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SOUTH AFRICA
1986
BUDGET SUBMISSION

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SOUTH AFRICA

A. GOAL

The black trade union movement in South Africa has the potential to be the major vehicle for social and economic change in that country. The AFI-CIO's Program of Action, initiated in 1983 and implemented through the African-American Labor Center, recognizes this potential and has encouraged its development.

It is imperative that such assistance be continued. To enable black trade unions to achieve a high level of competency and effectiveness, the AALC, in consultation with the unions themselves and with other international organizations, proposes a multi-dimensional program approach.

First, training is of paramount importance. Capable negotiators to gain improvements through collective bargaining; trained administrators to handle the functions of the organization; shop stewards who are able to solve grievances and other shop floor matters; educators/organizers who are competent recruiters and teachers of new members; and specialized instructors in such diverse areas as safety and health and pension fund administration are all key elements in the development of an effective labor movement. A trade union able to provide this training to its members can effect change through the redistribution of economic benefits and, eventually, social advantages.

Structural support is also important in improving the functioning of black trade unions and their ability to provide the services members require. Finally, it is equally important to assist in the development of various social activities that can be provided by the unions to enhance the quality of life for members and their families.

Through a viable labor movement, which is well-trained, well-administered, and well-structured, black workers will have the necessary representation and organization to attain economic and social improvements and, ultimately, transform South Africa into an equal society for all races.

TRADE UNION SITUATION

South Africa's economic structure is both highly organized and diverse, providing employment for more than 11 million people and a vast majority of goods and services to other countries in the southern African region. This advanced economic structure has been developed at the expense of the 84 percent of the population which is non-white through the legal separation of the races—a system known as apartheid. Such a system excludes non-whites from political participation, denies them job advancement and restricts their every movement.

Black Africans in South Africa account for 73% of the present population with a projected portion of 83.7% by the year 2020. See Table 1 for a complete population breakdown.

The black worker in South Africa historically has carried the burden of the physical and manual labor of the country without just compensation or recourse. By 1980, there were over six million blacks in the labor force, or 66.6% of the total. These workers were and are concentrated in unskilled jobs at the lowest end of the wage scale.

This system, however, has recently shown signs of gradual change. Although it is debatable whether these changes are real or "window dressing", they have come about through pressure from the international community, the need to appease a hostile and confrontational non-white population, and, most important, the need to meet the manpower needs of the country.

Legislation was enacted in 1980 following some of the recommendations of the Wiehahn Commission which allowed black workers to form trade unions, select their own leaders, and engage in collective bargaining. Where past practices had prevented Blacks from forming unions, by 1984 half a million black workers belonged to unions. Although this figure is only 7 percent of the total black work force, it is a testimony not only to rapid growth but also to potential expansion.

The growth of black trade unions and union membership has not come about without bitter struggles with both the government and employers. The government has created a climate of hostility through mass arrests, detentions, bannings and utilization of the Group Areas Act and migrant labor policies to prevent the development of black unions. Banning orders and detentions have been most effective in eliminating union leadership and leaving a union to founder and possibly cease to exist. Although late 1983 and early 1984 saw a reduction in these overt acts, more subtle approaches have begun to emerge. Recently, the government has been considering legislation which would make it more difficult for unions to function.

Employers, in many respects agents for change, have nevertheless fought equally hard to maintain control of their workforce. Because strikes are illegal in South Africa unless they conform to a cumbersome dispute mechanism, employers have the right to discharge illegal strikers en masse, send them back to the so-called homelands, and hire a new workforce which is guaranteed to be reluctant to join unions. An additional strategy of employers is to deny union recognition and stop order (check-off) to unions who fail or refuse to register with the government. And, finally, employers historically have negotiated within an industrial council setting where management representatives in a given industry meet with their union counterparts to negotiate a collective agreement. The new black unions, for

See Table 2 for a breakdown of the South African labor force.

See Table 3 for wage distribution by industrial sector and race.

See Table 4 for data on strikes.

the most part, have rejected this forum and have demanded "shop floor" bargaining. Employers have resisted, but there appears to be movement from both sides to reach a middle ground which would incorporate aspects of both the council structure and shop floor system.

