

The world of work and the economy

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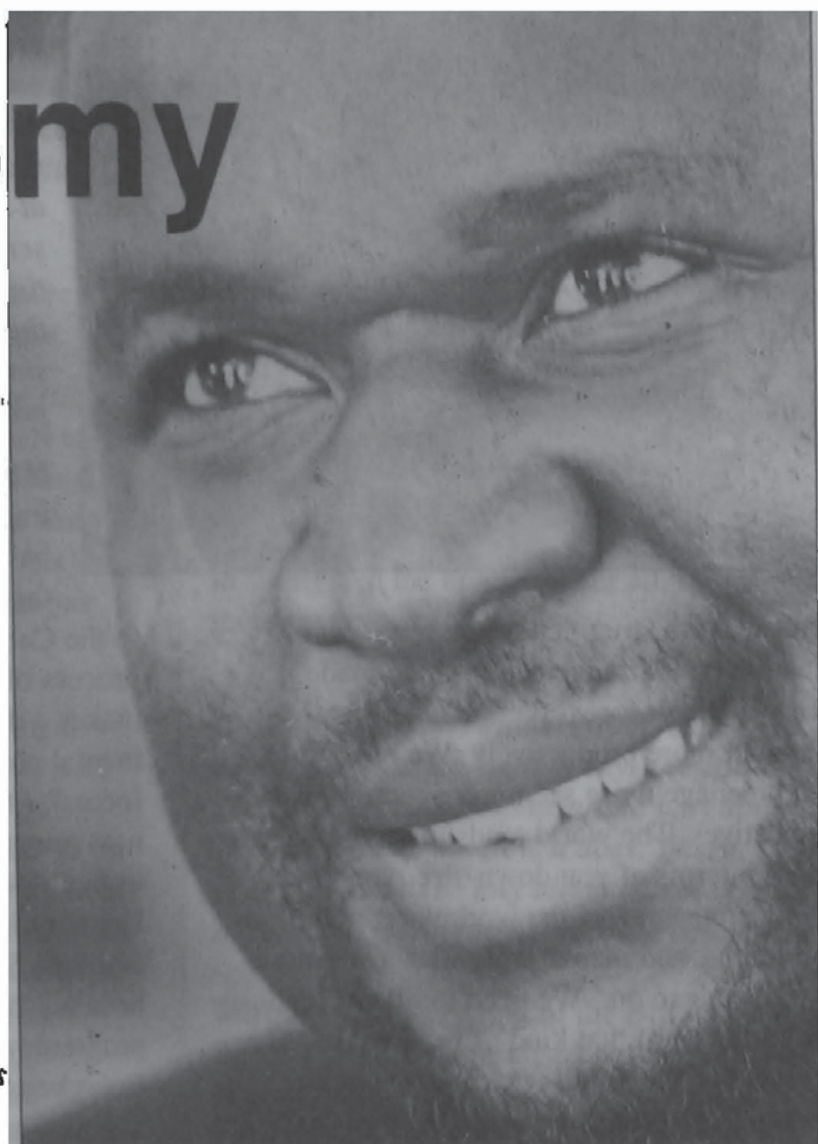
interviews Labour

Minister, TITO

MBOWENI.

Labour Bulletin: *In your speech at the launch of the bill, you talked about the new labour law reflecting democracy, human rights and social justice, as well as the need for the South African economy to become productive and competitive internationally. However, there's often a contradiction between those two values. In many ways the Bill's provision for tripartism, for co-determination, for the right to strike — runs counter to the world trend, driven by global competitiveness, against social democratic arrangements.*

How do you see it? Will you be able to



sustain the Bill's vision against concerted political and economic pressure from other forces?

Mboweni: We have come out of political struggle in which we struggled for specific things — social justice, democratisation of the workplace, broader democracy in society.



