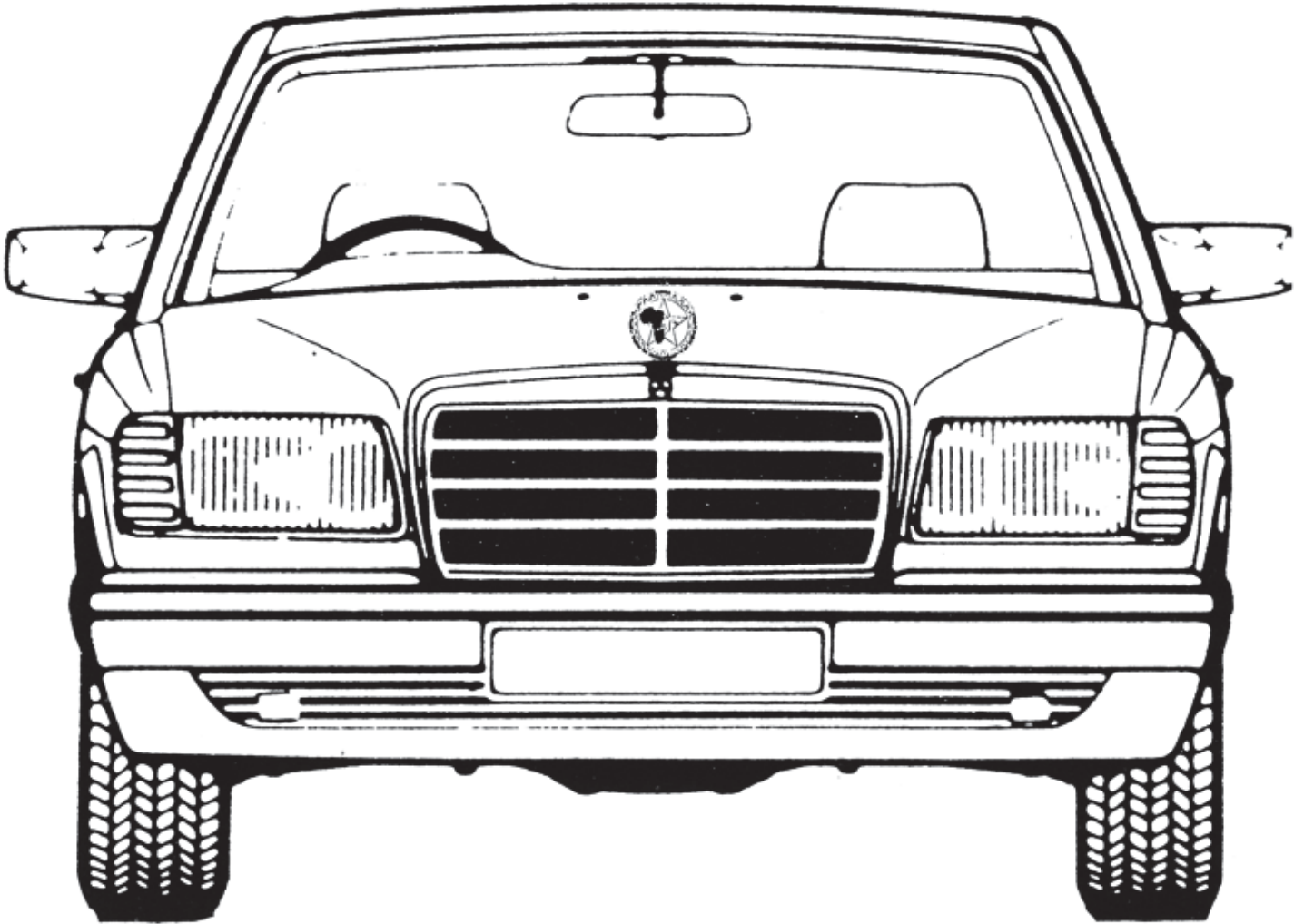


Labour Bulletin editor KARL VON HOLDT and photographer MORICE SMITHERS headed for East London to find the real story behind the strike at Mercedes Benz. This is what they found...

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# Mercedes Benz and NUMSA no easy drive to national bargaining

**E**ast London is a small stagnating city on the coast between Port Elizabeth and the Transkei. As a city and port, it serves Transkei, Ciskei and the Border corridor, but its economy has not taken off because the region as a whole has remained poor and underdeveloped.

Although there are several big local and international companies in East London - Frame, Wilson Rowntrees, Raylite Batteries, Johnson and Johnson - there is one key player: Mercedes Benz SA (MBSA). In the middle of August this year, a group of striking workers occupied the giant Mercedes plant. During the strike, MBSA threatened to close down permanently. One resident summed up the mood: if Mercedes goes, she said, the town dies.

MBSA is a major employer in the area with 3 500 workers in the local plant; it is supplied by some 50 factories in East London, Border and Ciskei, so its effect on employment, earnings and spending is great; it is a prestigious and high-profile company which produces a high-value product and it is a significant exporter. It is also the biggest German investor in SA.

