

Difficult sectors:



a challenge for labour

New strategies to *organise* difficult sectors



Unless COSATU pays attention to organising semi-marginalised workers, its drive towards strategic unionism is bound to fail. TGWU national organiser JANE BARRETT argues for new strategies.

Union members privileged or not?

Commentators on the South African trade union movement frequently assert that COSATU increasingly represents a highly privileged section of the working class. Political parties – and some within the ANC – often use this to back an argument that COSATU cannot claim to be the “sole custodian” of worker interests.

While this may be true of the more visible sections of trade union membership, it glosses over the fact that vast numbers of workers continue to live way below the poverty line and remain virtually unprotected, either organisationally or in law. It is a dangerous assertion as it could help cause, not only political leaders but trade unionists themselves, to lose sight of the imperatives of traditional trade union organisation in the current transitional phase. The ANC has already, in principle, agreed to “wage restraint” as a prerequisite of IMF loans towards reconstruction. Some of the Regional Economic Forums are also under pressure to accept the principle of Export Processing Zones, where minimum labour conditions and rights do not apply. In addition, the ANC’s policy to promote small

business, which is supported by COSATU, is likely to strongly influence the debate on minimum standards. Already, most wage determinations and industrial council agreements do not apply to small businesses.

Trade unions whose members are concentrated in the more skilled manufacturing sectors are likely to withstand the pressures and maintain labour standards. Economic policy is likely, even in the short term, to benefit workers in these sectors. With expansion of the economy’s manufacturing base and attendant skills training and job advancement high on the agenda, these workers will continue to see the “usefulness” of trade union membership.

What about the semi-marginalised workers?

But what of the three quarters of a million domestic workers; over a million farmworkers; the quarter of a million property service workers (cleaners and security guards in particular); the tens of thousands of workers in small shops and cafes; the taxi drivers; the vast numbers of garage workers (whose industrial council is currently threatened with disbandment); and



Thousands work in small shops and factories: how can unions reach them?

those employed by small manufacturers and other businesses, many of whom are currently excluded by COSATU affiliates' organising strategies?

What of the largely unorganised police, many of whom work under conditions no more favourable than security guards – 12 hour shifts for less than R700 a month? And what of the vast numbers of as yet unorganised central government and provincial employees doing unskilled and semi-skilled work? For the purposes of this article, construction workers will also be categorised as largely unorganised and semi-marginalised workers. Taken together, these workers of the so-called “difficult sectors” probably exceed the numbers of workers currently organised by COSATU and other federations.

A new phase in union organisation?

From the 1970s to date it is possible to identify three distinct phases of union organisation.

- ❑ Following the 1973 strike wave across all sectors – from the mid seventies to the early eighties – organisation in the

manufacturing sector took hold. The forerunners of today's NUMSA, SACTWU, CWIU, FAWU and PPWAWU laid their foundations.

- ❑ In the early eighties, the National Union of Mineworkers was established, leading to a wave of militant organisation amongst mineworkers.
- ❑ In the late eighties and into the 90s, public sector organisation began to take off -- starting with the long and bloody railway workers' strike led by SARHWU. By 1992, great strides had been made in the health and education sectors under NEHAWU and in the post and telecommunications industry under POTWA. SAMWU, too, had begun to consolidate organisation amongst municipal workers, having spread its membership and influence throughout the country.

Is the trade union movement ready for a fourth wave of organisation and consolidation? Do the sectors identified above have something in common which might give rise to such a phase? Clear thinking and strategising on how to service such workers, as well as the form

organisation should take in these sectors, might well lead to a new phase. The importance of this phase lies not so much in the economically strategic place workers in the "difficult sectors" occupy. More significant is their numerical strength and the fact that they form a bridge between the completely marginalised members of the working class (in particular the unemployed) and the "more privileged" (the skilled workers within the manufacturing sector). Successful organisation amongst such workers is of political significance.

Common conditions

What do farmworkers, domestic workers, cafe workers, construction workers, security guards, cleaners, members of the police force, and taxi drivers have in common?

