



Trade union development in the Transkei: *a victory for worker initiative and self-organisation*

COSATU and its affiliates have become firmly established in the Transkei since the military overthrow of the authoritarian bantustan regime by Bantu Holomisa in 1987. ROGER SOUTHALL* shows that, despite some positive reforms by the military government, it was essentially initiatives and actions by workers themselves that brought trade union organisation to yet another region of South Africa.

The granting of 'independence' to Transkei in 1976 was based upon a despotic system of labour control. Employers could hire and fire as they pleased because of the unorganised state of the workforce and the availability of a massive pool of unemployed workers.

Trade unions were barred if not banned, labour protection was minimal, and sporadic worker protests within Transkei were unhesitatingly crushed by employers allied to the authoritarian Matanzima regime. It is not surprising, therefore, that there was a sudden upsurge of worker actions in Transkei, from 1988, along with the liberalisation of labour law under the radically inclined military

government led by Major General Bantu Holomisa, following his two stage coup of 1987.

Later openly associating with the (then still exiled) ANC, this military regime introduced an opening up of political expression and a tolerance of worker organisation which was previously unknown.

The conclusion that the emergence of trade unions in Transkei was due to the initiatives of the new regime does not, however, reflect the realities of the process. The sudden emergence of unions affiliated to the Congress of South African Trade Unions (COSATU) in Transkei is essentially a product of actions and

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self-organisation by workers themselves responding to a worsening economic situation in the 'independent' homeland.

Worsening economic situation

A number of factors working upon the economy of Transkei, mainly from South Africa, caused a serious decline in the local economy and job opportunities there from the mid-1980s.

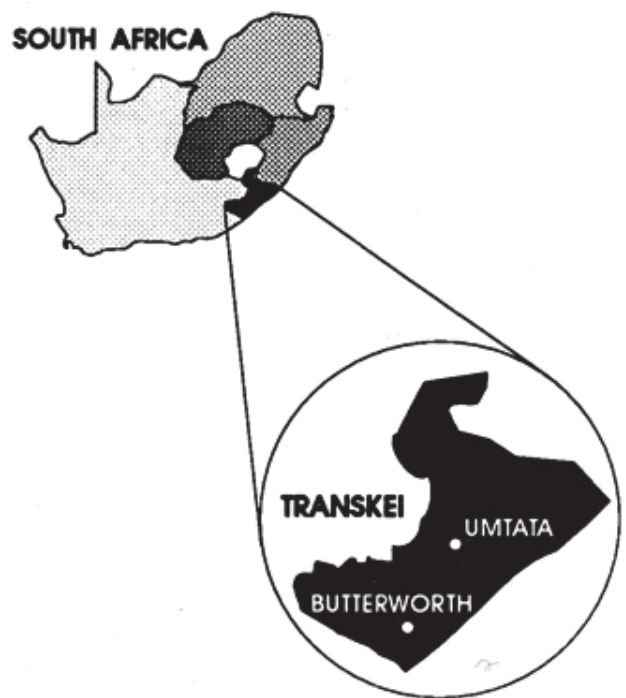
Financial limits upon the expansion of the homeland public sector had meant a failure to develop effective employment opportunities for the majority of the population. The declining recruitment of Transkeian workers by the South African Chamber of Mines, from 1986, seriously aggravated unemployment in Transkei.

Also depressing the job market was the phasing out by Pretoria of its industrial decentralisation policy. From 1968, this had involved the promotion of so-called 'growth points' designed to provide some employment to counteract the socially disintegrating effects of rural decline.

In Transkei, the capital Umtata, Butterworth (near East London), and later eZebeleni (near Queenstown), were selected as 'growth centres'. Under the Transkei Development Corporation (TDC) they were provided with basic infrastructure necessary for industrial expansion. By 1983, however, total employment in formal sector manufacturing in Transkei amounted to no more than 12 000.

Following the upgrading of industrial decentralisation by the South African government in 1982, the rate of industrial job creation increased substantially. This was mainly through foreign investments, especially from Taiwan. By 1985, the number of manufacturing jobs had climbed to 19 600 – only to fall back to 14 621 in 1989.

The reasons for this decline are not wholly clear. In part it was caused by the wider economic recession. It may also have been a reflection of the negative impact of Pretoria's lowering of protection for the textile industry in the early 1980s. Whatever the case, the rapid downturn in industrial development in



Transkei – and other bantustans – since the mid-1980s had a marked negative impact on their economies.