Despite these hindrances, black unions have prospered and grown, although not as a unified movement. Black unions cover the spectrum of ideology, approach, development and emphasis. As stated above, a major area of disagreement has been the legal requirement of registration and the access it gives a union to the industrial courts, check-off system, and industrial councils. Many of the emerging unions reject the government by refusing to register, and are thus handicapped by battles for recognition outside of the councils and dues collection on an individual basis. Equally debilitating for a unified black labor movement are each union's differing jurisdictions, racial composition, and structural approach. Some unions are industry-specific while others opt for a broad spectrum of any and all workers; some unions advocate the black consciousness approach of "blacks only" while others adhere to the Freedom Charter of open membership; and some unions view their role according to the employment conditions of their members while others are more community-based.

In spite of the differences among black unions, recent developments have tended to stress the advantages of unity. After a year or so of protracted negotiations a new federation, COSATU, has been formed in South Africa. Made out of unions formerly affiliated to FOSATU, combined with some independent unions and unions affiliated to the United Democratic Front (UDF), its biggest affiliate is the National Union of Mineworkers. At the last moment the Council of Unions of South Africa (CUSA) withdrew from negotiations to join the new federation. The cause of dissension remains the issue of "black leadership" and the contention by CUSA affiliates that "white radicals" are out to gain control of the black labor movement. CUSA is now concentrating on forming an alliance with the "black consciousness" oriented AZACTU.

The new federation COSATU claims a membership of over 500,000, comprising 33 unions.

In other developments, within the metal industry, the unions which are involved in the industrial council have actively sought to present a unified bargaining position. And, finally, opposition to political decisions such as the new General Sales Tax, Black taxation, and the Constitutional Amendments has served as a unifying point around which unions have drawn closer together to minimize their differences.

Although the political and economic superiority of established (white or mixed) unions mitigates against black labor unity, the growing power of black unions is a force to be reckoned with. It is possible that as the black unions become more viable and acquire more expertise, the jurisdictional battles and constant vying for

The unions involved in the unity talks are the Cape Town Municipal Workers, the Commercial Catering & Allied Workers Union (SA), the Food & Canning Workers Union, and the General Workers Unions. The two federations are the Federation of South African Trade Unions (FOSATU) and the Council of Unions of South Africa (CUSA). See Table 5 for a list of all unions in South Africa.

each other's members will take a back seat to more effective trade unionism. This does not mean, however, that the black trade union movement in South Africa will have an easy road ahead, nor that it can develop without continuing outside assistance.

The major problem facing all new unions is fulfilling the needs of their members, and adjusting their programs to combat government/employer tactics and maneuvers. These problems are magnified by a dearth of skilled manpower and the lack of a financial base. The manpower shortage within unions is due to a combination of factors: little previous union experience, inability to conduct training, and a rapid expansion of membership. As a result, too few people attempt to do too many things across a large geographical area. Organizing members, for example, is not difficult. Educating those members, negotiating on their behalf, establishing an effective branch or local, and developing a shop steward system that can adequately handle day-to-day situations are more problematic.

Furthermore, new black unions do not have the advantage of treasuries that have been built up over the years. Added to this is the problem of dues collection and dues structure. Without a check-off system, unions are forced to rely on monthly contributions from their members who may or may not be working or willing to pay. What is paid in dues, moreover, is usually a very small sum (approximately \$1.00 per month) which reflects the paltry wages paid to black workers and which inhibits the efficient operation of their organizations.

In summary, black trade unions in South Africa have made substantial gains against considerable odds in a very short period of time. They have accomplished this with perseverance and determination. If they are to reach a level of membership and financial viability that will effect economic and social change in South Africa, they will continue to need international assistance and support.

PAST AFL-CIO/AALC ACTIVITIES

The AFL-CIO has long been one of the few organizations protesting the violation of human and trade union rights and supporting the struggle of the black workers for equality in South Africa. The AFL-CIO has passed numerous resolutions condemning the apartheid system and its activities against the black trade union movement. Among its early resolutions was one advocating full recognition of all bona fide trade unions and urging that aid and assistance should be provided to such union organizations.

During 1979 and 1980, the AFL-CIO, through the AALC, sponsored the training of sixteen black trade unionists at Cornell University. The success of that program led to the adoption by the AFL-CIO of a Program of Action in Support of Black Trade Unions in South Africa (Annex 1) followed by the establishment of a special labor fund supported by AFL-CIO affiliates. The task of implementing this program was entrusted to the AALC which immediately created a unit for this purpose.

The emerging unions have negotiated over 300 contracts.

