

INTERVIEW: Sarmcol BTR Strike



On June 22 the SALB interviewed Philip Dladla, a MAWU (Metal and Allied Workers Union) shop steward at Sarmcol, Howick, and Phineas Sibiya, a branch committee member and senior shop steward at Sarmcol, about the current dispute. On that day Sarmcol strikers were attending the MAWU AGM in Soweto. They marched behind banners which read: "1000 BTR Workers on Strike for Basic Union Rights", and, "BTR Union Bashers, Apartheid Lackey".

SALB: When did MAWU begin organising at Sarmcol, and what led up to the current dispute?

Sibiya: We started organising over 10 years ago in 1973, but the company refused us recognition although we had a majority. During this time there was constant harassment of workers and organisers. Some were detained in the early days. In 1976 Moses Ndlova, an organiser, was banned for 5 years.

Dladla: In 1983 a court case forced the company to compromise. We gained access to the factory for organisers, stop orders, and a partial retrenchment procedure - but a full recognition agreement was never reached. This is after 2 years, mediation and a conciliation board. It failed because the company refused to accept our demands for the right to strike, a cooling off period and decent severance pay.

Sibiya: This led to a legal strike on April 30 when workers left their machines and sat in the canteen. On May 2 a pamphlet was issued by management giving workers an ultimatum to return to work. Then on May 3 we were locked out and the company told us to collect our pay. We refused until we had legal advice. The company was interdicted to pay only the amount due for the previous week's work. The workers took 10 buses to go and collect the money.

SALB: What are the workers doing now during the strike?

Dladla: From May 5 the workers have been meeting daily from 8 to 12 in the morning at Impophomeni Community Hall to keep up the courage of the group and to check there are no scabs. We report back on the latest developments and keep a register of those on strike. The strike is almost 100%. There are nearly a thousand workers, including about 50 Indian workers and almost all are on strike. In 1983 there were 2,000 workers, but there have been many retrenchments. The meetings also organise donations of food because our members are starving. This kind of support is essential.

SALB: As part of its campaign the union has boycotted "white" businesses in Howick. What was the reason for this?

Dladla: This decision was taken because in an earlier strike in 1984 - over wages - local white shopowners had sided with Sarmcol management. During the dispute workers occupied the canteen - but had nothing to eat. The white traders refused to open before 7.00 in the morning to give workers a chance to buy food for the day.

To start with the boycott was very effective. But not so now - because there are 800 scabs being employed and they are buying from the shops.

SALB: How have you dealt with the scabs?

Dladla: We sent people to Sweetwaters, Pietermaritzburg, Hammarsdale, and to the chiefs in the reserves where the scabs come from. We told them: "don't take our jobs". But there is a lot of unemployment and the company and the police are preventing us from speaking to them. Twenty-one of our members have already been charged with "intimidation". But we know that production is suffering as a result of these new workers with more work being rejected for poor quality.

SALB: What is the next step for the workers?

Dladla: The boycott is falling off. The company has made it plain they will not negotiate - they are willing to use their reserves to crush the union. For this reason we have moved into the second stage of our struggle in order to extend our support. Yesterday [2] June] we came to Johannesburg to hold a press conference and to submit our petition to the BTR head-

quarters in Randburg. The police tailed us the whole time. In addition support committees have been established in Pietermaritzburg and Durban to provide food parcels. MAWU shop stewards are to report to their members and organise support. Dunlop workers in Durban - who are also owned by BTR - have balloted to take strike action in solidarity. We have also contacted unions' overseas to put pressure on BTR head office. We intend to take the company to an international court under the EEC code of conduct. Tomorrow [23 June] we will report back to a mass meeting in Impophomeni and to demonstrate our strength to the scabs.

In the event the meeting of the 23rd was dispersed by police using teargas. The following day, as tension mounted, 2 scabs were killed in a clash with a group of strikers. Riot police patrolled the streets with dogs and teargas, whilst the local commissioner banned all meetings in Impophomeni.

But the union has taken the offensive into the other townships - to Edendale and Imbuli, near Pietermaritzburg, where many of the scabs came from. Leaflets were distributed explaining the reasons for the strike and strikers marched through the townships singing: "Uthinta MAWU undakwe yini" (You must be drunk to play with MAWU).

On Saturday June 29, Sarmcol workers took their fight into the heart of Pietermaritzburg when a convoy of ten buses jammed the main street. Police were caught unawares when 1,000 strikers took to the streets distributing stickers and pamphlets, waving placards and chanting: "Rats out of Sarmcol". Future plans include a possible local stay-away.

