Workers fight back

Ramatex strike in Namibia

The Ramatex saga continues. In the previous article Doug Miller ended with Ramatex's ultimatum to the Namibian government to buy the company or it would bail out of Namibia causing the loss of 5 000 jobs. The Namibian government entered frantic discussions but then decided not to buy and so far its operations have remained open. Here **Herbert Jauch** details a recent powerful strike staged by Ramatex Namibian workers.

In October this year 3 000 workers at Ramatex – a Namibian factory in Windhoek – went on strike. The predominantly young women workers held aloft placards blazoning their demands. They had decided not to return to work unless such demands were met. The Chinese migrant workers who they laboured alongside on the other hand, continued to work and refused to join their striking Namibian counterparts. The company's divide and rule strategy of pitting different groups of workers against each other by offering different conditions seemed to bear fruit.

This was an historic strike. It was the largest single industrial action since Namibian independence and succeeded despite workers facing the strong possibility of job losses from an employer that is notorious for its poor labour practices.

The Malaysian company's operations in Namibia have been controversial ever since the company started production in 2001. After intense conflicts over repeated violations of workers' rights and Namibian labour laws, Ramatex signed a recognition agreement with the Namibian Food and Allied Workers Union (Nafau) in 2002. However, the company stubbornly refused to improve workers' conditions, most of whom earned a mere R3 per hour. Furthermore, Ramatex workers received no benefits and could not even afford to take a taxi to and from work. Instead they walked up to an hour to reach the factory from their homes.

Whenever Nafau demanded better conditions, the company argued that productivity was too low and thus salary increases could not be granted. Ramatex also threatened to relocate and referred to the Namibian government when dealing with the workers and their union.

During the Nafau congress in September 2006, workers expressed their dissatisfaction with the company's behaviour and the Namibian government's support for Ramatex. They complained that government officials behaved like company managers and they made it clear that they expected their union to take a firm stand and to show the company that "enough is enough". For years, Nafau had tried to negotiate quietly without reaping any benefits from this strategy.

In early October 2006, wage negotiations collapsed once more and the company indicated that it could only grant an increase of 15 cents per hour, which was the equivalent of a 5% increase after four years! Ramatex even suspended negotiations under the pretext that the union delegation arrived 15 minutes late for a meeting. The union leadership then turned to its members to seek a mandate and held a strike ballot. Over 90% of the Namibian workers

voted in favour of a strike.

Immediately after the ballot, the company put up notices and informed the union that it was willing to grant an increase of 60 cents per hour if workers increased their productivity. Workers were given an ultimatum on this offer of a few hours or else the company threatened to lock them out.

The Ramatex workers, however, remained firm and expressed their determination to strike. Nafau thus gave 48 hours notice and on Friday, 13 October 2006, over 3 000 workers downed tools. The Namibian workers' strike brought most operations to a stand-still and Ramatex responded immediately by indicating to Nafau that management would negotiate.

On Saturday, 14 October, thousands of workers returned to the factory, braving a blistering sun while assembling outside the factory gate. The Nafau leadership and the NUNW (National Union of Namibian Workers) secretary general addressed the workers and asked for their mandate to take into negotiations scheduled for that afternoon. The strikers demanded an additional R2,50 per hour, which would bring the hourly wage to R5,50. The union negotiators then entered the factory while thousands of workers waited for their return at the gate.

Late in the afternoon, the negotiating team emerged. They brought news of victory. Faced with the prospect of huge losses and the pressure of delivering on time to its clients in the USA, Ramatex management was forced to meet workers' demands. After hours of tough negotiations, the company offered to increase wages by R1,10 per hour (which amounted to an increase of 37%). Ramatex also offered a transport allowance of R100 per month, a housing allowance of R150 per month, an annual bonus of 60% of monthly wages, the introduction of a pension fund and a medical aid to which the company would pay 70% of monthly contributions.

Altogether, these improvements met the workers' initial demands and were accepted enthusiastically. The strikers gave the 'green light' to sign the deal and went back to work.

Although the strike lasted for only two days, it is one of the most important strikes in the recent history of Namibia's labour movement. Only days before the strike, the Ramatex workers were told that the company would never increase its offer of 15 cents per hour and that Ramatex would close if workers went on strike. Workers and their union also faced pressure from the Namibian government, which feared that its policy of attracting foreign investment to Namibia at almost any cost would be undermined by the strike. But workers stood firm against their ongoing exploitation.

An important feature of the strike was that the Nafau leadership consulted strikers outside the factory building on an ongoing basis. Workers were briefed and asked to approve the proposed agreement before it was signed. In this way union negotiators got a clear mandate from the workers. This was unlike several other unions which had resorted to negotiations behind closed doors only informing their members through the media. This strengthened the union's position and contributed to the successful outcome.

The Ramatex victory was important because Namibian workers finally demonstrated the unity and determination to fight their ill-treatment over the past years. They now earn more than R1 000 a month although they are still paid less than manufacturing workers in other industries where minimum wages are around R1 500 per month.

The future of Ramatex in Namibia remains uncertain but this is unrelated to the recent strike and its outcome. As early as 2005, the company declared on its website that it planned to increase production in Asia (Cambodia and China) and to reduce its production in other countries where it operates. Part of the Windhoek plant (Rhino Garments) was closed in 2005 leading to the retrenchment of over 1 000 workers. Ramatex operates as a typical multinational company that shifts production to other countries when necessary. It is thus doubtful that such a company can contribute to long-term development anywhere in Africa.

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