- Except for farmworkers and construction workers, they are all involved in non-productive service work.
- Work is largely labour intensive, and extremely low paid. Farmworkers and domestic workers are not covered by minimum wage regulations and often earn less than a few hundred rands per month. Security guards and cleaners, whose conditions in the towns are governed by

wage determinations, earn below R650 per month, depending on their geographical location.

- The workforce tends to be fragmented and individual workers are frequently

"Are the semi-marginalised sectors likely to get left behind altogether?"

isolated, making collective communication and action difficult.

- Employment and residence or accommodation are closely linked. In the case of domestic workers, "living in" is still the norm, and in the case of security guards, large numbers are housed in hostels. For farmworkers the relationship between residence and employment is even closer.
- Because these industries are dependent

on low wages, employers tend to be extremely resistant to unionisation and authoritarian in their management style. They vigorously oppose collective bargaining arrangements – particularly centralised bargaining. Evidence of this is the SA Agricultural Union's resistance to the recent changes in the Labour Relations Act; the SA Security National Employers Association's consistent refusal to negotiate a collective bargaining arrangement; the renegeing on an agreement to form a national industrial council by the National Contract Cleaners Association; the government's most recent resistance to collective bargaining for the police force; and recent attempts by employers in the construction industry to collapse existing industrial councils.

Strategic unionism and the need to service members

COSATU is engaged in a drive towards "strategic unionism" (see Karl von Holdt *SA Labour Bulletin* Vol 16 No 8 and Vol 17 No 1), where radical economic restructuring and social renewal are the objectives. Central to this is the extension of labour's influence into economic and social planning, via the National Economic Forum, the National Manpower Commission, the National Training Board, and existing national industry-wide collective bargaining arrangements.

Is there a contradiction between this and the reality that over half the formally employed workforce have precious few basic rights? Does COSATU's emphasis on national economic strategy imply that the already semi-marginalised sectors are likely to get left behind altogether?

I would argue that this is not necessarily the case. In fact, unless attention is paid to the lower paid service sectors, "strategic unionism" is bound to fail. This should include a strong push to establish or retain rights, including minimum standards in these sectors.

As has been pointed out, semi-marginalised workers constitute a large

proportion of the workforce. If they are ignored, they are unlikely to support the efforts of strategic unionism and may even oppose it. The very success of strategic unionism lies in part in its ability to address the economic conditions of the working class as a whole (including the unemployed) and not simply the needs and interests of its more skilled sections. If strategic unionism only stratifies the working class further and fails to ensure a redistribution of income (with an emphasis on wages), then it will not achieve its objectives of radical economic restructuring.

So what strategies could COSATU unions adopt to address the needs of workers in the semi-marginalised sectors in such a way that class stratification is not enhanced and entrenched?

Broad-based industrial unions

There is a need to address the organisational form of trade unions in these sectors. For example, COSATU needs to respond to the fact that the organisation of domestic workers into a single sector union has not proved to be viable. Despite SADWU's valiant efforts to establish a financially and organisationally viable union, the union remains fragile. If it were linked to – and shared an infrastructure with – at least one other sector, the union would be more effective. This would be in line with COSATU's policy of broad-based industrial unionism. Domestic workers should be linked to workers in the property services – particularly contract cleaners and security guards. However, given the tenuous nature of employment and the ongoing resistance from employers in these industries to union recognition, it would be desirable to construct an even larger, broader-based union which could derive benefit from scale. Such a union could encompass the commercial sector, the financial sector, hotels and catering, all property service workers, and domestic workers – possibly divided into sections. Police workers could either be linked to private security guards or public sector workers. There is a growing international trend towards the formulation of such private

sector services unions, for example, the US-based Services Employees Industrial Union and the Australian Miscellaneous, Hotel and Liquor Workers Union.

Likewise, farmworkers would need to be properly located within COSATU, and afforded proper organisational status and support. Taxi drivers need to be integrated into the yet to be established, merged transport union. Construction workers in COSATU are already organised under the Construction and Allied Workers Union. With greater federation backing and organisational support, the union could become an important force to be reckoned with in the industry, particularly given the likely expansion of the industry in the post-April '94 period of reconstruction.

