

# The public service

## *labour relations and transformation*

**L**abour relations in the public service is one of the most important - and least understood - areas of worker struggle in contemporary South Africa.

For the first time in South African history, public service workers have gained organisational and bargaining rights under the LRA.

They now have an opportunity to bring their conditions of service in line with well-organised workers in the private sector. Black workers, in particular, now have legal space to redress decades of racism, employment insecurity, and bad pay.

However, improvements in workers' wages and working conditions are occurring in a context of state restructuring - essential to ensure delivery of services and transformation more broadly - and the fiscal constraints set down by GEAR. The tensions between achieving restructuring while becoming a 'model employer' will result in serious confrontations between workers and public service managers.

These confrontations will inevitably spill beyond the boundaries of the public service itself, and will have an important impact on ordinary citizens and on the prospects for broader transformation.

Yet the topic is poorly understood beyond the parties that are directly involved. This *Bulletin* focus is aimed at

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increasing awareness of these problems, while contributing to debates on labour, the state and transformation in South Africa.

The focus consists of a number of articles generated in the National Labour and Economic Development Institute's (Naledi's) long-term research project on public service labour relations.

### **Progress and problems**

In the few years since public service workers were granted bargaining rights, they have made considerable progress. Union membership has increased rapidly. Black workers have gained job security. Minimum wage levels have risen dramatically. Most impressively, the wage gap has narrowed from 62:1 in 1989 to 16:1 today.

However, the public service remains unreconstructed. Work organisation is archaic and overly bound by convoluted rules. Decision-making remains centralised. Productivity is low and quality of services poor. Staffing is marked by gross racial and gender distortions.

The South African public service is not yet a 'model employer', nor has it been restructured to contribute to

transformation. Indeed, these two goals may be contradictory.

### State restructuring

Improving conditions for black workers will come at the expense of the previously privileged, who have considerable power to block change. Such groupings are highly organised and are now able to pursue their interests through the same labour law that empowers and protects black workers.

Nor can the state buy its way out of this problem by being all things to all employees. Difficult choices will have to be made, which will inevitably generate labour relations conflict, as one sees in the current fights over temporary teachers and impending retrenchments.

Those who are comfortable in the present order - black or white - will be threatened by efforts aimed at making them work both smarter and harder. Moreover, it is difficult to achieve these goals while extending job protection to workers that makes discipline and dismissal more difficult.

In these ways public service restructuring is fundamentally a problem of labour relations.

These problems are not drastically different from those faced in the private sector. However, two further factors set the public service apart. First, it is - by far - the largest single employer in the country, with nearly 1.2 million employees.

Through its procurement policies it is the largest single consumer of goods and services. The wages and benefits it provides have a massive impact on effective demand.

Directly - through its

development policies - and indirectly through the economic effects described above, it is the most important agent of transformation.

Second, for vast numbers of citizens the public service is the provider of last resort. Poor work organisation, top-down control, ghost workers, and endemic labour conflict literally determine whether people live or die. Nor is labour - any more than public service managers - immune from this consideration. It must devise its demands and craft its strategies not only to achieve its members' interests. It must do so in a manner that does not imperil the delivery of quality services to citizens, the majority of whom are workers and poor people, with few other options for survival.

But the public service's ability to contribute to transformation and service delivery depends on its restructuring. This requires getting labour relations right.

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## CONTENTS

<b>The labour market</b>	
<i>Imraan Patel</i> .....	20
<b>Unionisation</b>	
<i>Ian Macin and Christine Psoulis</i> .....	25
<b>Grading and wages</b>	
<i>Natalie Jacklin and Alastair Machin</i> .....	32
<b>New management</b>	
<i>Barbara Adair and Sue Albertyn</i> .....	39