important dimension to this agreement is that in addition to the removal of retrenchment notices, future possibilities of retrenchment are remote through the agreement that overstaffing will be addressed through transfers and attrition. Only in exceptional circumstances would retrenchment be a possibility, such as an unanticipated disaster.

Conversion of certain casual employees to permanent status

An agreement minimising casual labour is in the process of being negotiated. It involves the

conversion of over 50% of present casuals to permanent status, and is an important step in achieving trade union rights and job security for all workers, and removing casualised, insecure work.

The following are some of the principal steps that will be taken in reducing casualised jobs:

- ❑ the task team will determine the exact number of casuals who will be converted to permanent status, using criteria which are still under discussion;
- ❑ permanent status will involve being placed on a part-time basis;
- ❑ new part-timers will benefit from having job security, trade union rights, and will have certain other benefits, such as sick leave, bonuses, membership of the provident fund and parental rights;
- ❑ part-timers will not have all the benefits of full-timers, as it has been agreed that this agreement should not initially incur additional costs on the company's wage bill;
- ❑ as part-timers are part of the bargaining unit, increased benefits can be negotiated in the future;
- ❑ there is a guaranteed 100 hours of work in any four week trading cycle, with a maximum of 180 hours;
- ❑ part-timers will be paid full-time rates, which are lower than casual rates, but the other benefits gained compensate and balance for the lower rate, and improved rates can be negotiated in the future.

While this arrangement involves a lower wage rate, it sets an important precedent, and can be built on through further negotiations. It will also greatly enhance the union's bargaining power at Pick 'n Pay, and as such further the interests of members more effectively.

Future activities

The two agreements should be concluded within the next two weeks, and will then be implemented, starting with the task team implementing the job security, flexibility and mobility agreement in each workplace between March and September 1994. The process agreement to negotiate around

worker empowerment, training and disclosure is to be negotiated within six months, and also implies that the above agreements can be reviewed.

Worker participation and empowerment versus worker manipulation

The increased participation of workers in the running of Pick 'n Pay, and the scheduled negotiations for a worker empowerment programme, raises the question of the union's strategic conception underpinning its approach, and the nature of the interaction between the union and the company. This in turn impacts upon the much-vaunted co-determination approach. This topic cannot be addressed in any depth in this account, and the essence of the union's vision is concentrated upon.

In devising participatory strategies, full cognisance needs to be taken of shopfloor power relations. Power relations are generally heavily skewed in favour of capital, and the factors contributing towards this skewed relationship need to be addressed if participatory schemes are to be successful. This must include taking the ideological component to the subordination of labour into account. The power and impact of bourgeois, hegemonic ideology needs to be fully appreciated by the workers and trade union involved, if worker participation does not simply become worker manipulation. The basic characteristic of the employment relationship is one of a continuous managerial quest for control, and the resulting mix of conflict and co-operation. This understanding needs to inform the union's approach to participation, which most co-determination approaches fail to do.



Translating this strategic conception into practise, worker participation needs to entail pro-active, adversarial participation from an empowered position, be implemented through

extended collective bargaining, and have as its overall objective the transformation of shopfloor power relations, with the resulting benefits. A successful participatory scheme will result in increased levels of co-operation over a wide range of issues, between management and workers through the empowerment of workers, rather than through the increased compliance of workers, as is the case in many co-determination schemes.

Some of the necessary steps to take are as follows.

- ❑ Workers need to participate from a well-developed and independent organisational base, and have effective and skilled trade union support.
- ❑ The trade union needs to have the ability and preparedness to participate in the production process.
- ❑ The right and ability to engage in industrial action on any issue must be maintained at all times, as awareness by management of this ability acts as an important incentive to co-operate with the trade union.
- ❑ The appropriate participatory/democratic consciousness must be developed amongst workers and their leadership. Workers must be aware of transformational goals, and be able to resist managerial ideology and manipulation.
- ❑ Full consultations with workers, and democratic practices within the union, are essential for the whole workforce to support the scheme.

Participation of workers from an empowered position must also include enhanced shopfloor training and education, a continuous and full flow of information about the company from management, decision-making powers on all policy matters, and the optimisation of working conditions, relations and environment. Participatory structures need to be established at all organisational levels, and any issues which cannot be agreed upon through discussion should be settled through collective bargaining, which can also



1994: More job security – and smiles? – at the tills in future

involve industrial action. Specific attention must be given to women's empowerment, and the specific contradictions facing women must be addressed. Patriarchal ideology and the sexual division of labour must, in particular, be counteracted, and full parental rights established.

An holistic, integrated approach therefore needs to be adopted, through the mechanism of across-the-table negotiations, and with the objective of enhanced control, as opposed to around-the-table co-management.

Conclusion: Pro-active intervention to advance workers' control

The union has addressed a real threat to job loss and the likely implementation of management dominated workplace restructuring by embarking upon the described process. The driving of this process was informed by the union's strategic vision, resulting in an agreement

interlinking job security, flexibility and workers' empowerment. For its successful implementation, all aspects of the agreement will need to be in place. Instead of taking defensive action, which would be the traditional approach, the union engaged with the company in a pro-active manner. Worker participation under prevailing capitalist power relations is complex and potentially hazardous. However, with the strategically appropriate approach, the union is poised to open up new areas of contestation, to advance workers' control over managerial decision-making, and to improve the shopfloor lives of workers at Pick 'n Pay. ☆

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