In a nutshell, putting into practice COSATU's policy of broad-based industrial unionism is a prerequisite to successful organisation.

Establishing complaints services

In addition to locating semi-marginalised workers in viable unions, the approach to servicing them needs some adjustment. COSATU structures frequently deal with



complaints about the "lack of service" provided to members, particularly in the "difficult sectors". This tends to be blamed on "lazy" or inadequately trained organisers.

However, the truth seems to be that organisers are faced with an impossible set of contradictory demands. On the one hand, they are required to service the collective, through wage negotiations, handling disputes and strikes, and negotiating benefits. These activities are time consuming and demand skill and experience. Furthermore, they require organisers to be out of the union office and on company premises a great deal of the time.

On the other hand, organisers face endless individual complaints, many of which are too complex for shopstewards to handle alone. So, large numbers of union members sit for hours waiting for their organiser to make a brief appearance in the office. The organiser may hear the complaint, but may not be able to make adequate follow up. Individual complaints, whether they be about Workmans Compensation claims or even individual dismissals, often simply get put aside in favour of pressing collective issues.

But, at the end of the day, union members judge the efficacy of their union according to whether it is able to meet their demand for individual attention. A greater emphasis on shopstewards' training to deal with complaints is



Marching for industrial council: cleaners and security workers outside Department of Manpower, 1990

needed. However, it is unlikely that shopstewards will fully meet the need. Unions could therefore consider some new form of giving advice.

SACTWU provides an example of this. (It should be noted that the complaint about the lack of service does not only apply to the semi-marginalised sectors.) SACTWU recently employed an "advice officer" in its Durban regional office. The advice officer works full-time on processing complaints – referring them to the relevant organiser or shopstewards where necessary, and dealing with them personally where appropriate. Depending on the success of the project, SACTWU may establish such advice offices elsewhere in the country. Already, the union is finding that previously non-active members are being drawn to the union offices for advice and assistance.

Lodging complaints with the Department of Manpower

One avenue that unions have not explored sufficiently is that of using the Department of Manpower to follow up complaints about transgressions of minimum standards in wages and other working conditions. Illegal practices abound in the semi-marginalised sectors. Historically, unions and individual workers have complained that the Department of Manpower is tardy in its response to complaints.

However, given sufficient pressure and follow up, recent experience suggests that the Department is very eager to prove its credentials and to respond with vigour to complaints lodged. The Transport and General Workers Union is currently running a campaign in the cleaning and security sectors to expose illegal practices. The campaign involves educating members about their rights (including the very basics of reading a pay slip), identifying illegal practices, reporting them to the Department, and ensuring that workers are compensated. In addition, employers involved in illegal practices are publicly exposed (*see article on Springbok Patrols, p 52*).

Such campaigns have the potential both to

address the individual workers' needs and to attract large numbers into the union, thereby enhancing workers' collective strength. A spin-off of such campaigns could be the beginnings of the practical transformation of the Department of Manpower into a more user-friendly state organ.

Utilising the Wage Board

A further strategy to date under-utilised by unions is that of using Wage Board hearings to generate campaigns around minimum standards. Over the past few years, COSATU and the trade union movement at large have inadvertently allowed the number of Wage Determinations to slip from over 50 to 18. In few instances have the determinations been replaced by collective bargaining arrangements. The wage determinations are an important (though inadequate) source of protection for many semi-marginalised workers. Therefore, COSATU and its affiliates urgently need to campaign for the retention of existing determinations and the reintroduction of others.

Whether the Wage Board should

"Wage Board hearings provide a focal point for mobilising around demands"

continue to exist in its present form, or whether it should be transformed into a negotiating forum, is yet to be debated and resolved at the National Manpower Commission. Either way, Wage Board

hearings potentially provide a focal point for mobilising around demands for improved minimum standards. TGWU has done this reasonably successfully over the past three years, having mobilised for marches on the Department of Manpower offices, the petitioning of the Wage Board, and so on.

Centralised bargaining

Petitioning the Wage Board and exposing transgressions of the existing Wage Determinations and Conditions of Employment Act are important short-term

strategies for effecting improvements in conditions of work. However, centralised bargaining in the "difficult sectors" is an absolute prerequisite to the long-term improvement of conditions of employment.