So when the factory was shut down by the group of sleep-in strikers who flew ANC and SACP flags from the company flag-pole, it became a hot talking point in the whole Border region and the Ciskei.

The action also sent shockwaves through trade union and

industrial relations circles, as the workers appeared to be striking against the union's - and COSATU's - policy of centralised national bargaining. In fact, bitter divisions soon surfaced among shopstewards, and between workers inside the plant and outside it.

As the sleep-in dragged on, the company dismissed the workers who were occupying the factory, and after two weeks had them evicted by the police. This did not resolve the dispute. The plant remained closed for another seven weeks, as the workers, their union and management bargained over the conditions for re-opening the plant.

The company stated that the credibility of negotiated agreements was at stake. Senior African National Congress (ANC) and SA Communist Party (SACP) leaders flew down to impress upon workers the importance of MBSA to the economy.

This was the most high-profile dispute of the year. How did it start? What are the implications?

### 1989 - tension over the NBF

**T**he demand of the striking workers was that management withdraw from negotiations in the National Bargaining Forum (NBF) of the auto industry, and agree to pay an across-the-board increase of R3 per hour, way above the increase being negotiated at the NBF.

This was a confusing situation. The NBF had only been established the year before, after sustained pressure from the National Union of Metalworkers (NUMSA). A wave of demonstrations and strikes had

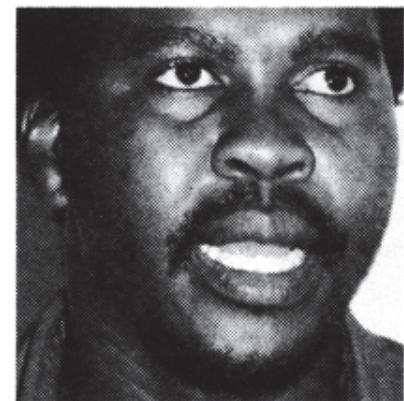
pressurised reluctant auto employers to accept the forum, and an across-the-board wage increase of R1 was eventually agreed upon. (see *Labour Bulletin* Vol 14 No 3)

However, there was even at that early stage some tension in the Mercedes plant over the NBF. Although the groundwork

#### KEY PLAYER:

*Ludwe Bakaco,  
spokesperson for strikers*

*Photo: Morice/Labour Bulletin*



had been laid for some years, the proposal to push for a national bargaining forum in the auto industry was based on a resolution on centralised bargaining, adopted at NUMSA's 1989 national congress. The proposal was discussed at a meeting of the national auto shopstewards' council, and reported to general meetings at all auto plants.

According to Ludwe Bakaco, a shopsteward who became the main spokesperson for the striking workers, workers





were "reluctant" to join the NBF, as they felt they did not understand it fully. Members of SA Allied Workers Union (SAAWU) had only recently been integrated into NUMSA (see p 27) and many of these workers felt they were not familiar enough with the NUMSA constitution, policies and structures to support the proposal. Others felt they were not clear about the implications of the proposal.

Most of the shopstewards, including Bakaco, were newly-elected, and had not been at the NUMSA congress. Nonetheless, they pushed for acceptance "because it was union policy".

### "Minority walked out"

Mtutuzeli Tom, who has been a shopsteward since 1985, and who became one of the spokespeople for workers opposed to the sleep-in, disagrees. He says four general meetings were held to discuss the NBF proposal, and each meeting was forced to adjourn when former SAAWU members walked out.

Finally the fourth meeting decided they could no longer be paralysed by a minority marching out, and that they would make a decision, binding on all workers, to join the NBF. "After that there were no complaints about the NBF until it erupted this year." The fact that Mercedes workers demonstrated in support of Toyota workers when they went on strike to force their management to join the NBF, proved that workers supported the forum, argues Tom.

**KEY PLAYER:**  
*Mtutuzeli Tom,*  
*veteran shopsteward*

*Photo: Morice/Labour Bulletin*



Bakaco insists that dissatisfaction continued throughout the 1989 negotiations, especially when workers learnt that they would only get one annual increase at the NBF, whereas they were accustomed to two increases.

Employer resistance to centralised bargaining had delayed the negotiations. Workers became impatient, and wanted to withdraw from the forum. They felt "the time was not ripe, there are some questions not answered, they wanted workshops on these issues."

The national bargaining team then sent a group of delegates, including NUMSA's secretary for the auto sector, Les Kettleidas, to persuade the Mercedes workers not to withdraw. Workers agreed, but a number walked out feeling that they were being "bullied", says Bakaco.

The "last straw" in 1989, according to Bakaco, was when the bargaining team dropped the R2 demand of the union to R1.50, and then accepted R1 across the board. He says the final agreement may

have been a victory for most auto workers, because it raised the auto minimum to R5.50.