In September 1982, a high-level AFL-CIO delegation visited South Africa for the express purpose of determining in what areas and in what ways the AFL-CIO could be of maximum assistance to the emerging black unions. The delegation met with a wide cross section of South African society and solicited opinions on the current state of the Black trade union movement and on the efficacy of past assistance.

Although an ideologically-motivated media attack was mounted by a small but vocal faction of the English-language press, it was clear that the black trade unionists welcomed the AFL-CIO presence, were eager to receive assistance, and desired closer ties. From meetings and discussions, it was apparent to the delegation that there was not one solution or one approach which could be utilized. There were too many unions which spanned almost every spectrum of development and individual need.

For this reason, the AFL-CIO established a program which was multi-dimensional in nature. This approach incorporated the expertise of the Brussels-based International Confederation of Free Trade Unions (ICFTU), of which the AFL-CIO is an affiliate, and whose South African Coordinating Committee includes AALC Executive Director Patrick O'Farrell. On a bilateral basis the program involved direct AALC assistance, union-to-union assistance, the International Trade Secretariats, and other American organizations which have specific expertise needed by the South African black trade union movement.

AALC's representative assigned to the South African program was directed to coordinate and monitor the program in close cooperation with the Washington office. Following the allocation of funds in September of 1983, the AFL-CIO was able to embark immediately upon its first concerted program of direct action on behalf of the black unions. In the first seven months of the program (September 1983 to April 1984), the multi-faceted approach proved effective in responding to the needs of the diversified unions and in improving their skills, structures, functioning and membership.

On a multilateral basis, the AFL-CIO allocated \$200,000 to the ICFTU for the latter's efforts in South Africa. These funds were earmarked for the Urban Training Project to improve and expand its programs on behalf of the unions.

On a bilateral basis, there has been a significant increase in the number of unions receiving assistance from the AALC:

- African Miners & Allied Workers Union
- African Railway Harbour Workers Union
- African Workers Association
- Amalgamated Black Workers Union
- Bakery Employees Industrial Union
- Black Allied Workers Union
- Black Allied Workers Union of South Africa

The ICFTU has an annual budget for SA of over two million dollars contribute mainly by the Nordic trade unions with the British, Canadian, and Dutch unions also contributing.

- Black Domestic Workers Association
- Black General Workers' Union
- Black Health & Allied Workers Union
- Brushes & Cleaners Workers Union
- Chemical Workers Union
- Domestic Workers Association of South Africa
- Electrical and Allied Trades Union of South Africa
- Engineering & Allied Workers Union
- Food & Beverage Workers Union of South Africa
- General Workers Union of South Africa
- Hotel, Liquor Catering & Allied Workers Union
- Motor Industry Combined Workers' Union
- National General Workers Union
- National Sugar & Refining & Allied Industries Employees
- National Union of Workers of South Africa
- Orange-Vaal General Workers Union
- South African Boilermakers, Iron & Steel Workers
- South African Domestic Workers Association
- South African Laundry, Dry Cleaning & Dye Workers Union
- South African Scooter Drivers Union
- Steel, Engineering & Allied Workers Union of South Africa
- Teammates Workers Union
- United Mining, Metal & Allied Workers Union of South Africa

On a union-to-union basis, the AALC facilitated contact between the Amalgamated Clothing & Textile Workers Union (ACTWU) and the National Union of Textile Workers (NUTW). An ACTWU health and safety specialist spent two weeks with the NUTW advising them on health and safety concerns in the textile industry.

In November of 1983, a delegation from the A. Philip Randolph Institute (APRI) visited South Africa to observe the union situation in terms of their expertise—civil rights and voter registration.

Finally, the International Metalworkers Federation (an International Trade Secretariat) was able to coordinate and establish a committee of all unions engaged in the metal industry in order to present a common front in negotiations in the industrial council.

In summary, it must be said that South Africa is a difficult area in which to become involved. Official South Africa is watchful and resentful of what is perceived as outside interference, while the black trade unions themselves must overcome their uncertainty and suspicion of the motives behind any form of assistance. The AFL-CIO program, however, is well under way and is reaching more and more unionists within a short period of time. The number of unions receiving bilateral assistance indicates clearly the increased demand for assistance from the AFL-CIO's program. This in itself is an indication of the success of the AFL-CIO's program, and, along with the increased capabilities of the unions and their impact on official policies, it can be said that AFL-CIO assistance is having an important effect.