The Transkei labour market was even less able to absorb the growing number of new work seekers. By the mid-1980s minimum wage rates had fallen to less than a third of their equivalent in South Africa and to far below the official Household Subsistence Level. Workers became ever more dependent on the informal sector.

New forms of popular self-organisation

The downturn also caused a growing problem of political control for the bantustan regime, particularly in the peri-urban areas and 'squatter' settlements outside Butterworth and Umtata.

Such growth has been a marked feature of the last decade. These settlements did not come clearly under either municipal control or the Tribal Authority system of chiefs and headmen (which still exists in the rural areas), and their populations began to create their own forms of self-organisation which provided the basis for the emergence of a local worker movement.

During 1987, signs began to appear that workers were beginning to mobilise against the worsening conditions. There was a series of determined work stoppages at the Electricity Supply Corporation in Butterworth in August 1987. Reports by the Ministry of Manpower in 1987 noted that it had recently been



New forms of popular organisation – discussing ways to take control of their lives

Photo: Paul Weinberg

“inundated” with complaints and that there was now an “urgent need for a statutory body specifically designed for settlement of industrial disputes in Transkei”.

Contradictory interventions by the military government

The intervention of the newly installed military government on the labour scene began with new wage determinations for the private sector, in March 1988, which raised minimum wages considerably.

However, the determinations did not define the industries to which they applied nor the meaning of the skill categories into which they placed workers. They also accommodated employers by allowing for a three stage introduction of new minimum wages, concluding with a final increase only in August 1989.

The confusion surrounding the determinations triggered off significant developments in labour relations in Transkei. The military government immediately found itself subject to contrary pressures. On the one hand, the Ministry of Manpower began cautiously to advocate the introduction of trade unions. On the other hand, the TDC and the large body of industrial employers argued that such a move would frighten off investors.

The government dithered. No legislative changes followed. The wage determinations remained but the majority of employers ignored them. The inconsistencies handed workers a legal rights issue around which to organise.

At first there were some isolated wage disputes in the private sector by relatively small numbers of workers, as at B V Supermarkets in Umtata and Transkei Blue Line Transport.

What really worried the government were wage actions appearing in the public sector:

- Post Office clerks in Umtata staged a brief sit-in;
- hospital workers and nurses at Engcobo stopped work;
- more than 2 000 health workers in Umtata followed them;
- drivers at the TDC owned Transkei Road and Transport Corporation (TRTC) went on strike;
- mechanics at Transkei Engineering Services, also struck for higher wages.

The military authorities responded with persuasion as well as pressure. On the one hand, Brigadier Rodney Keswa, the minister responsible for manpower, announced that worker organisations could be established if employers agreed. On the other, workers who

struck at the Electricity Supply Corporation were charged with unlawful actions.

The government then imposed an umbrella ban on all strikes, boycotts and work stoppages in terms of the Public Security Act.

It also moved to secure the support of public sector employees. Earlier, General Holomisa had urged civil servants to form their own staff association. He then negotiated with South African Finance Minister, Barend du Plessis, to secure an immediate 15% pay increase for public servants and a gradual harmonisation of Transkeian and South African civil service benefits.

In the meantime, following initiatives from the Public Service Commission, the Transkei Public Service Association (TRAPSA) was launched in August 1988. Its aim was the representation of civil servants, and also to draw in all other public servants, including those then organised within the Transkei Teachers Association and the Transkei Nursing Association.

Reactions from public sector workers

A broad spread of public sector workers immediately rejected TRAPSA. They saw its official promotion as an attempt to prevent their own self organisation. There was a walk-out of TRAPSA's inaugural meeting in September 1988, followed by the launch for recognition by a Transkei Postal Workers' Association (TRAPOWA).

Various of the leaders were detained by the police. This gave TRAPOWA a high profile at a May Day rally in Umtata organised by the National Union of Mineworkers. This rally was also marked by the call to Transkei workers to link up with trade unions in the rest of South Africa.

The government attempt to contain the postal workers caused a widely supported protest strike in June 1989. Over 180 postal workers were arrested and charged, over 200 were suspended, troops were brought in to do their work, and pressure was applied on TRAPOWA to affiliate to TRAPSA.

