

Provident fund move sparks dispute

notes

The decision by FAWU shopstewards at Amalgamated Beverage Industries (ABI) to change the managers of their provident fund has sparked another battle within the union

Last October shopstewards decided to transfer the administration of the ABI provident fund from Alexander Forbes to Southern Life.

George Nene, chairperson of the Board of Trustees and ABI national shopsteward, said financial considerations were the main reason for the move. "Alexander Forbes charged us R68 000 per month in administration fees while Southern Life charges R24 000 for the same service."

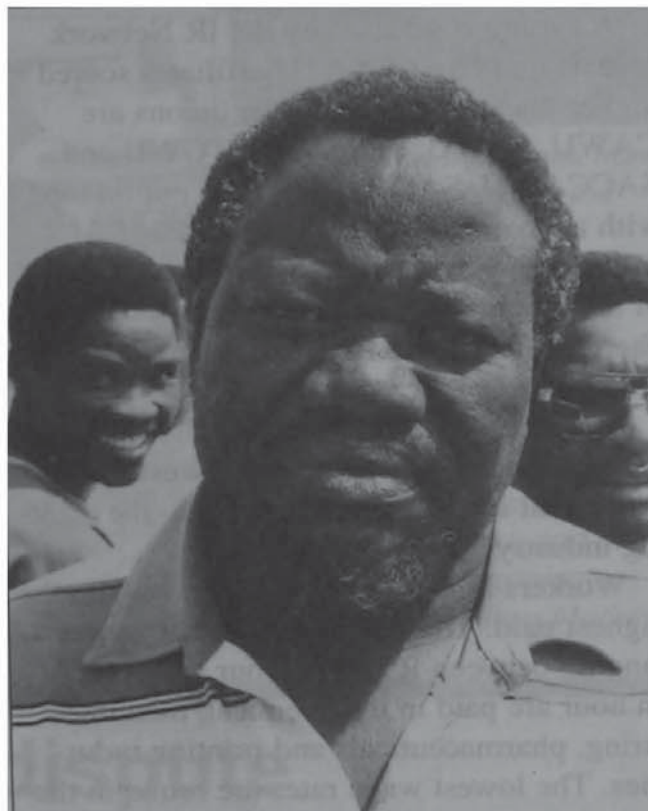
Nene also pointed to a conflict of interest in the administration of the fund by Alexander Forbes. A representative of Alexander Forbes is one of the directors of New Age Beverages, a competitor of ABI. This, according to Nene, was unacceptable to ABI representatives on the Board of Trustees

Nene said all the worker trustees took a unanimous decision in favour of the transfer. "We informed Alexander Forbes in October of our intention to move the administration of our fund from their company. We gave them three months' notice as specified in the rules of the fund. The move was effected in January this year."

However, at the beginning of January, FAWU assistant general secretary, Ernest Buthelezi, wrote a letter to ABI management, disputing the fact that the decision was unanimous. "It is clear that the workers were not totally satisfied with the manner in which the termination of the administration with the present company has been handled," Buthelezi wrote. "It was therefore recommended that the process should be stopped pending proper consultation"

The letter ends by threatening legal action

against worker trustees. "Should the individual trustees implicated in this undemocratic practice continue with the transfer, we would not hesitate to take steps to expose this corruption legally."



George Nene

Nene is convinced that some FAWU officials derive benefit out of the union's association with Alexander Forbes. "We are surprised that some regional and head office people are quick to intervene on the side of Alexander Forbes. When we had a national wage strike last year, none of these individuals availed themselves to help in negotiations."

The provident fund, with assets estimated at R168m, has already been transferred to Southern Life. So far no legal action has been taken against the worker trustees as threatened by Buthelezi in his letter. ✪

(Zolile Mtshelwane)

1994 increases match inflation

Wages increased by an average 9,99% during the period 1 August 1994 to 28 February this year, a mere 0,42% more than the official inflation rate.

A survey conducted by the IR Network reveals that five COSATU affiliates scored higher than this average. The unions are CAWU, FAWU, PPWAWU, TGWU and SACCAWU. SACCAWU came out on top, with an average increase of 11,74%. SACCAWU also negotiated the highest increase of all, amounting to 12,65%. NACTU's chemical union, SACWU, also achieved above average increases.

Metal and mining workers achieved below average increases. The lowest wage settlement of 7% was negotiated in the printing industry.

Workers in the chemical sector remain the highest paid. The survey found that wages ranging between R9,00 an hour and R11,70 an hour are paid in the chemical, manufacturing, pharmaceuticals and printing industries. The lowest wage rates are found in the construction and mining industries. Black mineworkers earn the lowest wage rate of R3,84 an hour.

According to the study, the average minimum wage rate now stands at R7,87 an hour. This implies an average minimum monthly wage of R1 519,65 based on a 44-hour working week.