As has been pointed out, labour intensity is a feature of these sectors. Low wages therefore become the vehicle for competition between companies in the same industry. Centralised bargaining is the only way in which the playing fields can be levelled in regard to wages, forcing employers to compete on grounds other than wages – for example, on the quality of service provided. A degree of "compulsion" is required via centralised bargaining. Employers are unlikely to voluntarily give up the relatively easy road of lowering wages to achieve a competitive edge.

Therefore, the fight to retain the building industrial councils and the motor industrial council (which covers garage workers) is critical. Likewise the campaigns to establish viable national industrial councils in the contract cleaning and contract security industries, currently being waged by TGWU, as well as for the democratisation of the regional dry cleaning councils, are of vital significance.

Conclusion

Some of the above proposals may appear to state the obvious. For example, it may come as a surprise to some that it is necessary to state the need to train shopstewards on how to read pay slips, and thereby empower them to spot illegal practices (for example, short payments on overtime). As suggested earlier, there has been an increased emphasis on national and industry bargaining forums. Coupled with this is the inevitable tension between the demands of the collective and those of the individual member, even at the enterprise level. In identifying strategies for organising what have traditionally been regarded as the "difficult sectors", it is therefore necessary to restate what may appear to be the obvious. ☆

Wage determinations

In 1989 there were 51 Wage Determinations. There are now only 19 left. Determinations have been scrapped in the following industries: stevedoring, liquor manufacturing, fish processing, unskilled labour (local authorities), civil engineering, condensed milk and milk products, ice cream manufacturing, rope and matting manufacturing, milk distribution, ladies stockings, cement manufacturing, hairdressing (Kimberley), hairdressing (OFS), canvass goods and associated, tea and coffee manufacturing, wood processing, bread and baking industry, coffin manufacturing, brush and broom manufacturing, mineral water manufacturing, wool Angora hide processing, chemical and associated products, milling industry (cereals), heavy clay and allied, rubber and rubber products, the coal distribution trade, soap and candle manufacturing, and plywood.

The Manpower Minister can decide on the scrapping of a Wage Determination after a notice of intent is published in the Government Gazette. The Wage Board argues that it only recommends the scrapping of a Determination if workers are sufficiently organised in an industry and if collective bargaining arrangements are in place for the majority of employees. If no objections are received to the notice of intention, it is virtually automatic that a Determination is scrapped. The Wage Board insists that no objections were lodged to the scrapping of the 19 Determinations since 1990. Objections were lodged in the case of a further two, and consequently, the Determinations remain in place.

None of the industries where Determinations have been scrapped has a recently established centralised bargaining arrangement, either in the form of a new industrial council or some other voluntary arrangement between employers and unions. One can only assume then that, even if a number of collective agreements do exist,

there are bound to be large numbers of workers (particularly amongst small employers) who have no minimum conditions.

Determinations exist in the following industries: road passenger transport; letting of flats and rooms; commercial and distributive trade; hotel trade; catering trade; meat and cold storage; unskilled labour (covering a range of industries and trades including contract cleaning); sweet manufacturing; funeral undertaking; clothing and knitting; goods transportation (by road); security industry; laundry; dry cleaning and dyeing; metal containers; business equipment; cement products; stone crushing; glass and glass products; and accommodation establishments trade.

It is within the jurisdiction of the Department of Manpower, not the Wage Board, to decide on exemptions. It is also up to the Department of Manpower to enforce the Wage Determinations, including, where appropriate, prosecuting companies which transgress the legal minimums.

COSATU has lodged a complaint with the Wage Board and the Department of Manpower about the relatively easy granting of exemptions and the lack of enforcement by the Department. COSATU has also submitted to the Wage Board a memorandum with the following recommendations:

- that the setting up of a wage investigation with a view to passing a Determination should not be left to Ministerial discretion;
- that the Wage Board should publish its intended hearings well in advance;
- that wage increases should take into account the cost of living;
- that there should be an entirely new and watertight procedure for the granting of exemptions; and
- that summary copies of the relevant Wage Determination be posted in a visible and known place. ♦