The immediate result was a forced return to work. The strike had, however, encouraged a

close solidarity involvement by COSATU's Post and Telecommunications Workers' Association (POTWA). This increased the pressure upon a still reluctant military government to agree to trade union rights.

The government sought to divert that pressure by agreeing to 40-50% salary increases for all public servants in mid September. This quietened the mainstream civil service, but it encouraged the militancy of those who did not benefit and were already beginning to organise themselves.

Private sector workers take action

Even before the public sector wage rises had been announced, the postal strikers' militancy had been copied by a number of workers in the private sector.

Around 650 workers at Langeni Forest Sawmills (near Umtata) repeatedly downed tools in June and July to back their demands for prescribed minimum wages and 'proper representative structures'. Workers liaison committees began to appear in similar stoppages elsewhere.

The most significant struggle involved over 300 workers at Ohlsson's Brewery in Butterworth which dragged on for fully eight weeks. There was a heavy police involvement, the arrest of demonstrating workers, alleged intimidation of strike-breaking scabs and the fire-bombing of two delivery vehicles - and the eventual mass dismissal of the workforce.

Originally based on a call for wage parity with Ohlsson's workers elsewhere in South Africa, this particularly bitter struggle rapidly developed into a demand for recognition of COSATU's Food and Allied Workers' Union (FAWU).

The end result was a triumph for the workers. They got the first negotiated (private sector) agreement between a union and management in Transkei. The brewery had to agree to the principle of wage parity and the re-employment of those who had been dismissed. It also accepted an 'interim recognition' of FAWU - with a view to full recognition once the union could officially demonstrate its majority status.

This key struggle at Ohlsson's - one of the better paying employers in Transkei - set off a much wider drama. The effect of this determined, effective mass strike was electric. Workers from factories elsewhere clearly looked to the Ohlsson's strikers to break through the barriers so that they could force their own managements to respond to their own urgent wage demands.

When, therefore, Ohlsson's management sought to keep production going by taking on casual labour, workers at the majority of factories responded by downing tools. They united in a street march on the day of a Supreme Court hearing relating to the brewery strike.

Government moves towards trade union recognition

With the local police clearly unable to cope, General Holomisa stepped into the struggle. He received a flood of complaints from both sides: from management about the low productivity and poor skills of Transkei labour; and from an "ad hoc workers' committee" about excessive working hours, lack of job security, widespread ignoring of minimum wages, worker compensation, training opportunities, sick leave and recognition of service. The workers also protested salary disparities between Transkeian firms and their sister companies elsewhere in South Africa.

Holomisa concluded that Transkei would not be able to 'escape' trade unions for long. He arranged that all strikers and dismissed workers return to work unconditionally, and he established a committee of workers, employers and government representatives to monitor the situation.

With the expectation growing that the government would announce major labour reforms, workers gathered in an unprecedented mass rally in Umtata, on 22 October 1989. Waving flags and banners of COSATU and the NUM, the ANC and the SACP, a crowd of 15 000 was led by worker leader Oupa Kumalo to the Botha Sigcau building, where he presented a petition to Holomisa.

On 26 October, the government announced

that trade unions would be allowed. They were advised to register themselves by 30 November and then take part in a major redrafting of labour legislation, to be completed by early 1990. This was to be undertaken by Professor Nic Wiehahn, famous for his fundamental review of labour law carried out on behalf of the South African government in the late 1970s.

Continuing labour protest

The terms of reference of the Commission restricted its enquiry to private sector employment, but an important feature of the labour protest had been the extensive involvement of public sector workers. Thus labour protest continued:

November 1989

- 1 220 employees struck at the Ncora irrigation scheme;
- workers at TDC headquarters tried to force senior management's resignation;
- TRTC bus drivers disrupted public transport;
- striking workers at the TDC's bulk fuel depot nearly ran Butterworth's garages dry.

February 1990

- TDC security division workers struck for two days;
- some 3 000 workers downed tools at the Magwa Tea Corporation's various estates in the Lusikisiki district;
- Umtata Municipality's 1 800 workforce stayed away for two days over a wage claim, and more than 1 000 were dismissed.

March 1990

- wage demands were backed by stoppages by staff at Transkei Airways;
- 1 500 workers halted work for a week over wages at ten of TDC projects in Umtata.

These actions, combined with continuing private sector actions - notably by 1 500 workers who struck the Mzamba Wild Coast Hotel complex in February - kept up severe pressure on the government to deliver substantial reform.