For Mercedes workers this meant nothing, because the minimum was already R5,62, whereas the minimum in other auto companies was between R4,17 and R4,50. After this, according to Bakaco, there was a great deal of apathy among Mercedes workers, with poor attendance at factory general meetings and general meetings of the NUMSA local.

According to Bakaco, when national negotiations started at the NBF this year, "workers still had a grudge from the previous year": workers felt they had no real power at the NBF, and when negotiations moved slowly "the old thing of walking out of report-backs" started again.

## The 1990 negotiations

**T**embaletu Fikizolo, like Tom a full-time shopsteward who became chief spokesperson for workers opposed to the sleep-

**KEY PLAYER:**  
*Tembaletu Fikizolo,*  
*shopsteward, NUMSA*  
*regional chair*

*Photo: Morice/Labour Bulletin*





in, believes the problem this year arose from tensions within the shopsteward committee rather than worker dissatisfaction.

The national bargaining team consists of one principle and one alternate speaker from each company, plus observers from each plant of each company. Fikizolo and Tom were the principle and alternate speakers.

However, when the bargaining team was unable to persuade the employers to meet the travelling expenses of the union team, it decided to drop the observers in order to save the union money. Ludwe Bakaco was one of the observers.

After several rounds of negotiations this year, the union team had dropped their demand from a R2 per hour increase, to R1,50. This was after consultation with all plants.

At a later stage in the negotiations, after several shopstewards, including Bakaco, had been to the launch of the SACP in Johannesburg on 29 July, Fikizolo noticed a "dramatic change" in attitude among the shopstewards. He believes some of the shopstewards formed a caucus while travelling.

There were comments that some shopstewards were "too smart" or "thought they were cleverer than others." These comments were clearly directed at Tom and Fikizolo. Rumours that the SACP was opposed to the NBF began to surface in the factory.

On the 30th there was a

general meeting in the plant to report back on progress in the negotiations. Tom and Fikizolo reported that the employers were not budging from their offer of R1, which they had increased from 50c. The bargaining team had felt it necessary to report this situation back to all the plants, in order to start mobilising.

According to Bakaco a "large number of workers" walked out of this meeting. The next day workers in F site held a meeting in their canteen to assess the previous day's general meeting. It is normal practice for workers to hold canteen meetings to discuss union affairs, rather than frequently asking for management permission to convene large general meetings.

F site is the largest section of the factory, and some 1 500 workers worker there. There are seven shopsteward constituencies in F site, one of which Bakaco represents. At the F site meeting problems were raised with the NBF. Bakaco says workers felt they were not allowed to speak in general meetings because they opposed the NBF.

Fikizolo believes this line of argument was caucused by some shopstewards and others, and that workers were now confused because they trusted the understanding of shopstewards.

Bakaco says that workers wanted to take placards and demonstrate against the NBF. He says, "Shopstewards found it difficult to control the meet-

ing." F site mandated shopstewards to call a general meeting to discuss their views.

An urgent meeting of shopstewards was then called. Here Fikizolo and Tom argued strongly against the idea of withdrawing, and "no-one voiced an opposing view". The committee decided that F site's proposal should be taken to canteen meetings in all constituencies of the plant.

Fikizolo believes "a lot of spadework" was done by a faction of the shopstewards and others to make sure the constituency meetings supported F site.

### "Power struggle"

When the shopsteward committee met again, says Fikizolo, "There was a lot of tension against us. You could feel there was a power struggle going on." Seventeen shopstewards reported that their constituencies supported withdrawal from the NBF, one opposed, and one felt a general meeting should be called (Fikizolo and Tom and the two other full-time shopstewards do not have constituencies). Fikizolo and Tom were shocked by this sudden opposition to the NBF, and felt some shopstewards "enjoyed this view".

A general meeting was held the following day, 1 August. Each shopsteward reported the views of their constituency. Those who opposed withdrawal were "howled down", says Fikizolo; some workers walked out "seeing something was wrong."





According to Bakaco no-one disagreed with withdrawal, including Msitheli Nonyukela, NUMSA regional secretary, who was present. Fikizolo says no-one could disagree, given the mood.

Bakaco says workers stated that the NBF had been imposed on them, and mandated Fikizolo and Tom to report to the negotiating team that Mercedes was withdrawing from the NBF. The general meeting also decided to demand a R3 across-the-board increase from management.

At the next meeting of the NBF Fikizolo and Tom in-

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**KEY PLAYER:**

*Mzitheli Nonyukela,  
regional secretary*

*Photo: Morice/Labour Bulletin*



formed the NUMSA team of their plant's decision. The team decided to send a delegation to try to persuade the Mercedes workers to reverse their decision.

"It was extremely difficult for the union to deal with the actual situation," says NUMSA auto secretary Les Kettleidas. "The issues were not clearly identified, there was a lot of emotion." The delegation from the bargaining

team met the Mercedes shopstewards, but felt there was no point in addressing a general meeting of workers, since the majority of shopstewards clearly supported withdrawing from the NBF.