DOCUMENT: THE BTR SARMCOL STRIKE

- June 1985

In March 1984, the Metal and Allied Workers Union (MAWU) took the unprecedented step of attending a BTR shareholders meeting to bring to the attention of the directors the sad state of industrial relations at Sarmcol, Howick. MAWU reiterated that management's 10 year refusal to meet the union and their

subsequent attempts to use recognition arrangements to emasculate MAWU and reduce it to the level of a liaison committee had caused tremendous bitterness amongst workers. The union therefore warned that unless the company substantially reviewed their industrial relations policies there would be disastrous results.

No heed was taken of this warning and the company continued with its anti-union, autocratic style of management. The years of frustration at management's refusal to extend basic trade union rights to MAWU at BTR Sarmcol in the form of a standard recognition document coupled with the repeated failure of conciliation machinery eventually decided workers on a path of lawful strike action.

Management's response to the lawful strike was to fire all 1,000 workers after two days and to replace the entire workforce with scab labour from Pietermaritzburg and its environs. BTR Sarmcol has refused to speak to the union since the strike and has stated that there is no point in meeting MAWU to discuss the dispute because "it does not have any members at the company".

BTR in Britain has told unions which approached head office on this matter that it would not entertain "gratuitous representations" in regard to BTR Sarmcol as these were "wasted and misguided." It has gone on to express full support for local management's actions.

Such exercises of union bashing in the South African context are certainly not unknown but when they are perpetrated by giant multi-national companies one is seriously forced to question whether foreign investment is of value to the oppressed workers of our country.

Trade unions are one of the few legitimate forms by which black workers can advance their positions. It is for that reason that trade unions come under constant attack from the state. When such attacks are exacerbated and abetted by multi-national companies the odds against South African black workers are massively increased. "Constructive engagement" must be assessed on the facts not on the basis of what might or should be. Workers at BTR Sarmcol have their own views but we call on you to seriously consider the question especially in

the light of BTR's continued refusal to comply with the provisions governing the operations of multi-nationals in foreign countries.

BTR and the international codes

BTR's operations in South Africa are governed primarily by the European Economic Community's Code (EECC) and the Tripartite Declaration of Principles concerning Multi-Nationals and Social Policy (TDPM). Many of the provisions of the two codes are similar and only the most flagrant breeches by the company are mentioned here.

1. Employment

"In view of the flexibility which multinational enterprises may have, they should strive to assume a leading role in promoting security of employment, particularly in countries where discontinuation of operations is likely to accentuate long-term unemployment." (25 - TDPM)

"In considering changes in operations (including those resulting from mergers, take-overs or transfers of production) which would have major employment effects, multinational enterprises should provide reasonable notice of such changes to the appropriate government authorities and representatives of the workers in their employment and their organisations so that the implications may be examined jointly in order to mitigate adverse effects to the greatest possible extent." (26 - TDPM)

- * BTR Sarmcol has succeeded in reducing its workforce from nearly 2,300 to 1,000 over a five year period.
- * This massive redundancy programme was initiated without any discussions whatsoever with MAWU and resulted in hundreds of workers being put onto the street without compensation.
- * The process was temporarily halted by the union by legal action in 1983 but subsequently MAWU's success in stemming the tide of redundancies has been very limited. Most of the capital intensive machinery had already been introduced and major job cutting projects like the new mixing plant were well under way.

- Sarmcol -

- * Subsequent to the strike further redundancies have actually taken place as evidenced by the fact that 800 scab workers have been employed and the company claims to have no further vacancies. This means a twenty percent job cut.
- * This is Sarmcol's contribution to employment in South Africa.

2. Wages

"Wages, benefits and conditions of work offered by multinational enterprises should be not less favourable to the workers than those offered by comparable employers in the country concerned." (33 - TDPM)

"When multinational enterprises operate in developing countries, where comparable employers may not exist, they should provide the best possible wages, benefits and conditions of work." (26 - TDPM)

"The minimum wages should initially exceed by at least 50 per cent the minimum level required to satisfy the basic needs of an employee and his family." (EECC)

BTR Sarmcol's current wages compared with the HEL and SLL as well as the group's profits and increase in sales per employee are as follows:

Grade	Monthly Wage	HEL April 1985*	SLL April 1985**
1	R336,26	R438,68-	R410,09-
2	R342,19	(family of 5)	(family of 5,98)
3	R356,04	R498,91-	
4	R375,82	(family of 6)	
5	R405,49		
6	R445,06		
7	R462,85		

* HEL - Household Effective Level - Potgieter, University of Port Elizabeth, figures for Durban area

** SLL - Supplemented Living Level - UNISA Market Research - Standard family 5,98 - Durban area

Year	1980	1981	1982	1983	1984
Profit before tax (millions)	19,867	24,750	16,772	7,723	12,735
%increase - sales per employee	31,2	13,7	16,3	8,6	22,0

It is important to realise that the HEL and SLL are just gauges of poverty levels below which starvation becomes imminent. Indeed starvation has manifested itself in a serious way in Impophomeni where a survey by the union's medical advisors has revealed that twenty per cent of the children aged 2-9 years are below eighty per cent of expected weight which indicates severe malnutrition. Forty five percent of the children have weights which fall in the bottom ten percent of the weight distribution of a normal population.