The most important blow was administered by workers in Butterworth who staged a widely supported three day stayaway in early March in protest against the detention by the police of Mongameli Dyantyi, president of a

local Workers' Co-ordinating Committee (WCC). They got the rapid release of Dyantyi and Holomisa's personal assurance that Wiehahn's report would respond to workers' numerous specific grievances.

Workers draw COSATU into Transkei

By now, trade unions were rapidly gaining ground - to a large degree on the basis of WCCs which had become more and more active in the major employment centres.

The moment the government declared its acceptance of trade unions, the WCCs committed themselves to organising workers under COSATU's umbrella. COSATU itself was not directly involved, although it served to inspire the WCCs. Indeed, this enthusiasm led to a decision by worker representatives at Butterworth on 12 November to establish interim COSATU structures - even though COSATU itself was apparently being cautious about moving too rapidly, after warnings from Holomisa and Keswa against the activities of national unions in Transkei.

All such caution disappeared, however, after a call for COSATU's assistance by a major workers' meeting in Umtata in late January. Then Holomisa announced, just a few days later, that he was following in President de Klerk's footsteps by unbanning the ANC, PAC, SACP and SACTU.

Wiehahn labour reforms

If Wiehahn had tried to turn back the tide, the Holomisa government would have been in trouble. However, his report published in mid-March 1990, proposed the repeal of the Labour Relations Act of 1977 and the recognition of fundamental worker rights as a basis for a more just and functional system.

The report also argued that the exclusion of public sector workers, and farm and other employees, from the provisions of a reformed system would be discriminatory and that all classes of workers should be included under a new Act.

It recommended, in brief, that the labour relations system of Transkei should achieve harmony with the South African system as

soon as possible. This required

- the registration of trade unions and employers' associations;
- the creation of structures of collective bargaining; and
- the introduction by the state of suitable measures for the progressive implementation of a tripartite National Manpower Commission (NMC) charged with playing a key role in establishing the new labour relations system.

The main body of the Wiehahn proposals was later put into a draft Labour Relations Decree. The intention to recruit a COSATU advisor to represent labour on the NMC was widely welcomed, as was its recognition of the legitimacy and role of trade unions.

Government continues to vacillate

The government denied itself its expected reward because it excluded all public servants from the decree when it was finalised in August 1990.

Warning had already been given of the possible consequences of this. In March, the two day strike by Umtata municipal workers had mushroomed into a major challenge. Following the dismissal of more than 1 100 strikers, mass marches through the streets of Umtata forced the closure of many businesses. The police struggled to keep order.

Once again, the direct intervention of General Holomisa secured a return to work and the re-employment of the workers, but the incident raised widespread expectations concerning the scope of the government's forthcoming legislation. It became evident very rapidly that there would be no return to industrial peace without a further extension of industrial rights to public sector workers.

A first indication of this was the effective bypassing of the Act by the Magwa Tea Corporation. It managed to bring a (temporary) end to a bitter four month dispute at its Majola tea estate - by reaching a settlement negotiated by FAWU. This included increased wages and the re-employment of some 1 000 previously dismissed workers. Even after this, the dispute rumbled on until the following May when



COSATU's Jay Naidoo and Transkei's Bantu Holomisa at CODESA: but earlier Holomisa told COSATU to stay out of the Transkei

Photo: William Matlala

FAWU secured the re-employment of other dismissed workers.

An even more vicious battle broke out at the TRTC's Umtata and Butterworth depots, where management tried to clamp down on worker organisation. A long struggle followed in which the Military Council supported the management. It sent an ultimatum demanding that the strikers return to work, and provided soldiers to run the TRTC's services during the resulting lock out.

There were yet other confrontations. On 13 September, a day's stayaway took place in Butterworth. This was mobilised by community organisations against the government's detention of 29 police officers who had attended the launch of a local branch of the Police and Prisons Civil Rights Union (POPCRU).

These actions developed into a growing campaign against the limited application of the Wiehahn reforms. The TRTC workers' attorney openly accused the government of attempting to crush the labour movement and called for amendment of the new act to include parastatal workers. COSATU met with Holomisa in October 1990 to express its concerns. The federation pressed hard for the inclusion of all workers under the decree.