But we also struggled against the sort of institutional arrangements which made it very difficult for workers or employers to interact more productively. We have to try and manage those seemingly contradictory objectives. The world tends to see globalisation in terms of you down-size, you reduce democratisation of the workplace, you tighten things, and increasingly disallow unionisation and so on. We need to liberate productivity from that kind of perspective. The success of the South African experiment depends on how determined business and labour are to move along a new path.

We want a different kind of productivity, to move more and more towards workplace forums, where issues of work organisation, new technologies, industrial restructuring and so on, are discussed. So that at the workplace workers feel that they are part and parcel of decision-making. Then one is going towards a different model of productivity altogether.

So, yes, there's a sense in which we'll be moving against the current. But judging from some of the messages we receive there are many people out there including other countries who are beginning to say, "yes, that's how we should be going". There's a lot of excitement, for example, within the ILO about what we are trying to do.

Labour Bulletin: The Bill significantly increases the bargaining and organisational power of the unions. I anticipate a high degree of resistance from employers to the new limits on managerial prerogative. If the parties at NEDLAC are unable to reach consensus on this, and that seems a distinct possibility, will the Cabinet have the political will to support the provisions that actually limit managerial prerogative?

Mboweni: The forces of political transformation stand challenged by the basic and fundamental proposals in this Bill. They shouldn't just leave it

to the Cabinet, they must be part of the process of ensuring that eventually Cabinet makes a decision which protects the fundamental proposals in the Bill. Who are those forces? At the end of the day it's the union movement itself, it's the ANC as a political organisation, it's the other alliance partners. I'm surprised that I haven't had a comment from the SACP and the ANC on the Bill, because this is part and parcel of the overall programme of social transformation. Everybody else has commented.

I also anticipate that some of the academics who have been involved in the process of transformation should become active participants to debate the Bill.

Already a basis has been laid for NEDLAC to debate the Bill. There's been lots of discussion with some of the chief people in business and the trade union movement, and also some discussion involving other political parties in the government of National Unity.

So I'm quite confident. At the end of the day it will be how we manage the political process and how we sharpen our negotiation skills when it comes to negotiating the Bill itself. Of course, in the event that NEDLAC doesn't reach any conclusion, it is true that political decisions must be made on the key issues. We'll remain open to discussing everything in the Bill, but if the serious fundamental proposals are changed, the Bill loses meaning.

Labour Bulletin: *For a co-determination system to work, there's a degree of imposition — you don't just get there through consensus. The state has to actually impose certain obligations and that calls for the will and the muscle to do that.*

Mboweni: I think less the muscle, more the will and the management of the process.

Labour Bulletin: *It's clear that the Bill will only work with a strong, relatively well-organised and quite sophisticated labour movement; and it's also clear that at the moment the trade union movement has weaknesses. What is your thinking about this question?*

Mboweni: Our Ministry is developing a programme called "strengthening civil society". One of the key components of this is enhancing the capabilities of the trade union movement. You'd be surprised by the extent we can be of assistance to employers as well. Of course, business organisations have more resources than the trade union movement.

We're going beyond financial support — we want a larger institutional support. The trade union movement itself has still to make proposals about specific projects. It is clear that if we don't have a well-articulated and managed union, in terms of the workplace, the overall industry and head office, there may be dangers for the unions within the Bill. For example, workplace forums may begin to take a life of their own, independent of the union head office. Then one may get a disarticulation within the organisation, which needs to be avoided at all costs

Labour Bulletin: *How could the Department facilitate the strengthening of the trade union movement?*

Mboweni: It seems odd that in South Africa we don't have a properly constituted workers college or institute. Something along the lines of Ruskin College during its heyday, where you can train union leaders. The syllabus should be determined by the union movement as a whole, in consultation with the Department. We also need to build an independent research institute which will service the whole trade union movement, and even beyond. It should become a major source of information, of analysis and in so doing strengthen the unions.

