

The new Labour Relations Bill and centralised bargaining

THE LRA

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The Explanatory Memorandum accompanying the draft Labour Relations Bill recognises existing collective bargaining institutions in SA are disorderly. This is attributed to the unsatisfactory combination of state regulation and self-regulation by the parties to collective bargaining. The remedy offered by the Bill is self-regulation with minimum state intervention — ie a voluntarist collective bargaining framework. The Bill envisages voluntary agreements between capital and labour rather than legal compulsion. The relative strengths of the social forces within the labour market should be the compelling determinant for collective bargaining.

What are the implications and consequences for the trade union movement of the Bill's failure to enforce centralised bargaining?

The lack of compulsory centralised bargaining is in line with the neo-liberal capitalist approach to industrial relations which the Bill pursues. The underlying objective of the Bill is to give space and effect to the dictates of capital accumulation.

Law of the jungle

A voluntarist collective bargaining system is premised on the capitalist law of the jungle where the strongest will triumph. The consequence of this approach is that only the

workers who are strategically located within the labour process and who are well organised stand a chance of enforcing and maintaining a bargaining arrangement with employers.

Voluntarist collective bargaining will bring about an unacceptable dualism within the industrial relations sphere. The 30%-70% divide within the working class will become a reality. A small number of workers will have all the benefits and the rest will labour under terrible conditions. Vast differences between wage levels in different sectors will emerge.

Presently, 74% of the South African workforce is concentrated in establishments with less than a 100 workers and 75% of the economically active population do not belong to trade unions. In the existing climate, the South African working class needs legislation to generalise the gains won by workers and to bring the poorly paid workers up to the level of the higher paid.

Labour market rigidities

What is the thinking behind the absence of the duty to bargain? According to the memorandum to the draft Bill, for South Africa's economy to successfully enter the competitive world market it is necessary to avoid "rigidities within the labour market". What are these "rigidities" they refer to? In simple terms this means state regulations and collective bargaining agreements exist which regulate the buying and selling of labour power, and its use within the capitalist labour process.

In South Africa, the regulations which do

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exist are, in most cases, very inadequate. Nevertheless, the existing regulations do put some obstacles, or "rigidities" in the path of employers.

Collective bargaining is one of the ways the unions can ensure that workers' living standards are maintained and advanced. Through centralised bargaining, unions can also ensure that wage rates and minimum conditions are standardised and extended to other workers within the industry or sector. The protection and advancement of workers' living standards enhances the ability of the working class to struggle for greater control over other aspects of capitalist production.

New dynamic

The non-inclusion of the duty to bargaining in the draft Bill introduces a completely new dynamic for the organised working class. The question confronting unions now is not what improvements will result from the division of the fruits of labour, but whether there will be bargaining in the first place.

Employers could willy-nilly pull out of existing bargaining arrangements or point blank refuse to bargain with a representative union. Notwithstanding the draft Bill's stated commitment to protect existing bargaining arrangements, it is conceivable that employers could compel unions to fight a new struggle every year just to secure the duty to bargain. The insecurity and uncertainty within the collective bargaining arena gives employers a powerful instrument with which to enforce workers' compliance. This is the way the draft Bill hopes to ensure that the SA economy adapts to the requirements of world capitalist competition!

Capitalist competition for profit means competition between workers for wages. For workers, one advantage of centralised bargaining is that competition between workers is minimised. The lack of compulsory centralised bargaining will force wages down.

An equal relationship?

The system of voluntarism is based on the assumption that there is an equal relationship between capital and labour within capitalist society. The authors of the draft Bill deliberately ignore the fact that the owners of capital

have a decisive and distinct advantage over the working class. Their ownership and control of the means of production puts at their disposal colossal economic, political, human and technical resources.

By comparison, the working class, in its quest for a better life, has only its organisations as a source of power and faces many structural impediments caused by capitalism.

Can the state be neutral?

The ANC, as the dominant player in government, cannot be neutral in the inevitable class struggle between the two contending class forces. Its responsibility is to create the conditions which will allow the working class to overcome the obstacles caused by capitalism. At the same time, it should provide the space and scope for the self-initiative and self-activity of workers to flourish and develop.

The authors of the draft Bill will loudly protest that this is precisely what they have set out to do. They will no doubt base their claim on the fact that, to quote once again from the memorandum, they "unashamedly promote collective bargaining by providing organisational rights for unions and by fully protecting the right to strike".

No doubt realising the importance of obtaining trade unions' consent for its capitalist agenda, the draft Bill attempts to cushion the impact on the trade union movement by granting certain organisational rights.

Giving organisational rights to workers cannot be a substitute for ensuring centralised and uniform conditions of employment. The extension of labour rights to unorganised and weakly organised workers only scratches the surface of the problem. Besides, the organisational rights granted are weak and in some cases extremely questionable.

In conclusion, the reluctance of the authors of the Bill to enforce a legal duty to bargain as well as the mild extension of organisational rights has the potential to fully expose organised and unorganised workers to the ravages of capitalism. The flexibility that the Bill intends introducing within the "labour market" as the means whereby the efficiency of the South African economy will be enhanced is characteristic of a neo-liberal path for capital accumulation. ☆