



Collective Bargaining ***Special Bulletin***

Thursday 14 March 2013 • www.cosatu.org.za



Collective Bargaining, Organising & Campaigns Conference

**“Capitalism is a map
made of production
directed towards
accumulation for its
own sake, regardless
of social needs”**

- Karl Marx

Conference Overview



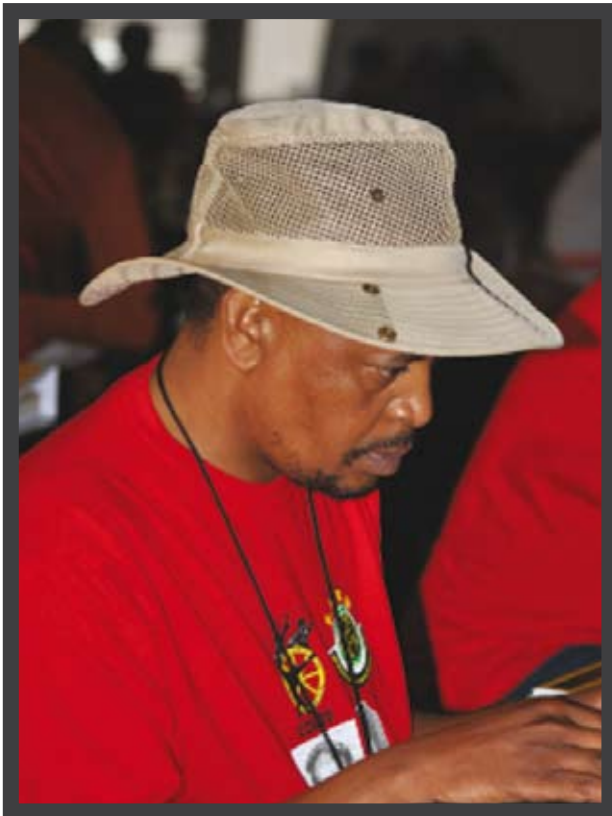
Reflections of Day Three of the Collective Bargaining Conference

The Congress of South Africa Trade Unions has continued with the business of the bargaining, organizing and campaigns conference and the commission inputs were supplemented by presentations from Blade Nzimande, General Secretary SACP and Minister for Higher Education, Patrick Belser from ILO Headquarters and Neil Coleman, COSATU's Strategies co-ordinator.

The plenary debates dealt with the argument for a National Minimum Wage, Decent Work, and the Social wage and Social Protection – essential pillars of our Lula Moment or radical economic transformation, radically raising low pay as a tool for poverty alleviation AND as a macro-economic tool for economic growth and job creation – the argument for a National Minimum Wage, and practical route to decent Work for all – establishing measurable standards of decency as a strategy for triggering organising and

collective bargaining for vulnerable workers.

Five Commissions discussed various matters relating to the National Minimum Wage, Decent Work, National Health Insurance, implementing 11th national congress resolution on retirement fund issues, Education, skills and training, Employment guarantees, income security, including the Basic Income Grant and the jobseekers Grant. ■



Learning from organizing in volatile environments and uniting workers against all odds!

Cde Katishi Masemola,
FAWU General Secretary

'The democratic revolution is the necessary preparation for the socialist revolution, and the socialist revolution is the inevitable sequel to the democratic revolution. The ultimate aim for which all communists strive is to bring about a socialist and communist society'
- Mao Tse Tung

How can COSATU organize in situations wherein members refuse to meet worker leaders?

When organizing workers, a certain approach ought to be applied by organizers and office-bearers in order to meet with workers at mass meetings to explain the importance of collective power and the need for unity amongst workers. Difficult as it may be when workers are angry and agitated by all sorts of frustrations; mass meetings serve as platforms for mass mobilization and education.

For example, the national leadership of FAWU went to De Doorns, Ceres and other key points of farmworkers' recent strike action, to meet with workers and to explain the importance of being organized by a union. The mission was difficult at first but persistent inspiring messages of hope proved but workers eventually realized that this is the best way of advancing their interests and defending their rights.