Most of the trade unions in South Africa used to receive financial support from various countries. The question is, what is government going to do now in terms of supporting the unions, in such a way as not to weaken the basic organisational responsibility of the union? At the end of the day, the union has to depend on its own subscriptions, but there have to be some programmes to strengthen the unions. After all, this is their government.

Labour Bulletin: *The drafting team's explanatory memorandum says the Bill is designed to promote centralised bargaining. It's not clear to me how it does. There doesn't seem to be any direct carrot or stick in terms of getting to bargaining councils.*

Mboweni: My reading of the Bill is that it doesn't promote centralised bargaining at all. It promotes an articulation of bargaining systems. It's an issue which I'm sure will be subject to long and hard negotiations. Clive Thompson* has drawn my attention to the absence of the duty to bargain which may unleash major power struggles between business and labour before the bargaining process can start.

The Bill proposes that bargaining must come as a result of the exercise of power by

* Director of the Labour Law Unit, UCT

the parties. Once the union is strong, it's very clear to the employers that can't proceed without workers. In a sense, the duty to bargain is no longer a statutory duty to bargain, it's a duty to bargain imposed by the power relations. The unions may want to examine that more closely to see whether the non-statutory compulsion to bargain is good for them or not. I have an open mind on that.

Labour Bulletin: *So your approach would be to say that we do need centralised bargaining, the question is whether the Bill adopts the correct approach?*

Mboweni: No, we haven't taken a position on centralised bargaining. I am not opposed to it, but personally I am not convinced that in the South African circumstances, that's the kind of model that we may be able to put in place. We will see what positions emerge, but as far as the drafting team is concerned, they didn't think centralised bargaining would be the way to go.

Labour Bulletin: *What are the unconvincing factors in South Africa?*

Mboweni: We have had some discussions between the ANC and COSATU about this. We haven't gone any further, so I wouldn't want to blow any whistle now.

Labour Bulletin: *There's one particular concern, and that is in countries which have something analogous to workplace forums, they exist in tandem with centralised bargaining. I think there is going to be serious debate about whether you can have workplace forums without centralised bargaining, quite apart from other concerns about centralised bargaining.*

Mboweni: The suggestion in the Bill is that bargaining is not simply at central level, it's at all levels.

Labour Bulletin: *The public sector is covered by the Bill, and the public sector is not represented in NEDLAC. Where do the public sector unions and employers participate in the debate?*

Mboweni: In the public sector bargaining council and the education bargaining council. Whilst these things are being debated in those different forums, we need to be developing a system in anticipation of the acceptance of the Bill. Public sector workers must be brought more centrally into NEDLAC, and also the state as employer, not just the state as a state.

Labour Bulletin: *What is your assessment of the quality of your social partners in South Africa? Are they geared to play the kind of role that you envisage?*

Mboweni: I think at the beginning, there was still too much confrontationalism. But in the time we have been in office, we have together tried to develop this sense of social partnership. It's very difficult because the South African situation is historically very tense. I think it will take us time to develop a really serious concept of social partnership. NEDLAC plays a role.

Fortunately both business and labour are now significantly organised, significantly strong. I keep saying that there are three key forces in the country which can ensure the success of democratic transformation: we have the government of National Unity with all its difficulties and sometimes contradictions and we have business and labour. These are the three key constituencies. If those three can put their stamp of democratisation on society, quite clearly we'd be successful.

But it all depends on whether we build a sufficient foundation for social partnership or not. COSATU, for example, should be equally concerned when certain undemocratic tendencies emerge in our society, like hostage taking. They shouldn't just wait for government. Increasingly I think the social partners must also be concerned about the wider social and political questions.

Labour Bulletin: *The ANC has historically had a different relation to those two partners, politically speaking. It's had an alliance with COSATU, and COSATU sup-*



ported it in the elections and business of course didn't. Is there a different relation between the ANC government and labour, and the ANC government and business? Do you see the need to strengthen labour to develop its programmes more than those of business, or are they simply equal partners?

