

How Sactwu plans to cut its cloth



Labour Bulletin: *What is driving your union's current approach around collective bargaining?*

Fachmy Abrahams: Our broad strategy has always been to get coverage across the board and thereafter, to ensure parity (around earnings) nationally and between metro and non-metro areas. This has been achieved for example, in the clothing sector which used to have regional industrial councils (the predecessor to the bargaining council system). Workers in this sector are now covered by one main agreement (covering the whole country).

The previous system ensured that different wage rates were paid in different regions and large parts of the country were not covered. We now have one main agreement for all clothing workers and we are trying to achieve the same for textile workers. A national textile bargaining council has been set up and a process is currently underway to draft a generic main agreement. Having achieved this, the next goal in the overall strategy is to close the wage gap and achieve parity in the different sectors.

In clothing, for example, different rates applied but now the union has been able to achieve parity in the key centres – Johannesburg, Durban, Cape Town and to some extent the Eastern Cape. The challenge is now to close the gap between these areas and non-metro areas. Whilst it might not be a popular view, the union accepts that wage rates paid by metro and non-

metro areas are not going to be the same. However, in order to ensure parity the union was able to achieve higher increases last year for non-metro areas and will seek to achieve the same this year.

Labour Bulletin: *What is the union's view on long-term agreements?*

Fachmy Abrahams: The union is not supportive of long-term agreements largely because of the volatility in the sectors in which it organises.

Labour Bulletin: *Where are negotiations taking place this year?*

Fachmy Abrahams: Negotiations cover 13 sectors while disputes currently exist in the cotton; home textiles, wool and mohair, non-woven, carpets, leather and clothing sectors. The dispute in leather is complicated by the fact that there are two unions and the employers have settled with the National Union of Leatherworkers (NULW) while a dispute exists with Sactwu. In the clothing sector dispute, the parties are far apart. The employers want to introduce a new wage model to allow for a new entry wage of R120 a week in metro and under R100 in non-metro. This would not be structured as a learnership.

Labour Bulletin: *How has your strategy affected the growth of the informal sector?*

Fachmy Abrahams: We recognise that a large portion of clothing workers fall under the informal sector, which has

grown massively. Our approach has always been that the main agreement needs to be complied with. The union has had a number of discussions with the Cut Make and Trim (CMT) employers' organisation who claim to represent CMT employers and informal workers. They indicated that they were prepared to be party to the council and are exploring ways of working together with the union until the recent protest action.

The union's biggest challenge is to increase employment levels within the existing bargaining process. The challenge therefore, is to deal with cheaper threats from China and non-compliant employers. Hence, the collective bargaining process has been complemented by a section 77 application to Nedlac relating to the retailers. The union has demanded that retailers agree to source goods locally. The retailer's campaign is aimed at ensuring the growth of the clothing industry which depends on retailers sourcing locally.

Labour Bulletin: *How has the collective bargaining environment changed?*

Fachmy Abrahams: The environment has changed in the sense that now all employers are sitting around the table together (as in the case of clothing). Now we have a forum where the key role-players are involved. We are finding that bargaining councils are now playing a more active and strategic role in their sectors. **LB**