

of sleepless nights and intense negotiations, an agreement was reached. The company had originally offered R195, then after negotiations at the CCMA it increased this to R265.

Dissatisfied workers applied further pressure forcing the final settlement to R280.

On uniforms the union won one uniform for casuals this year with a move to the standard uniform policy for all workers next year. Casuals will also receive 50% of benefits enjoyed by permanents and will be entitled to a long service award after ten years of service.

#### CONCLUSION

This was a significant strike in terms of the solidarity forged between casual and permanent workers. The union still has a long way to go in terms of achieving parity but, unlike a decade ago, it is moving firmly in that direction.

Levels of organisation and solidarity were impressive and this seems to have assisted with the very low level of worker on worker violence (the union received no reports of attacks on scabs). This can also be attributed to Saccawu's large female membership.

The Shoprite 2003 strike gave casuals from other retail stores such as Woolworths and Pick 'n Pay, the confidence to win demands from management. It is hoped that other retail workers as well as the numerous casual workers in South Africa's industries take heart from the bold steps taken in this strike.

# Public works

## a caution or two

Labour-intensive public works have a pivotal role to play in cutting joblessness and upgrading skills in South Africa, but only if they are well-planned and well-run, argues

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In South Africa is estimated at 28%, and 24% of the population lives on less than \$1 a day, according to the World Bank's poverty line. High unemployment poses a threat to democracy and at the same time there is a universally acknowledged need for housing and municipal services such as water supply, sewerage, roads, stormwater drainage, electricity and refuse collection.

The provision of infrastructure in urban and rural areas is a critically important way of addressing all these problems. Building infrastructure delivers economic growth, alleviates poverty and enhances sustainable management of the environment.

The experience elsewhere in Africa suggests that job creation programmes using employment-intensive methods can expand and maintain infrastructure and enhance employment, skills and institutional capacity. But the African experience also underscores the need for such programmes to answer the real needs of communities and to be well-managed.

#### PUBLIC WORKS AND EMPLOYMENT

Public works programmes have a long history in industrialised countries, both as a fiscal measure to regulate public spending and as a short-term measure to alleviate joblessness. In recent years, they have formed part of special job-creation schemes launched by industrialised nations in response to recession and rising youth unemployment.

In programmes using an "employment-intensive approach", labour is at the centre and the labour component of the project cost is high—between 25% and 60%.

In general, light equipment is used in such projects. The intention, however, is not to create work for the sake of it. A balance is maintained between labour and other resources to ensure cost-competitiveness and quality.

Comparisons between employment-intensive and equipment-intensive projects show that the former absorbs more unskilled workers, improves income distribution, raises household income and



consumption, expands the national income, saves foreign exchange and does not increase debt and responds to the needs of communities, thus enhancing democratic participation. It is also more cost-effective in low-wage, labour-surplus economies and more environmentally friendly.

#### **PUBLIC WORKS IN AFRICA**

In the 1960s, Morocco, Tunisia and Algeria experimented with employment-intensive public works programmes. Launched as emergency relief works, especially in rural areas, they gradually took on a development orientation.

The large-scale Moroccan experiment, known as National Promotion, was launched in June 1961 with the aim of creating work opportunities for the rural poor and

slowing urban drift. According to one estimate, the programme employed 85 000 workers a month in the peak season and increased GNP by 3,6%.

Another example is the Kenyan Rural Access Roads Programme, which has built more than 12 000 km of rural roads and created 80 000 man-years of employment. The programme was the responsibility of Kenya's Ministry of Transport and Communications and forms part of the national "district focus" policy, which provides for significant local autonomy. The methods were considered so successful that they were introduced in the secondary roads network.

In Botswana, a national programme of labour-intensive road construction was set up under

district councils, semi-autonomous bodies falling under the Ministry of Local Governments and Lands. It has created 3 000 jobs (total public sector employment stands at only 20 000) and built or upgraded nearly 2 000 km of roads. In Lesotho, a Labour Construction Unit was attached to the Ministry of Works. Between 1977 and 1985, it spent about US\$3 350 000 on road-building projects.

Despite their valuable contribution to rural employment-generation, many of these African experiments in employment-intensive public were flawed.

Political commitment and public funding were often inadequate. The schemes tended to be ad hoc, without a geographical focus or links to national rural development and infrastructure planning.

Makeshift administrative arrangements and the failure to inject sufficient managerial and engineering skills and technical competence, as well as choice of technology, led to poor project planning and manpower management.

In addition, local administrations and grassroots organisations were often not sufficiently involved in planning, decision-making and implementation. Also, inadequate information about beneficiary groups led to the imprecise targeting of programmes. Programmes were not structured to take account of the seasonal demand for agricultural labour and post-project maintenance was inadequate.

In general, there was also too little emphasis on the cost-benefit aspect and performance evaluation.

#### PUBLIC WORKS IN SOUTH AFRICA

Over the past 20 years, the South African government has spent billions of rands on programmes aimed at creating employment and providing physical infrastructure.

The National Public Works Programme (NPWP), a key component of the Reconstruction and Development Programme launched after the 1994 elections, included labour-intensive processes, training and capacity-building in order to provide infrastructure. It was superseded by the Community Based Public Works Programme (CBPWP), which places greater emphasis on the role of small business and regulatory bodies.

Another initiative, signed on 22 June 1993, was the Framework Agreement. Incorporated into the NPWP, this was a social compact between government, labour, the

construction industry and civic organisations which sought to maximise labour-intensive construction methods in public works programmes. Government would do well to learn from international and African experience which suggest that for large-scale programmes to succeed the following should be avoided:

- a lack of clear objectives. A pilot project should take place with extensive training programmes and lead-in times to allow for proper national planning. The pilots should test every aspect of the proposed programme including technical, administrative and institutional, as well as wage rates, conditions of employment and training;
- programmes have been introduced in a fragmentary way, without reference to national manpower needs. Technical aspects have been hastily conceived, compounding incompetence and inappropriate technology selection;
- there has been too little scope for local decision-making and execution of works, while inadequate post-project maintenance has often undermined their effectiveness;
- projects and programmes have been over-ambitious, based on under-estimates of the time needed to build individual and institutional capacities;
- little sustainable employment was created;
- there was little national, provincial and local government capacity-building, while internal planning, monitoring and control were severely lacking and no independent evaluation was carried out;

\* the target groups did not benefit as much as was hoped and



individual skills were not enhanced. Training, where it happened, was often unsuitable or unfocused and did not lead to post-project employment.

Also critical to success are long-term political and financial support and objective, external advice. The government must reach prior agreement with communities on such issues as pay, working conditions and communities' roles and responsibilities.

Public works infrastructure projects have the potential to redress high unemployment levels and remedy skill deficits in disadvantaged communities. The programme in South Africa should evolve as the policy environment changes, from relief, emergency and "special" public works to long-term structured employment-generation. The approach should link economic growth, employment and investment policy. The programme must ensure that infrastructure is planned around local needs.

The government needs to establish a long-term programme for employment-intensive construction. This cannot be established overnight, and would take some years to grow into a national scheme.

LB

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