Mboweni: Business obviously has a particular advantage. It hasn't been repressed the way labour was, it has far greater resources. The ANC as the ANC is in alliance with COSATU only, within the labour movement. COSATU, of course, is the leader of the trade union movement, but the ANC is only, in alliance with that component of the trade union movement.

But now the government itself must have a particular relationship with trade unions as a whole and business as a whole. New conceptual questions arise which are different to those of the political alliance to COSATU. It becomes a much broader societal alliance in the form of social partnership. But this doesn't mean that one has no biases. Clearly the fact that there is an alliance between the ANC and COSATU does impose certain biases in the situation, particularly because COSATU, the ANC and others are part and

parcel of the much broader forces of social transformation.

Labour Bulletin: You talk on the one hand of social partnership and on the other of democratic transformation. Isn't there a contradiction between these two, insofar as one of the social partners, business, has hardly been committed to democracy?

Mboweni: One accepts that business has historically not been part of the open democratic struggle, nor it is exemplary in its own internal practices. But it would be narrow to conclude that business is anti-democratic. Business tends to adapt to the environment it operates in, and more and more businessmen are adopting democratic postures.

Bear in mind that it is not just business that is our social partner, but also labour and the community and development caucus at NEDLAC. This provides a new framework with new constraints in which business has to operate. NEDLAC will be able to adopt a report on the basis of 66% of the votes in the executive council — so there will be pressure on business to moderate its positions. All of our positions will be shaped by that democratic framework.



Democracy cannot be taken for granted. If people take democracy as a licence to do anything — take hostages, not paying for groceries, and so on — there will be a slide into authoritarianism. Social partnership is not just NEDLAC. The ordinary citizen needs to internalise respect for human rights, for democratic ways, for the rules of society. People should not just hand over their fate to NEDLAC. They should wage a struggle against the constraints of apartheid, but they should struggle within the framework of democracy, and ensure the rules of democracy are embedded in society.

Labour Bulletin: *What is the difference between the relation of government to the social partners now, and relations in the old NEF?*

Mboweni: The relationship in the many forums we established was not social partnerships, because the minority government was not legitimate. By establishing forums we were seeking to establish dual power and make the apartheid government ineffective. Now we have a government which has a popular mandate, which will be held responsible for its record - a strong government, not a weak government. We cannot have too many centres of power. We need the active participation of our social partners to increase the effectiveness of government and to extend democracy.

Labour Bulletin: *The Bill is the first major step in developing a new vision for industrial relations and labour relations more broadly. What are the next steps in your five year programme?*

Mboweni: We are focussing on the strengthening of civil society, the legislative reform which is this Bill as well as others such as the Basic Conditions of Employment Act. The building of a more pro-active and representative department is

absolutely critical. For the Bill to be successful a good, legitimate and representative the department is required.

Another component of our programme is the development of an international labour relations policy; how do we relate to working people in Palestine, in East Timor, in Brazil? What kind of policies would form a progressive international labour relations policy? It's no good always being the recipient of support, it's time that this new South Africa supported other people internationally.

Then we are looking into human resources development. What to do with the industry training boards, what kind of skills do we need in South Africa? We don't know what the skills profile of South Africa really is. We're not as clear as we should be about the current and likely future skills require-

ments of the economy.

We are looking at restructuring the UIF, looking more closely at the system of compensation. We want to take a lead in the process of developing a national health and safety authority in the country. At the moment it's all over the place.

Those are some of the key programmes which are in our five year plan. The underlying thrust of our approach is that we want the Labour Department to be pro-actively involved in the determination of economic policies.

We have appointed a South African Labour Market Commission. It will look into labour and productivity.

It will consider how to develop a national incomes accord. It will also look into the social impact of economic restructuring and how we can ensure that the impact is not negative. The Social Plan Act advanced by the National Union of Mineworkers has many possibilities.