MBSA management refused to negotiate the workers' demands unless the union wrote formally to say it was withdrawing from the NBF. Nonyukela and Tuluma, a NUMSA local organiser, refused to write such a letter, saying they had no mandate to do so. This was reported back at canteen meetings.

Fikizolo believes some shopstewards inflamed the situation by reporting that management had indicated it could probably pay the R3 increase. A phrase going around the factory was, "Lets pour petrol on the flames!" - an example of "immature militancy".

During this period, Fikizolo says, Tom and himself were labelled collaborators who had been bought off by management. Bakaco, on the other hand, says "the situation in the plant was getting out of hand - workers were demonstrating at lunch-time. Shopstewards advised workers to use democratic structures, but it was already one month past the date for implementing the increase, and they felt the company was delaying."

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**The sleep-in starts**

Another general meeting was called on 16 August. Workers from F and A sites toyi-toyed

to the venue chanting "Away with NBF!" and "Away with Nonyukela, Tuluma, Kettleidas!" Some were carrying mock coffins marked with the names of the officials. "Workers were wild," says Fikizolo, "but others just observed and did not join in."

At the general meeting one of the workers at the forefront of opposition to the NBF moved that workers sleep-in till their demands were met. Some workers objected that they had not heard a report from negotiations, and did not see a reason for sleeping in. Objections were stifled with chanting and whistling, according to Fikizolo.

Shopstewards met with management twice that afternoon to discuss the demands. Management asked whether they supported the decision to sleep-in, which flouted the procedures laid down in the recognition agreement. Shopstewards said they did not.

Management refused to pull out of the NBF, saying it would cause the forum to collapse. The company announced that production was suspended until the NBF issue was resolved.

About two thousand workers then began to prepare for the sleep-in, fashioning beds from foam, upholstery and car head-rests. Marshals patrolled the gates.

The next day the deep tensions and hostilities within the plant boiled over. Nonyukela and Tuluma visited the plant to address the workers and were beaten up.

Bakaco believes this hap-





Workers demonstrate during the occupation strike

pened because the officials chose to come when most of the shopstewards were not present. "The regional secretary spoke against the shopstewards, and was evasive and arrogant." Fikizolo, who was present with the officials, believes the incident was typical of the style of the sleep-in.

"Workers were using abusive language and howling down opposition. Others were just silent." They could see a squad mobilising to attack, so they tried to move out. Fighting broke out among workers and the officials were assaulted. "Many workers started leaving, saying this is not what we are fighting for."

Workers from H plant were *toyi-toying* outside the meeting with placards saying "Forward to the NBF!" Marshals were stopping and assaulting those who wanted to leave. So a number of workers then *toyi-toyed* as a group to the gates, saying "We will crush anyone who stops us leaving!"

### The divisions harden

Thus the divisions hardened into two factions. One group of workers continued sleeping inside the plant, while another regrouped and held meetings at Gompo Hall in Duncan Village. The strikers were represented by 18 shopstewards including Bakaco, while those outside were represented by five, including Fikizolo and Tom.

According to press reports and those outside, the number of workers inside the plant rapidly dwindled to 500 and then 300, although Bakaco claims there were about 1 000.

The workers at Gompo started meeting on 20 August, and grew from 700 to about 1 000, according to Fikizolo; "others stayed in the township or went to the rural areas, listening for news on the radio. They were sick and tired of this thing."

A bitter war of words took place in the press between the two factions. Those inside the factory accused union officials at the regional office of "undemocratic methods". Bakaco

was reported as saying workers had been trying to get rid of the officials for almost a year, but that the officials had blocked this. Attempts to call in the head office had been thwarted.

The regional office attacked a spokesperson of the workers, who was using a pseudonym, and warned that "manoeuvres and tactics of undermining the union structures in his mini-struggle and (his) power hunger are being watched." The regional office also accused "some individuals" of intimidating workers who wanted to leave the plant during the sleep-in.

### Mounting pressure on the union

The whole situation was highly embarrassing for the union. There was clearly a rank-and-file revolt of some sort against union policy. The NBF, which had been established through mass struggle, was being placed in question. Fikizolo says workers from other auto companies were outraged: "They blamed all of us MBSA workers. How could we fight our own organisation and policies?" Tom says it was a "disgrace" for the union and shopstewards.

It was particularly embarrassing because NUMSA was in the middle of a court case trying to force Delta - the one major auto employer outside the NBF - to join. Employers who oppose centralised bargaining, such as Barlow Rand, now had plenty of fuel for their



arguments. Other COSATU affiliates were dismayed, as they found their demands for centralised bargaining undermined when employers pointed to the Mercedes sleep-in.

NUMSA was under pressure in the NBF itself. Employers adopted a united stand in support of MBSA management.

At the next scheduled meeting of the NBF, on Tuesday 21 August, employers stated that they could not continue negotiating until the problem at MBSA was cleared up. "We rejected this," says Kettleidas. "We stated that the MBSA situation should not hold up negotiations. A delay was going to create tremendous pressure in the industry." A second meeting was set for the 27th.