The highest wage rates are paid in the Gauteng province, specifically on the East Rand, while the Eastern and Western Cape pay the lowest rates.

Although some of the highest percentages were negotiated in sectors that pay below average wage rates, there is still a fairly wide gap between wage rates in different sectors. A good example is the difference between the mining industry, that pays R3,84 an hour,

and the chemical industry, that pays R10,80 an hour.

Wage policy

IR Network notes that although a number of unions are still locked into the traditional strategy of focusing on wages in isolation from other issues, labour is looking beyond simple percentage increases and is developing increasingly sophisticated wage policies. These policies place wage rates in the context of skills training, new job grading systems, narrow wage differentials between grades and worker participation in decision-making, especially on productivity.

Non-wage issues

With regard to non-wage issues, the Network says demands from most unions have remained consistent with previous years. However, over the last year, unions have not made any major breakthrough on the majority of these issues.

The following are categories of non-wage demands and the frequency with which these have been tabled by unions:

Category	Frequency
Leave	33,0%
Restructuring	20,0%
Conditions of service	18,0%
Allowances	11,0%
Social wage	7,0%
Bonuses	6,0%
Worker rights	5,0%

A recent IR Network survey amongst employers reveals that two-thirds expected wage increases to be higher this year than in 1994, adding that most employers had budgeted for a 10% wage increase. ☆

(Zolile Mtshelwane)

Launch of Workers' Museum

The Workers' Museum was launched in Johannesburg on 22 April. The museum is located in the Newtown Cultural Centre. It depicts the lives of migrant workers and commemorates the many struggles of the trade union movement.

In his opening speech, Minister of Labour, Tito Mboweni, pointed to the importance of the facility to the younger generation, that they might know how their parents and grandparents lived and suffered. In her speech, Luli Callinicos appealed to members of the community to donate items in use in the



factories and the mines from the 1890s onwards to the museum.

A municipal worker recalled life in the hostels, burning coal in tins in a desperate attempt to warm the freezing rooms.

Popular groups Johnny Clegg, Vusi Mahlasela, Mkhonto ka Chaka and others provided entertainment. (William Matlala)

SADTU declares dispute

In mid-April the South African Democratic Teachers' Union (SADTU) declared a dispute with the government. The dispute centred around:

- government's failure, over a seven month period of wage talks, to improve on its offer of 1,4%
- the distribution of the budget vote pertaining to the education sector

SADTU claims that the government has unilaterally changed the distribution of the budget vote applicable to the education sector. In the 1995/1996 budget teachers will receive less than 10% of the R2,5bn set aside for the public sector as a whole. In previous years teachers have received 38% of the

public sector allocation.

A national meeting of the union also decided to launch a campaign to pressurise the government to meet the demands of teachers and to create public awareness of the frustrations experienced by teachers. Plans for the campaign include a national Day of Action, where mass meetings, marches and rallies will be held. The union is calling on teachers to report for duty as usual.

At the end of April government revised its offer to 5% across-the-board. Government proposes to borrow from the state pension fund to pay for this increase. ☆

(Deanne Collins)

Keeping hunger at bay

George Khoza does alterations and mending on the pavement in Berea, Johannesburg, to keep hunger at bay. "I am a carpenter by trade, but I do alterations and mending to stay alive. I would rather be doing carpentry or operating a chain-saw."

Khoza came to South Africa in 1989 from Gabon. His father is South African and his mother is from Gabon. He bought his sewing machine in 1992. The machine was not expensive, it cost R260 to buy and it was new. "My brother lent me the money to buy the machine as well as cotton, machine oil and needles," Khoza said.

"I have many customers who bring their clothes to be altered and mended. My customers include everybody, both sexes. I have cultivated a base of regular customers. Many of my customers are referred by satisfied clients who have brought clothes to me for mending and alterations."

Although Khoza does not make a lot of money, he manages to pay his rent, buy food and replenish his stock of needles and thread. "Sometimes business is vibrant, while at other times nothing happens for the whole day." He keeps invoice and receipt books to keep track of who has brought what and whether they have paid or not.

"There have been incidents when clothes were stolen from me while I was not looking. Before that I did not keep any records of items brought to me. I have had to pay out about R400 for lost items."

Khoza maintains his machine himself. "I had to learn how to repair and maintain the machine and this saves me money. I also have people who bring their sewing machines to me for repairs." One of Khoza's problems is that many people never come back to claim their mended clothing.

However, he returns it to them when he sees them. "Most promise they will pay as soon as they have the money. But I never see them again and I suspect they deliberately avoid passing in the street where I will see them."