Side by side with the commission will be a labour market information group led by the ILO which will provide systematic data on the labour market. In tandem with that will be the work of the restructured National Training Board, looking into particular aspects of training and how they impact on the labour market.

The work of the commission, the restructured national training board, and the labour market information group will produce a report telling us what exists, what are the difficulties and so on. Arising out of that, we will produce a draft white paper on labour market policy for South Africa. I'm very excited about that.

Labour Bulletin: You have mentioned the link between the Labour Ministry and economic issues. What is your vision of the impact of labour issues on economic policy?

Mboweni: This is one of the issues we are tussling with. I think the world of work is the economy. If the Department of Trade and Industry is unable to articulate very well with the Department of Labour, it's a weak-

ness in the system. Take the workplace forums which will affect industrial restructuring. If the Industrial Development Corporation, or the Department of Trade and Industry don't link up with the workplace forums, it's a major disarticulation. We will have to find mechanisms to link these things. This will also bring the Department of Trade and Industry, the Department of Labour, employers and trade unions much, much closer in the co-ordination of economic policy. This raises very interesting fundamental questions of the management of economic policy, so it's all very exciting.

I think we want to get rid of the notion that the Ministry of Labour is a kind of junior ministry of government. We must give a new sense of dynamism, managing the relationship between the social partners, managing NEDLAC, managing some of the key economic policy issues which affect the world of work.

Labour Bulletin: The social democratic countries, from which quite a lot of your models have been drawn, have a relatively homogeneous labour market compared to South Africa. Here we have an incredible fragmented labour market within the formal sector, as well as between the formal and informal sectors. How are you going to develop policy to cover all of these sectors? If you don't, you exclude vast numbers from the provisions of democracy and social justice. You get the 30% — 70% society. The Bill covers the formal sector, and the more advanced sectors within the formal sector, what about the rest?

Mboweni: The rest will be covered by other programmes. We are working on the Wage Act, and on restructuring the Wage Board. We want the Wage Board to be far more active in those areas which are not covered by bargaining systems, like domestic workers and other instances where perhaps the unions may not be able to force the employers into a bargaining position. I think very few people have noticed how powerful an instrument we have in the Wage Act, to intervene where the proper collective bar-

gaining systems don't operate. One of the things which will come out of this Labour Market Commission will be policy positions vis a vis those other weaker parts of the world of work, which will require departmental and ministerial interventions to avoid precisely going to a 30% — 70% society.

Labour Bulletin:
How do you see the political role of the trade union movement?



Mboweni: The trade union movement has to become far more active in interacting with different political parties, even those that they disagree with. One has to interact because they are in parliament, their vote determines whether we have the new Labour Relations Act or not. So one has to lobby them. It's no use just lobbying the ministry of labour. People shouldn't take for granted some of the gains made. They must constantly build on those gains.

Labour Bulletin: *On a more personal level, moving from exile back into the country, and then becoming Minister of Labour, is a huge personal transition. What are your personal reflections on this experience?*

Mboweni: It seems like just the other day. It was 1980, when I left the country and now it's 1995. It has been very short. I think our years in exile were particularly fruitful. We used to analyse politics much more intensely than we do today. We used to understand more about political forces, and how to plan

politically and how to have a programme of action. Sometimes I feel that intensity is no longer as it was.

There's something that we haven't dealt with very well collectively: the social impact on all of us of being in prison, in exile, in hiding. When you are in exile, you train for a particular way of life, what happens when you come into an open society? It's very important that we don't lose sight of where we come from.

In exile you go from one country to the other and you make friends all over the place, and suddenly they don't exist any more. You come back home to restart your life, you try and reconnect where you left off with other friends, but you are a different person now. Reintegration, even into your old family, is very difficult.

There is a trend in the mass media and other political parties which were not engaged in struggle to say, "Oh now that's over, now this is normal multiparty business". It's not. We're engaged in a major project of democratisation and transformation. ☆