Under these pressures - and its desire to be seen to be aligning itself with the forces of liberation - the Holomisa government at last agreed to amend the Labour Relations Decree

to cover also the 14 parastatals. It also announced the appointment of a Commission of Inquiry under Professor J B Cloete to consider the situation of mainstream public servants.

COSATU unions take the lead

In contrast to developments within the public sector, labour relations elsewhere experienced a marked and rapid improvement. The labour unrest of the pre-Wiehahn period had had no institutional channel of communication but the post Wiehahn situation now saw rapid progress towards a regularisation of industrial conflict.

Other developments - such as the establishment of the NMC and the appointment of renowned labour lawyer Halton Cheadle as president of the new Industrial Court - also laid a basis for a functional system of industrial conciliation and conflict resolution over the longer term.

In the immediate sense, however, the labour reform package made an uneven impact. It was more successfully applied in industry than in the commercial sphere. This is evident in the quite limited number of strikes during the second half of the year.

Those strikes that did take place almost all showed three important features:

1 The most important was the appearance of COSATU unions at the head of workers in dispute. FAWU was involved at Tanda Milling. SACCAWU stepped in to represent workers in clashes at the Holiday Inn and Metro Cash and Carry. PPWAWU was pulled in to negotiate on behalf of 80 workers dismissed by Chipboard industries, and so on.

2 A second, closely related factor, was that a number of these strikes did not begin as local disputes but as part of wider South African trade union campaigns. Some of these confrontations were lengthy and the final solutions came through South African national level negotiations which were applied also to Transkei and other homelands.

3 The other notable feature was that these strikes remained within the work place. They did not spill over onto the streets, into other factories or into wider demands, even though

workers were clearly not forgetful of the wider political agenda.

What these developments underlined was the rapid entrenchment of trade unions in the workplace and the beginnings of their systematic utilisation of the newly established industrial relations machinery. This was evident in the creation in August 1991 of an industrial council for the metals and motor sector in Transkei following discussions between employers' consultants and the National Union of Metalworkers of South Africa.

Responses of employers

None of these developments has been automatic and inevitable.

Reports indicate, for example, that industrial employers have adjusted to the arrival of trade unions differently. Quite a number negotiated recognition agreements with unions even before the reformist legislation was enacted, and welcomed the stabilisation that unions have been able to bring.

One such company even managed to negotiate a retrenchment agreement with SACTWU - involving reduction of its labour force from 800 to 260, caused by the flood of cheap South East Asian textiles on to the South African market - without even having to go to arbitration.

Against this, less adaptable employers complain about the militancy and resistance of the unions with which they had to deal. They declare that with the poor quality of the labour and phasing out of decentralisation incentives, there is now little to keep them in Transkei. The loss of some 2 000 jobs in industry during the 1989/90 unrest confirms the long term battle against retrenchments that the unions are going to have to wage.

The workers movement had to push hard all along the way

The rapid development of trade unions, and the concession to them of many wage gains and industrial rights in the context of Transkei's seriously worsening labour market would appear contradictory.

Yet it would be wrong to conclude that the recent arrival of COSATU in Transkei is somehow a direct product of the military regime's initiatives or its association with the ANC. As the events show, this simply does not hold. The workers' movement has had to push hard all along the way for the concessions achieved.

What is also significant is that the development of the trade union movement was closely linked to the expansion of broader popular organisation within Transkei. During the 1960s and 1970s, under the heavy hand of the Matanzima's, oppositional activity was almost wholly unable to move beyond homeland electoral and legislative politics. The appearance of the various worker committees show that the substantial growth of the peri-urban settlements and 'squatter' camps since 'independence' in 1976 provided space for the development of popular movements which challenged the conventional patterns of bantustan political control.

No doubt this increased capacity for worker self organisation also had roots in former migrants' trade union experience outside Transkei. It is important to stress, however, that the various strike and other actions which forced the labour law changes in Transkei were, on the whole, not a result of organisation by South African trade unions.

There were almost certainly important cross border personal connections, and FAWU in particular claims to have arrived in Transkei ahead of Wiehahn. None the less, the overall shape of the process was that COSATU and its affiliates moved into Transkei alongside the reforms, and the overall push for the legitimisation of unions came from the workers themselves.

All this is reflected in the present state of the unions in Transkei which is one of organisational growth and consolidation. However, against the background of the declining regional economy, the unions still face a major test of their skills and maturity in the struggles for work place gains and a living wage together with the need to retain employment. ☆