

**'... the importance of transformation is that you have to change the old to make way for the new ...'**

**Public Service and Administration Minister  
Geraldine Fraser-Moleketi**



**P**ublic service unions – whether they belong to Cosatu or Fedusa – have agreed on the need to restructure the public service so as to provide more efficient and effective services to the people of South Africa. Once having agreed to this in principle, the parties are left with having to deal with the potential fall-out of a restructuring/transformation exercise. There are bound to be some casualties. Some public servants will have to be retrenched to make way for employees who are able to do the jobs required. A government source says, in real terms the size of the public service is set to increase. There are plans to employ more police, health workers and more

teachers in specific jobs. 'What do you do if you have a surplus of bible study teachers and not enough suitably qualified maths and science teachers?' one source commented.

The unions will argue that unqualified teachers, for example, have been given the offer of 'catching up' in terms of educational opportunities. But, the question remains whether any have taken up this offer and are now 'suitably qualified'?

This is the dilemma both government and unions face. Government wants to move ahead and ensure the public service is properly resourced. However, in order to meet this objective, some workers might lose their jobs.

Government sources estimate, at this stage, that no more than 30 000 jobs could be lost. This comes at a time when government is facing constant pressure to address the problem of rising unemployment. Hence, it is aware that its actions could have disastrous implications for broader society and rising levels of poverty.

Unions, acknowledging the need for transformation, are also faced with tough choices. They could be forced to agree to retrench their own members if options for redeployment or retraining are not viable. The unions have a genuine fear of the implications of putting their members out on the streets. How do they tell their members

# Is it **crunch time** for the public service?

*Government and public service unions have engaged in restructuring talks on and off since 1994. Government has become frustrated with the process and clear divisions have emerged between the unions. **Reneé Grawitzky** outlines the tough choices both parties have to make.*

they will be retrenched 'but do not worry because there could be someone else doing the job you are unable to do'?

As this dilemma continues to weigh heavy on the unions, tensions and divisions (which have always existed) have come to the fore in the public service coordinating bargaining council which comprises 12 unions. There are not only political tensions between Cosatu and Fedusa affiliates but within the ranks of Cosatu unions. This has been borne out by the fact that a number of Cosatu public service unions including Nehawu have signed the restructuring agreement, which will give government the green light to go ahead

with formal restructuring and transformation. However, the other largest public service Cosatu affiliate – Sadtu – has failed to do so. The restructuring agreement will require government departments to comply with a proper procedure – so in a sense, government argues, the agreement will protect workers more than if there was nothing in place. That is the reason Nehawu claims it signed the deal. However, a union source said some unions signed knowing that their membership would not be affected.

Sadtu has refused to sign the agreement despite the fact, according to sources, that it was very constructive in the process leading up to the final

drafting. Government is surprised by Sadtu's failure to sign the restructuring agreement especially in view of their earlier cooperation in the process. There has been ongoing tension between Nehawu and Sadtu for some time. It is difficult to pinpoint the origins of this tension. It could partly be based on personalities or the belief that some unions are more hardline than others. There is a perception that Sadtu does not want to be seen to be towing a government line while Nehawu has often been positioned as falling in line with government's position. This view is rather simplistic. It is not a case of one union being more or less pro government. The differences between

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Sadtu and Nehawu largely stem from the different dynamics of the sectors in which they operate and the type of workers they represent.

Sadtu organises mainly higher paid professionals while Nehawu's base is largely lower paid workers. Hence, both unions represent different consultancies and have to deal with different organisational dynamics.

The dynamics between the Fedusa and Cosatu unions in the bargaining council also make for some interesting reading. Cosatu views the Fedusa affiliates and other unions as being 'anti-transformation' (whatever that means). However, the Fedusa unions (as the Cosatu unions are in fact trying to achieve) do not approach the current negotiations around restructuring from a political perspective. The focus is to get the best deal for their members. The majority of the Fedusa unions have not signed the restructuring agreement because it provides lesser retrenchment benefits for its members (the majority of whom are higher paid workers – or certainly in the case of the PSA). The cost of retrenchments has always been a concern for government. In terms of the restructuring agreement, provision is made for retrenchments. In the event of retrenchments – whether voluntary or forced – the new severance packages are now more favourable to lower paid workers than was previously the case. Does this mean that the failure of some Fedusa unions to sign the deal is anti-transformation because they want a better deal for their members?

At a recent meeting of the bargaining council Public Service and Administration Minister Geraldine Fraser-Moleketi lashed out at the union leadership and accused them of being cowardly and

anti-transformation. The unions however, have always argued that they support restructuring and transformation. The minister asked during the meeting what the unions support about transformation. She added that 'the importance of transformation is that you have to change the old to make way for the new'.

A union source said: 'government wants us to see it only their way and no other'. The real issue is not what must happen but how.

Fraser-Moleketi stormed out of the meeting after the parties failed to, yet again, engage on the restructuring agreement. A failure by all the unions to sign the agreement does not prevent government from going ahead and promulgating the agreement as a set of regulations. The minister has indicated her intention to do just that. A government regulation is a government decision but it has to be in compliance with other legislation in place such as the Labour Relations Act.

The irony is that according to government (and those unions that have signed), the regulations will force public service management to follow a set of guidelines for restructuring. Therefore, it will ultimately, protect workers by ensuring that proper procedures are followed. All the unions have already acknowledged that their failure to sign the restructuring agreement has not prevented departments and government institutions from going ahead with restructuring plans. A number have already begun the process and some are a long way down the road. Government has consulted and is, in terms of the law, entitled to promulgate the regulations.

Nehawu's chief negotiator and acting general secretary Kumbu Majudulela said government is continuing to restructure while 'outsourcing is going on as we speak'. The restructuring agreement 'will assist us in controlling it. Whether the agreement is signed or not government is going ahead.'

Some union officials have secretly acknowledged that it might prove easier for them if government goes ahead and promulgates the regulations. Such a move will 'save face' for them in the eyes of their members. They can always claim afterwards that they never signed or agreed to the deal. However, once the regulations are promulgated, they will be binding. A union official said currently, those unions who have signed are feeling slightly vulnerable while those who have not will let the process unfold and deal with those departments that are restructuring.

Government has become increasingly frustrated with this process. This has even been acknowledged by a number of union officials. The restructuring agreement has been under discussion since the public service jobs summit in January 2001. However, it could well be argued that where government has failed is in its inability to find a process where it could bring all the unions on-board. This view is based on the claim by the unions that government should not have combined retrenchment principles in an overall transformation programme. There should have been an agreement on transformation and then the parties could have dealt with retrenchments as a separate issue. This is now all rather academic. What remains to be seen is how the parties engage in the future to ensure an efficient public service?

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