### Employer demands

When NUMSA general secretary Moses Mayekiso visited East London on 24 August, he suggested that management accept a temporary suspension from centralised bargaining so that tempers could cool. The company rejected this. At the meeting of the NBF on 27 August, the employers increased their pressure on the union. They demanded that NUMSA guarantee that any settlement reached at the forum would be binding upon all hourly-paid employees at MBSA.

Employers also demanded that NUMSA state clearly whether it condoned the unlawful occupation of the MBSA plant. MBSA's Ian Russell told *Labour Bulletin*:

"The people engaged in the occupation are defying every conceivable structure - NUMSA national policy, NBF structures, the recognition agreement, the supreme court, their own leadership."



Employers demanded that NUMSA distance itself from the "unacceptable conduct" of the strikers who were

"taking control of company premises by force, wielding dangerous weapons... and intimidating other employees and contractors."

Employers insisted that the union should state what action it intended taking against the strikers, and what steps it was taking to ensure its members vacated the factory.

The union was in a difficult position. It could not support the strikers, who were flouting not only the negotiated agreement to bargain in the NBF, but also the procedures of one of the most progressive recognition agreements in the country.

But if it publicly criticised the strikers it would exacerbate the divisions among the Mercedes workers. Moreover, it would appear to be speaking for management. Tom says many workers outside the factory felt the strikers should be expelled from the union.

"But our view was that the workers were innocent, they were being misled by a few. If the few were expelled the others would believe there was victimisation. This would create more problems in the long run."

NUMSA requested that its

response to the employer demands should not be publicised. Kettleidas says, "We reiterated our position on centralised bargaining, and that we would not be entering plant level negotiations. We explained that if the majority of our members accepted an agreement we would then persuade the minority to accept it. That is normal practice."

On the question of disciplining the strikers, he says, "We didn't accept management's right to prescribe to us. They wanted us to expel them from the union - but if people are guilty of an offence one must investigate the causes and follow the procedures. Expulsion would be an extremely serious step."

*Business Day* (31/8/90) commented at the time that the union must have gone some way towards "denouncing the industrial action and 'unacceptable behaviour'", as the employers agreed to continue with negotiations.

### Pressure on the strikers

While the auto employers were stepping up pressure on the union in the bargaining forum, MBSA was stepping up pressure on the workers in its plant. On the morning of Tuesday 21 August the workers were served with a court interdict ordering them to leave the company, and five hours later the company stated that 538 workers occupying its factory were dismissed.

Over the following 10 days the position of the strikers became increasingly desperate.



They had clearly become a minority of workers. They had no allies - the company, the union and the media opposed their action.

Many workers outside were impatient to start work again because of the pay they were losing. Management was threatening to send the police in. Moreover, they had now been dismissed, so if they left the factory they lost everything. The regional office claimed workers inside the plant were being given "inaccurate information so as not to lose confidence in the shopstewards."

The group at Gompo was getting bigger. Fikizolo says workers at Gompo were reaffirming union policy and support for the NBF.

Meanwhile management told the 18 shopstewards that it planned to ask the police to evict the dismissed workers. Shopstewards warned the company that workers said they would resist, and this would lead to "bloodshed and destruction". They also asked management to withdraw the dismissals, as they made it impossible for the workers to consider leaving the factory.

On Tuesday the 21st NUMSA's president, Daniel Dube, and head office official Bernie Fanaroff, addressed the workers at Gompo, and then met the 18 shopstewards. On Friday NUMSA general secretary Moses Mayekiso addressed a meeting inside the factory.

According to Bakaco, Mayekiso explained that the union's congress resolution

did not rule out plant-level bargaining after centralised bargaining had established minima. But, he said, the bargaining team in the NBF had agreed that there should be no plant-level bargaining on issues agreed at the NBF, as a way of enticing employers into centralised bargaining.

Now, says Bakaco, "workers had new information. They felt they could suspend their demand for withdrawal from the NBF and take up the matter in the union, as it seemed the negotiating team had exceeded its powers by modifying a congress resolution." In fact, though, the workers inside the plant did not withdraw their demand at this stage.

### Evictions - but plant stays closed

A major obstacle to resolving the dispute was the dismissals. Management offered to send the dismissals to arbitration, but refused to withdraw them. The dispute deadlocked on this issue. Mayekiso says, "We cannot run away from the fact that the union was in the wrong, but the company adopted a very hard stance. It was not reasonable."

The deadlock dragged on until police moved in at the company's request, and evicted the strikers, numbering 160, in the early hours of Sunday morning, 2 September, over two weeks after the sleep-in began. According to Bakaco many workers were injured. The company disputes this.



The company set a number of preconditions for opening the plant. Most importantly, the company wanted agreement on a procedure for determining the fairness of the dismissals, and on a "practical process to remove the problems impacting on the growth and viability of the company". If agreement could not be reached, warned the company, Mercedes would have to conclude that it was impossible to operate in South Africa and close down its operations. Daimler-Benz in West Germany, owners of MBSA, issued a similar warning.