What can be done more for vulnerable workers whose confidence in COSATU and its affiliates is unbroken?

Continued and improved service delivery to workers and regular interaction with these categories of workers remains important as most would still need to gain confidence on the power they have as workers.

Practically, given that unions are also about bread and butter issues for ordinary workers, the unions need to continue advocating their rights and articulating their interests, including scoring victories at bargaining platforms.

The recent survey by NALEDI shows that a majority of workers earn below R3 500 and mostly cannot afford even basics. How do we organize these underpaid workers, considering the federation's principle of 'paid up membership'? Can these workers afford to pay membership fees?

The issue of low-paid workers, including farm and forestry workers, remains a challenge to unions but a 'cross-subsidy' model, in which less focus is paid to well-paid and pretty well organized workers and more attention is paid to these workers.

Having said this, unions must accept that the cost of organizing and serving low paid workers will rise and remain high and their membership subscription fees must remain proportionally fair as tempering with this could be a deterrent to these workers joining or remaining in unions.

Have we lost the ability to manage and take charge of picket lines in our structures; what can be done to change the situation?

The social distance between organizers and workers, and worse still between shop stewards has left workers with a sense of neglect and despondency hence many workers will do many things on their own, including applying violent means to advance their battles. This is something that they view as effective.

We have to return back to basics as unions. We need to entrench the mandate-driven culture and feed-back traditions so as to have overall leadership authority of shop stewards and organizers restored. ■



Tackling issues affecting the working class

Isaac Ramputa Assistant General Secretary and Joe Kokela, President of SASBO

What were SASBO's expectation from the Collective Bargaining, Organizing and Campaigns Conference?

SASBO has through its structures rallied around its members to prepare adequately and some of the issues were around strengthening enterprise level bargaining within the banking sector. We were hoping to learn and share some experience with COSATU Affiliates on organizing, recruitment and membership service.

Has SASBO challenged the recent crisis of job losses within the sector?

SASBO has vigorously engaged on the issue of restructuring on the big four banks in South Africa since 2011.

Amongst others, we raised our concerns

with ABSA as it was taking its decisions influenced by their head office at Barclays in United Kingdom (UK).

Smaller institutions were relatively affected however; we are worried about the future of UBank due to problems in the mining sector.

Noting the substantial investments in infrastructural development in the country, how has SASBO envisaged such growth drivers to grow the union density across the country?

We contend that the banking sector will do most of the funding investment which may in the long run affect liquidity on the negative side; however, it can also lead to more job creation opportunities in the sector.

What will SASBO do differently after this conference?

SASBO has assimilated the lessons around incorporation of the bargaining strategy in all engagements we have with employers. We will also be raising our campaign on lifting of minimum wages in the banking sector. ■

'Trade Unions must now learn

to act deliberately

as organizing centers

of the working class

in the broad interest

of its complete

emancipation'

- Karl Marx

“This is just a hollow victory” - SACTWU

ANDRE KRIEL, SACTWU GENERAL SECRETARY



SACTWU believes that the judgement that the Minister of Labour’s decision to extend the 2010 clothing industry wage agreement to companies not party to the clothing industry bargaining council, is a ‘hollow victory’ for non-compliant employers. “We believe that the judgment will only harden the attitude of workers towards employers in the sector.” The

South African Clothing and Textile Workers’ Union (SACTWU) on the sidelines of the Collective Bargaining, Organizing and Campaigns Conference held its press briefing on the outcome of the High Court case relating to the scope of bargaining councils within the sector.

SACTWU has noted the ruling that the Minister of Labour’s decision to extend the 2010 clothing industry wage agreement to companies that are not party to the clothing industry bargaining council should be set aside. SACTWU argues that there’s a widespread misreporting about the actual content and the effect of the judgment.