PROGRAM OBJECTIVES

The basic format of the AFL-CIO's original proposal has not been drastically altered. On a multilateral basis, AALC proposes that assistance again be channeled through the ICFTU in order to maintain the international commitment of the AFL-CIO to assist Black trade unions. The funds will be dispensed according to decisions taken at the annual meeting of the ICFTU Coordinating Committee based on requests received by the Committee at that time.

On a bilateral basis, the AFL-CIO/AALC will continue to give direct assistance to individual unions. This will be augmented by union-to-union programs (AFL-CIO affiliates to South African unions), utilization of the expertise of the International Trade Secretariats, the A. Philip Randolph Institute, the Labor Desk of the U.S. Youth Council, and other AFL-CIO-linked organizations.

The details of the bilateral program are as follows:

Administrative Support for Independent Black Trade Unions

During 1984, the AALC has responded directly to requests for organizing campaigns, transportation and office equipment. As a result, many unions can account for increased membership, an improved organizational structure, and a more professional atmosphere.

Requests continue to be received from other unions in the same situation. Items such as transportation, telephones, typewriters, copying machines, office furniture and supplies are essential.

Assistance with office rent will be necessary in some cases. It is projected that twenty unions will receive this kind of assistance.

Transportation is a fundamental problem facing all black trade unions. The ability to reach people, and to provide transportation to them, is instrumental in the development of membership and membership services. It is projected that four vans will be provided from funds in this section.

Training Program for Independent Black Trade Unions

As mentioned previously, training is a key element in the development of an effective labor movement. Funds in this section will be used to build up the education programs of individual unions. Target groups have included and will continue to include potential instructors, new organizers, shop stewards, and leaders. In addition, specialists in diverse areas will be trained. Consultants will be used to provide advanced course material in several seminars.

International Trade Secretariats

International Trade Secretariats (ITS) are international trade union organizations composed of individual national trade unions whose members work in similar industries or occupations. For example, the International Metalworkers Federation (IMF) is composed of metalworking unions from many countries, including, from the United States, the United Steelworkers of America, the United Automobile Workers, the International Association of Machinists and others. There are currently 14 such ITS's representing more than 60 million workers worldwide. The ITS's are independent of but cooperate fully with the ICFTU, and are in competition with corresponding organizations of the communist World Federation of Trade Unions. A number of these ITS's have developed programs of assistance for their South African affiliates.

In addition, as the needs and priorities of the black unions become more identifiable and as more and more AFL-CIO affiliates begin to get involved in the problem of South Africa, there is a growing demand on both sides, for direct contact between U.S. unions and their South African counterparts.

Some of the major AFL-CIO affiliates have set up special fund-raising efforts among their members, conducted seminars and workshops on Apartheid, and passed special resolutions in support of the struggle of the black unions in South Africa. Among these unions are the Service Employees International Union, the American Federation of Teachers, the United Steelworkers of America, the United Food and Commercial Workers Union, the International Association of Machinists, the International Ladies Garment Workers Union and the International Union of Bricklayers and Allied Craftsmen.

The objective here is to provide funds for such participation in a manner similar to that of the ITS program of the AALC's basic grant with USAID. The success, in 1984, of the IMF in assisting the development of the South African co-ordinating body for the metals industry is an excellent example of the type of assistance an ITS can provide.

In the light of the success of the IMF 1984 venture, and to strengthen the growth of this union to union relationship, it is proposed to extend the sub-contract arrangement to a select number of individual AFL-CIO affiliates to undertake the union to union programs of assistance.

A. Philip Randolph Institute

The A. Philip Randolph Institute (APRI) is an AFL-CIO-affiliated civil rights organization who sent a delegation to South Africa in November of 1983. Based on the discussions held with black trade unionists in the areas of civil and human rights, job training and youth employment, the AALC will provide assistance to APRI to conduct programs in the following areas: vocational training, internship placement, and educational exchanges.

The A. Philip Randolph Institute held a well-publicized and well-attended conference of black South African and U.S. trade unionists in Washington D.C. last January 10-14 (a copy of the report on the South Africa conference is attached). The deliberations at the conference were far-reaching and formed the basis of the ICFTU Executive Board decision to adopt a program of selective disinvestment. The conference was the source of the most important material for the AFL-CIO film "Leading the Way" produced by the Labor Institute of Public Affairs.