### The struggle for a solution

Workers now had to respond to the company position, as well as overcome their divisions. On Monday all 23 shopstewards met, together with Les Kettleidas, John Gomomo who, in addition to being senior shopsteward at Volkswagen, is a COSATU vice-president and on the internal leadership bodies of the ANC and SACP, and Raymond Mhlaba, veteran ANC and SACP leader and Robben Islander.

"We stated clearly that we have differences, we need to put them on the table and thrash them out, so that we can bring the workers together," says Fikizolo.

At that meeting and one the following day, says Fikizolo, "we went at each others' throats. There were a lot of accusations. We said the other





After the eviction: expensive beds...

shopstewards were guilty of opportunism and misleading the workers." Bakaco says, "We raised the lack of democratic practices in leadership at plant and regional level."

In the end the shopstewards agreed there had been mistakes on both sides, but now the central issue was to establish unity and respond to management. They agreed that coffins, placards and songs slandering comrades should be stopped, and that the two groups of workers should meet at a neutral venue.

According to Fikizolo, the workers at Gompo were angry and felt that the 18 shopstewards had misled workers. They questioned too why the shopstewards had not been dismissed while the striking workers had. They also questioned supporting the dismissed workers: "We cannot be used to fight for people who who have been irresponsible from the start."

Bakaco says that the dismissed workers felt they had been sold out. "It was a ma-

jority decision to sleep-in. Even some of the boldest workers in proposing action later feared sleeping in, and landed up at Gompo as if they supported the NBF."

### Dropping the NBF demand

Nonetheless, the joint meeting took place on Friday the 7th. The meeting finally agreed to put aside the demand for withdrawal from the NBF. This was critically important movement towards a resolution. The meeting decided to concentrate on fighting the dismissals.

On Monday the shopstewards met management, and requested that the dismissals be withdrawn. The company stuck to its proposal, that the dismissals should be sent to arbitration.

The union and the shopstewards were under increasing pressure. For the sake of organisation within the plant they had to find a solution that would facilitate unity among the workers. A majority of

workers were impatient to get back to work and start earning wages again. A minority faced dismissal, and did not want a return to work until their positions were secured.

All workers had reason to feel angry with one or other faction among the shopstewards, and the shopstewards were anxious to find a solution which would avoid a show-down.

### Mounting pressure

Meanwhile, outside the plant, many suppliers of MBSA in East London and Ciskei were working short time or had suspended production. Workers at these plants were also members of NUMSA and other COSATU affiliates.

They were desperately short of money and highly critical of the Mercedes workers. East London unionists in general seemed to share this feeling. One said NUMSA should have expelled all the strikers from the union.

In fact, the dispute at Mercedes was the main topic of discussion among East London and Mdantsane residents, black and white. It seemed that the threat of closure was a serious one. Press reports estimated a shutdown would threaten 10 000 to 100 000 jobs.

A welfare officer was quoted saying: "Unemployment in this area is so bad that a pull-out by Mercedes is too frightening to consider". Ciskei ruler Brigadier Gqozo issued a statement calling for the "foolish, misguided, self-



ish rebels to be summarily dismissed." Border ANC leader Arnold Stofile was reported as "sharply criticising the workers, suggesting they had a political agenda."

Clearly an enormous amount was at stake in the delicate negotiations between shopstewards and management. On Tuesday the 11th, NUMSA office-bearers flew down to East London to meet with the shopstewards. They recommended arbitration. The shopstewards agreed to recommend this to a general meeting on Wednesday, but the meeting rejected it.

According to Fikizolo, workers were divided: "There was a militant rejection from those who were dismissed, saying if the company wants to leave, let it. Many were silent, though, worried about jeopardising their jobs."

### Calling on the ANC and the SACP

At this point the union decided to call on the ANC and SACP for help. The company had already met with ANC international director Thabo Mbeki.

"We did not intend to undermine the union," says Russell, "But the ANC flag was flying from our flag-pole. We wanted to explain the serious implications of MBSA leaving South Africa. The occupation of the plant was extraordinary. It seemed that NUMSA was unable to get people out of the plant."

The union had similar reasons for approaching the ANC. Apart from the ANC and

## NBF reaches agreement

Meanwhile negotiations were continuing at the NBF. On 14 September an agreement was signed, which gave workers a R1,15 increase across the board (R1,75 for skilled workers) and a new minimum of R6,60, backdated to 1 July. A new uniform job grading scheme was agreed on to cover all companies. According to Kettleidas, grading had been a grievance for 10 years. The new scheme has five grades, rather than 8 or 12.

NUMSA and the employers also agreed to abide by the terms of the SACCOLA/COSATU/NACTU accord, whether or not it became law.