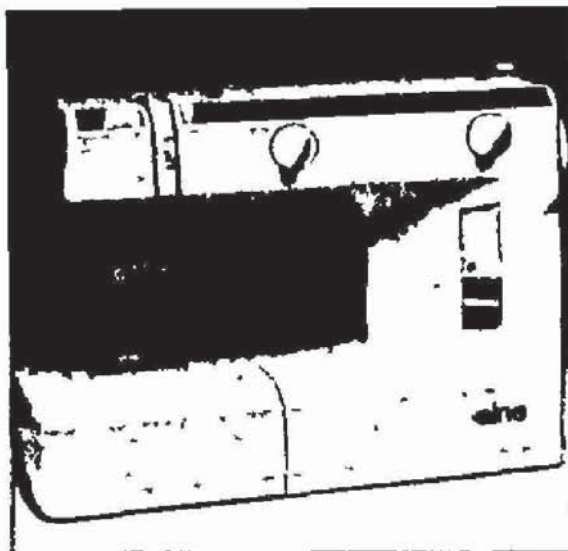
Khoza is also concerned that he has no trading licence. Although he has never been harassed for this, he would prefer to have one. "I made an application for a licence at the council offices soon after I started operating from this pavement, but I was told there are no licences for this kind of business."

Even though he works on the pavement, Khoza said the rainy weather does not really affect his business. "The people in the flat behind me allow me the use of their balcony on a rainy day. My customers know that they can always find me there."

Khoza has not tried to apply for a business loan or to find office space. "Sewing is something I am doing while waiting, hoping that one day I will find work in what I really want to do: carpentry." He does not like the idea of owing anyone money. "I would rather have other people owe me." ☆

(Zolile Mtshelwane)

Readers of the SA Labour Bulletin have the chance to win an Elna sewing machine worth R399! See competition details on the opposite page.



WIN!

an elna sewing machine worth R899! in the SA Labour Bulletin "Start a business" competition

Shopstewards! Organisers! Activists!
We all know unemployment and job creation is one of the biggest problems facing the community.

Now you can win a high-quality elna 2002 sewing machine and help start a co-operative or small business

The elna 2002 has:

- high quality
- elna provides training on how to use the machine
- elna dealers nationwide — dedicated after sales service

The closing date is 31 May 1995. The winner will be announced later that month. The winning story will be published in the June issue of SA Labour Bulletin.

All you have to do is write a short story (100 words or more) about what you will do with your new elna sewing machine if you win the competition. Then fill in the form below and post it, together with your story to

The Judges
SALB "Start a business" competition
Business Reply Service
Licence No JHZ4300
Johannesburg
2000

You do not need a stamp

✂
Title (Mr/Ms): Initials:

Surname: -

Postal address:

Code:

Tel: Code: (H)

Code: (W)

Inflation monitor: January and February 1995

Area	Consumer Price Index		Annual rate of inflation (% increase over 1 year)	
	January	February	January	February
Cape Town	168,1	169,2	9,7%	10,0%
Port Elizabeth	166,5	167,2	11,0%	11,3%
East London	166,4	167,4	9,7%	9,9%
Durban	161,7	162,2	9,0%	9,2%
Pietermaritzburg	167,6	168,6	9,7%	10,0%
Witwatersrand	165,0	165,7	9,4%	9,7%
Vaal Triangle	156,3	157,3	8,6%	8,9%
Pretoria	166,3	167,0	10,4%	10,4%
Klerksdorp	164,7	165,6	10,2%	10,5%
Bloemfontein	162,0	162,6	10,2%	10,4%
OFS Goldfields	165,6	166,6	9,1%	9,7%
Kimberley	168,8	169,9	10,5%	10,9%
South Africa	165,3	166,1	9,6%	9,9%

Source: Labour Research Service

SASBO, Boilermakers join COSATU

The SA Society of Bank Officials (SASBO) and the SA Boilermakers Union have joined COSATU. Their applications were approved by the March Central Executive Committee (CEC) of the Federation.

The CEC also formally endorsed the affiliation of the SA Agricultural, Plantation and Allied Workers' Union (SAAPAWU), the union for farmworkers spearheaded by COSATU.

The COSATU office bearers were mandated to facilitate discussion between the new affiliates and existing COSATU unions organising in these sectors. The relationship between SASBO and the South African Commercial, Catering and Allied Workers Union (SACCAWU), which also organises in the financial sector, has been marked by tension and will require careful mediation.

The formation of a separate union for farmworkers has also been the subject of heated

debate within COSATU in the past.

The new affiliates bring COSATU's membership to close on 1,5 million. A COSATU statement claims that approaches from unions wanting to discuss affiliation are being received "virtually on a weekly basis." The statement calls on "those unions who subscribe to our policies, but remain outside of our fold, to break with the past and enter into the mainstream of trade unionism in our country."

The loss of SASBO, its biggest affiliate, has dealt a body blow to the Federation of South African Labour Unions (FEDSAL). The federation's general secretary, Dannhauser van der Merwe, said FEDSAL regrets the move but upholds workers' right to freedom of association. ☆

(Deanne Collins)