The AALC has received requests from the Council of Unions of South Africa to provide counselors and/or experts in the area of conflict resolution. The A. Philip Randolph Institute, with its vast experience in this area, will provide the best vehicle for this undertaking. It is therefore proposed to increase their allocation substantially for the current year.

Exchange Visits and Study Tours

As the AFL-CIO/AALC Program of Action begins to gain general acceptance among black trade unionists, there is a growing demand by them to visit the U.S. for an exchange of views on labor and related issues. Requests have increased in number for the AALC to sponsor educational tours, promote internship programs with U.S. unions and arrange for black trade unionists to sit in on collective bargaining sessions and observe the whole process of contract negotiation.

It is proposed to increase the opportunities for such visits and, as more and more U.S. unions become involved in the problem of South Africa, promote an exchange of visits on a union-to-union basis between South African unions and their U.S. counterparts.

BUDGET FOR SOUTH AFRICA
COUNTRY LABOR PROGRAM

| | |
|----------------------------------|----------------------------|
| Program Coordination | \$ 134,765 |
| Program Budget | <u>1,500,000</u> |
| TOTAL DIRECT COSTS | 1,634,765 |
| Indirect Cost @ 19% | <u>310,605</u> |
| TOTAL SOUTH AFRICA BUDGET | <u>=\$1,945,370</u> |

BUDGET FOR SOUTH AFRICA COUNTRY LABOR PROGRAM

Budget Summary:

| | |
|---|---------|
| AALC In-Country Implementation and Coordination Budget | 134,765 |
|---|---------|

Program Budget:

| | | | |
|--|---------------|------------------|--------------------|
| Multilateral Assistance | \$250,000 | | |
| Bilateral Assistance | | | |
| Administrative Support | \$300,000 | | |
| Training Programs | 250,000 | | |
| International Trade Secretariats & Union to Union Assistance Program | 500,000 | | |
| A. Philip Randolph Institute | 150,000 | | |
| Exchange Visits & Study Tour | <u>50,000</u> | <u>1,250,000</u> | <u>1,500,000</u> |
| TOTAL COUNTRY BUDGET | | | \$1,634,765 |

Coordination Budget Detail

AALC Program Coordination Budget

| | | | |
|-----------------------|---------------|----------|--|
| Salary and Taxes | | | |
| Salary | \$44,300 | | |
| FICA | <u>2,800</u> | \$47,100 | |
| Allowances | | | |
| Cost of Living | -0- | | |
| Salary Differential | 4,500 | | |
| Education | -0- | | |
| Storage Cost | <u>1,500</u> | 6,000 | |
| Other Costs | | | |
| Housing | 13,550 | | |
| Medical | 5,850 | | |
| Foreign Liability | 1,860 | | |
| Unemployment | 330 | | |
| Pension | 11,075 | | |
| Home Leave | -0- | | |
| Rest and Recuperation | -0- | | |
| Local Travel | <u>10,000</u> | 42,665 | |

| | | |
|---|--------------|------------------|
| Office Costs | | |
| Rent | 10,000 | |
| Supplies | 10,000 | |
| Communications | 4,000 | |
| Local Hire | 10,000 | |
| Miscellaneous | <u>5,000</u> | <u>39,000</u> |
| TOTAL AALC IN-COUNTRY IMPLEMENTATION AND COORDINATION BUDGET | | \$134,765 |

| | | |
|---|----------------|---------------------------|
| Program Budget Detail | | |
| Multilateral Assistance (ICFTU) | | |
| (to be determined) | | \$250,000 |
| Bilateral Assistance | | |
| Administrative Support | | |
| Office rent | \$25,000 | |
| Office furnishings | 15,000 | |
| Office equipment | 25,000 | |
| Office supplies | 10,000 | |
| Vehicles (20) | <u>225,000</u> | \$300,000 |
| Training Program & Leadership | | |
| Instructor (13) | \$90,000 | |
| Advanced Seminars | 45,000 | |
| Specialized Seminars (3) | 20,000 | |
| Consultants (10) | <u>95,000</u> | 250,000 |
| International Trade Secretariats and Union to Union Assistance Programs | | 500,000 |
| A. Philip Randolph Institute | | 150,000 |
| Exchange visits & study tours | | <u>50,000</u> |
| TOTAL PROGRAM BUDGET | | <u>\$1,500,000</u> |

SOUTH AFRICA 1986 BUDGET SUBMISSION

PD-AAX-589

1 OF 1 (24X)

1985

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