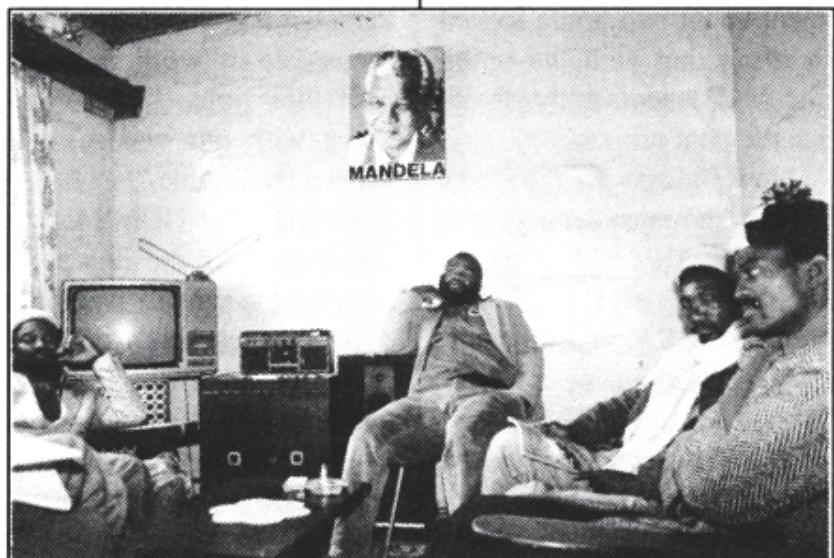
SACP flags, there had been rumours that the SACP opposed bargaining at the NBF. The SACP had in fact already written a letter to the union, supporting its stance on centralised bargaining.

Now the union hoped that the political leaders would, in Nonyukela's words, "bring arguments and information to sober the workers" and break the deadlock.

### Slovo and Tshwete intervene

A week later, on Thursday 20 September, an extraordinary meeting took place at a church hall in the huge Mdantsane township. More than 2 000 Mercedes workers packed the hall. On the platform were seated a row of senior political and union leaders. Behind them sat two rows of shopstewards.

The meeting started with the visitors being introduced to the workers: one after the other



Waiting for a settlement: workers at home in Mdantsane

Photo: Morice/Labour Bulletin





From left: Moses Mayekiso, Joe Slovo, Wilton Mkwayi and thousands of MBSA workers

Photo: Morice/Labour Bulletin

Moses Mayekiso, ANC NEC member Steve Tshwete, ANC and SACTU veteran Wilton Mkwayi, ANC NEC member and SACP general secretary Joe Slovo, John Gomomo and Les Kettleidas rose to roars of "Viva!"

The shopstewards had just spent about two hours locked in a meeting with the union and ANC leaders to thrash out a settlement proposal.

Now Bakaco put the views of the shopstewards to the meeting. He said workers should consider whether closure of MBSA would benefit the Border region or any workers.

The shopstewards proposed that they should request management that the dismissals be changed to final warnings valid for three months. He also

pointed out that they would need an alternative plan if the company rejected this.

It was left to the speaker on behalf of NUMSA, Moses Mayekiso, to put the fall-back plan. He said that the threatened closure was not only a problem for Mercedes workers, but a political problem - thousands of workers could lose their jobs. "They will leave with our wealth, and leave us in trouble."

He said that NUMSA proposed that, if the company rejected the written warnings option, the workers should accept arbitration and fight on that terrain.

He ended by noting that it was the first time for the national leadership of the ANC and SACP to visit a factory strike: this showed that it "af-

fects the whole people."

Tshwete - a very popular figure in Border, where he used to be a UDF leader - told the meeting that the ANC fully backed NUMSA and NUMSA's proposal. He reiterated the fact that a closure would affect "all workers, residents and people in South Africa - it will make a desert here."

Slovo reiterated ANC and SACP backing for the union. He said, "Workers can make mistakes, but they can never be wrong. It is not a question of right and wrong, but of power, of being able to continue struggling and making advances." All the speakers stressed that the union and the ANC would try to find ways to help any workers who might be dismissed.



## Edging towards settlement

Since the majority of workers and shopstewards at Mercedes are ardent supporters of the ANC and SACP, the speeches of Tshwete and Slovo were taken very seriously. They strengthened the hand of those who wanted a return to work, and weakened the position of the strikers. After lengthy discussion workers agreed to the proposals. This was the second critical movement towards a resolution.

Over the next three weeks there were a series of meetings with management, and report-back meetings to workers, as the parties edged towards agreement. As could be expected, in the first meeting management rejected out of hand the first proposal.

But by this point both the union and management were fairly confident that an agreement would be reached and the factory would reopen. Negotiations shifted to the terms of arbitration, as well as the conditions set by management for re-opening. By 2 October Tom reported that arbitration for the dismissed workers had "overwhelming support from workers". What still remained to deal with were the company demands.

## The settlement

Eventually, nine weeks after the plant was closed, the union and the company signed an agreement on Monday 8 October. The plant re-opened the following day.