He says that they will study the judgment and their response will be based on two questions; the bad industrial relations in the clothing and textile sector and the damaging effects this has on clothing workers’ wage levels?

It is not true that the judgment has the effect of setting aside the clothing industry minimum wage regime. Currently, there is a gazetted and extended industry-wide minimum wage agreement, despite setting aside of the 2010 extension.

SACTWU argues that it is not true that the judgment has ruled that non-compliant, non-party companies now have the right to negotiate outside of the bargaining council system.

The Judge sent a caution to all by saying that: ‘(84) *It might be irresponsible for employers who have paid employees higher wages in terms of the extended agreement to now seek to recover the extent of such over-payment. That could obviously bring disruption to the industry, but particularly to individual workplaces, which employers presumably would want to avoid. I have however, no evidence on the application in front of me that any non-parties to the extended collective agreement contemplate such action*’-Judge J Kroen

Kriel said that they will unleash widespread and spontaneous industrial unrest as they argue that the judgment does not remove the powers of the Minister of Labour to extend wage agreements to non-parties.

“SACTWU will work with the ministry to strengthen extension capacity.” He added

The South African Textile and Clothing Workers Union (SACTWU) held its national bargaining conference prior to COSATU National Collective Bargaining, Organizing and Campaigns Conference at Woodstock, Cape Town.

Amongst other resolutions, it resolved to challenge the Free Market Foundation which launched a High Court case to challenge the provision that non-parties must be incorporated into current collective bargaining structures. SACTWU resolved to challenge that as it may reverse the gains fought over many years. ■



Blade Nzimande, General Secretary of the SACP, brought greetings from the now 170 000 members of the SACP.

This conference, he said, takes place when there is a huge class offensive against the progressive labour movement. It has been evolving for quite some time, but has now reached a point where sections of capital now think it is strong enough to strike some fatal blows against the labour movement. It is no accident that the first huge strike is against the NUM – the largest COSATU affiliate, thus striking at the heart of the federation.

He laid the blame for this assault on transnational monopoly capital which seeks to transfer its own crisis on to workers and popular strata, with retrenchments and punishing budget cuts while seeking bail-outs at public expense for themselves.

Turning to the issue of skills develop-

ment, he said that a skilled working class is not only indispensable for our economic growth and development, but a critical component of building working class power on the shop-floor and the bargaining strength of the trade union movement. Whilst organized workers' numbers are important for purposes of collective bargaining, a skilled working class is even more crucial.

“Whatever advances we have made to drive skills development on the government side will not be sustainable unless the progressive labour movement plays its part... If there is one critical area where COSATU in particular and the trade union movement in general needs to play a leading role – taking responsibility for the national democratic revolution – it is in the area of skills development.

He quoted from the COSATU strategy paper presented at the Education and Skills Conference in July 2012, which, he said, clearly sums up the unfortunate realities we have to deal with as we advance the cause for greater access to skills development:

“Most companies, if not all, see the skills levy as a tax. In their plans they go all out to recoup the percentage back to their coffers. There appears to be very little attempt to ensure that grants are re-invested back into training, but only a continued repletion of the levy payment referenced against the grant payouts. The key concern of the bosses in skills development is therefore often motivated by recouping of the levy and not on the quality or appropriate (skills) provision. In line with a capitalist notion that the longer-term social aspect is forgotten in the business of short-term gains.” ■

Professor Eddie Webster, Director of the Chris Hani institute, posed the question:

Decent work for some, or decent work for all?



In 2009 the ANC government won the elections with the slogan, 'Decent work for all', a term introduced into the global policy discourse by the ILO in 1999, but which also lies at the core of the Freedom Charter. The difficult questions are how to define, measure and implement it.

He reported on a survey of 3000 workers in the private security industry, agricultural labour and the hospitality sector in Gauteng, to assess how their conditions compare with the standards in the ILO Decent Work Index, an instrument designed to measure decent work for the country as a whole and gave some quotes from the interviewees.