The sleep-in had obviously

placed the union in a weak bargaining position. Since 1987 management's 'right to manage' at MBSA has been seriously challenged by worker militancy and organisation (see p 38). A careful reading of the agreement suggests that the company has tried to use the dispute to regain control of the shopfloor.

The agreement starts with a preamble which establishes the complete illegitimacy of the sleep-in. The agreement itself binds the workers to accept the NBF agreement, and states that the dismissals will be sent to arbitration.

More important is that NUMSA confirms that workers are prepared to resume work "in accordance with the conditions of employment and all collective agreements concluded between MBSA and NUMSA and all company policies and procedures, subject to the terms of the recognition agreement."

Both parties commit themselves to the "common objectives of industrial peace and stability", the "maintenance of acceptable work and behavior standards" and the "growth and viability of the company".

Even more important is that, under the heading "Factors impacting on the growth and viability of the company", the company and the union agree to run jointly a training programme for all workers covering the recognition agreement, the role of supervision and the NBF agreement.

The agreement states that

the company has advised NUMSA that it will apply discipline to address "unacceptable conduct" and "absenteeism and poor time-keeping", and that the union "agrees to ensure" that all workers "understand and accept the need to reach production targets" which are set out in the agreement.

Through the agreement the company is clearly seeking to re-establish the legitimacy of company authority and goals.

The agreement also obliges the union to take certain internal organisational steps, which is highly unusual in a company-union agreement. The union undertakes that "one experienced organiser" will be based in East London, with "direct responsibility for the union's activities at MBSA... whose primary responsibility will be to assist in establishing stability and sound relationships between management and the union at MBSA." The union also agrees to give "comprehensive training to the shopstewards".

These clauses suggest that the company sees organisational weaknesses in NUMSA as important contributing factors to the wildcat strike.

Finally, the company and the union agree to meet as soon as possible to finalise a "housing, education and social responsibility programme." This, in the company's social democratic perspective, is the other side of regaining management control: joint programmes to meet workers' social needs.





In Russell's view the agreement is a "watershed": "NUMSA and the ANC chose to give negotiated structures credibility, and to honour agreements. This means conflict can be institutionalised."

### Aftermath on the shopfloor

In Tom's view management adopted "a very harsh position" in negotiating the agreement. "We are going to honour the agreement, but not to be ruled by management to safeguard their interests. Where regulations are oppressive we cannot accept them. But our struggles must be disciplined - we cannot wage militant struggles that go nowhere."

The sleep-in, divisions and dismissals have had a deep impact on relationships in the plant. The strikers have lost everything: the NBF was upheld, there was no separate wage deal, the strikers were evicted and dismissed, the whole workforce lost 9 weeks' pay, and the stance of the five shopstewards and the regional leadership was confirmed by the union, the ANC and the SACP.

On the other hand, the union has recognised that there are serious organisational problems in the region, suggesting that some of the grievances of the strikers are legitimate.

Many workers are critical of the strikers and the 18 shopstewards who led them, says Tom. On the other hand, there is "demoralisation and dissat-

isfaction" with the union because of the role of the regional leadership, says Bakaco.

For Tom "the most important thing is to consolidate the workers in the plant." He says that in sections of the factory where many workers have been dismissed, workers are "demoralised and scared to challenge management.

We will have to work hard to build workers confidence in themselves again." Bakaco has a different view: workers are "not afraid to challenge management", but are "demoralised with the union".

Clearly there are still tensions on the shopsteward committee. Bakaco believes "the tensions must be explained to the workers, so they can help solve the problem."

Tom sees two possible outcomes to the current situation: either workers regain their confidence and begin to assert themselves again. Or workers can remain demoralised, and "management can impose its oppressive rule."

It will take astute leadership to build unity and re-establish the confidence of workers.

### New regional secretary

A week after the settlement NUMSA held a regional congress at which Nonyukela stepped down as regional secretary.

It seems clear that there have been serious organisational problems in the Border region of the union. Bakaco says there is "widespread dis-

satisfaction" and "no confidence in the regional structure as a whole".

General secretary Mayekiso confirms that "some workers" expressed dissatisfaction. Bakaco reports that Mayekiso proposed to the NUMSA NEC that the Border region be suspended and placed under a caretaker, but that the NEC felt the region should have the opportunity to sort itself out. Hence the congress.

Tom acknowledges the region is weak: "Nonyukela stepped down because he lacked administration skills. The region needs to be strengthened, and this requires a secretary with experience and administrative skills."

Nonyukela's lack of specific skills probably contributed to the problems in the region and the crisis at MBSA. However, Bakaco's criticisms are directed at the regional leadership and structures as a whole, and the report that the NEC considered suspending the region indicates that problems and divisions are substantial.

Enoch Godongwana, a highly experienced national organiser who learnt his unionism on the East Rand, was elected as the new regional secretary. He will also take on the responsibilities of the "skilled organiser" mentioned in the agreement.

He says one of the challenges facing him is "to bring unity within the plant." The other challenge, no doubt will be to unify and build the region.