Security is the fastest growing industry and occupation in South Africa, the first port of entry into the labour market for many who migrate from rural areas and other African countries.

"Boredom is our daily bread, it is a lonely job. So boredom is something you cannot run away from. Every-day I just come and sit here. You can play music, but you

get tired of it. The night is very lonely – 12 hours is a long time. You just sit there and you think" (Sipho, 07/08/11)

Obstacles to unionization include non-compliance both with labour legislation and PSIRA's regulations, an unknown number of unregistered private security companies, which employ many foreign nationals. Fly-by-night companies usually pay very little and employees are subject to exploitative practices such as double shifts and irregular pay.

The number of farm workers has declined from 1.1 million in 1993 to 796 806 in 2007, with a shift from permanent to casual and seasonal workers and only 3% unionization.

"He tells you to leave through the same gate you came in ... I have tried telling him about the working conditions, but the problem is the gate ... You must just head straight for the gate. If you came in through it, leave through it; that is what he will tell you".

25% of hospitality industry employees are non-South Africans, 82% of whom are

Zimbabweans. It has a highly flexible labour market, employing a significant number of casual and part-time workers of whom many are students. Shift work is widespread with many workers employed at night

"When you leave the baby he's asleep and when you come home he's asleep again".

Obstacles to unionization include a highly flexible labour market, employing a significant number of casual and part-time workers and shift work is widespread. Many workers, especially in casinos, do not see themselves as workers, and restaurants, hotels and casinos are tightly enclosed and heavily guarded spaces.

He ended with a warning about the use of violence

- It can alienate workers from the public and from each other
- It can also lead to police violence
- Logistical and symbolic power must be used strategically and peacefully
- We are building a democracy based on consent not coercion. ■

Towards a National Minimum Wage:

The Brazilian experience



Patrick Belser from the International Labour Organization and Neil Coleman, COSATU's strategies coordinator presented international perspectives on the argument for a national minimum wage. The presentations drew lessons from the Brazilian experience where huge gains under President Lula (2003-10) in reducing poverty, unemployment and inequality were recorded.

Under president Lula 17 million formal jobs were created (2002-11). The contribution of domestic demand to Brazilian GDP rose from -0, 5% in 2003, to 9.1% in 2010. Net external demand has been minimal or negative in terms of GDP growth

Patrick's presentation gave a detailed history of minimum wages, how demands for minimum wages developed in New Zealand and Australia at the very end of the 19th century. "While minimum wages were regarded favourably until the 1970s,

the context changed after the oil shock in 1973, the debt crisis in developing countries in the 1980s and the implementation of structural adjustment policies in the 1980s and 1990s." He said

The presentation showed a diversity of national minimum wages. Some countries implement relatively straight forward national minimum wages which are economy-wide wage floors that apply to all workers, with some possible variation by regions or broad categories of workers

Throughout the world, an estimated 90 percent of all countries have some kind of minimum-wage setting.

The presentation also exposed a startling gap in wages between women and men. The over-representation of women in low-wage jobs seems to be a universal characteristic of labour markets, and the fact that women predominate in low-wage employment has a negative effect on the gap in average wages between men and women.

Coleman's presentation called for:

- A coherent wage and incomes policy.
- A National Minimum Wage as one cornerstone and springboard of that policy, to protect all low-paid workers.
- A legislated comprehensive sectoral bargaining to improve on minimum wage floor.
- A comprehensive social protection and a universal social wage, to provide workers with non-wage income
- A national wage and incomes policy to be combined with an appropriate macro-economic and industrial policy- not the policy in the NDP which would entrench deregulation of the labour market, and deindustrialisation.

He said that for a decent wage policy to be most effective, it must be driven by a developmental state, as part of comprehensive strategy. E.g. if raising income in Brazil, wasn't combined with increase in domestic productive capacity, that income would not have driven the creation of large scale formal employment. ■

GALLERY



GALLERY