Given BTR Sarmcol's monopoly position it does not have major comprehensive competitors but if one takes comparable plants on the basis of size, locality or industry then BTR Sarmcol has by far the lowest wage structure (30 per cent plus) of all the plants considered - AECI, Dunlop Industrial Products, Scottish Cables, Huletts Aluminium and all rubber tyre manufacturers.

3. Industrial relations

"Workers employed by multinational enterprises should have the right, in accordance with national law and practice, to have representative organisations of their own choosing recognised for the purpose of collective bargaining." (48 - TDPM)

"Consequently, the companies should allow collective bargaining with organisations freely chosen by the workers to develop in accordance with internationally accepted principles." (EEOC)

BTR Sarmcol's entire history has been one of vicious anti-unionism and not by the longest stretch of the imagination

can their standards of industrial relations be considered to be in line with even the most reactionary of South African companies. As has been previously revealed the final recognition agreement draft submitted for signature to BTR Sarmcol and rejected by them was adopted as an opening draft by Barlows in their negotiations with another FOSATU affiliate, the National Union of Textile Workers.

International principles of collective bargaining require inter alia good faith negotiating with the aim of reaching agreement and the right of trade unions to take lawful strike action after the exhaustion of all conciliatory procedures.

At BTR Sarmcol MAWU has faced: (i) three years of procrastination over the recognition agreement; (ii) mass dismissals after two days of a lawful strike; (iii) attempts to selectively re-employ; (iv) permanent employment of scabs; (v) a refusal to negotiate a settlement to the dispute - all are flagrant breaches of international collective bargaining procedures.

And the primary issues at stake? A refusal by the company to accept provisions in the recognition agreement relating to consultation and the application of LIFO (last in first out) in the case of retrenchments. These provisions are in fact established requirements of the Industrial Court but the company was not willing to allow retrenchment to be governed in this way - they required of the union that it cede these rights in law.

4. Migrant labour, fringe benefits, desegregation and equality of opportunity

"The system of migrant labour is, in South Africa, an instrument of the policy of apartheid which has the effect of preventing the individual from seeking and obtaining a job of his choice; it also causes grave social and family problems. In the meantime employers should make it their concern to alleviate as much as possible the effects of the existing system." (EECC)

"For this purpose company funds could be set aside for use; in housing of black African personnel and their families; in transport from place of residence to place of

work and back; in providing leisure and health service facilities; in providing their employees with assistance in problems they encounter with authorities over their movement from one place to another, their choice of residence and their employment; in pension matters; in educational matters; in improving medical services." (EECC)

"In so far as it lies within their own competence, employers should do everything possible to abolish any practice of segregation, notably at the work place and in canteens, sports activities, education and training. They should ensure equal working conditions for all their staff."
(6 EECC)

"Constructive engagement" dictates that multinationals will challenge socially unjust legislation in South Africa and will pressurise the South African government to dismantle apartheid which has been the cause of so much bloodshed in our land.

In fact, however, far from challenging legislation forcing migratory labour, BTR Sarmcol continues to aid and abett the system by recruiting migrant labourers and housing them in archaic single sex hostels. No families or children are allowed to stay in the hostels. No efforts whatsoever have been made to provide housing for the workers and their families. It would increase costs and therefore eat into profits.

"Constructive engagment also dictates that multinational enterprises will assist workers in developing their communities and invest in improving the appalling lack of any basic facilities for so many people of South Africa. BTR Sarmcol's investment in recreation, housing, health and education facilities in Impophomeni, Howick West, Haza, Sweetwaters, and Mafakathini has been zero. In fact far from upgrading and improving workers' communities BTR is actually actively destroying them by recruiting scab labour from distant parts which will leave the Howick communities without finance and people without food.

No effort was made to dissuade the state from "relocating" Howick resident's to Impophomeni some 20 km from the factory.

Racial discrimination exists at all levels even to the point

of different "race groups" having to use different toilet facilities at the company. Subsequent to the strike large numbers of white employees were taken on as scabs and will be given permanent posts at the expense of African and Indian workers.

Conclusions

These are the benefits of foreign investment reaped by the employees of BTR Sarmcol, Howick despite the required objectives of such investment outlined in the preamble of the TDPM:

"multinationals can also make an important contribution to the promotion of economic and social welfare; to the improvement of living standards and the satisfaction of basic needs; to the creation of employment opportunities, both directly and indirectly; and to the enjoyment of basic human rights including freedom of association, throughout the world."

- * The workers at BTR Sarmcol are demanding the full recognition of their union and their unconditional reinstatement.
- * If the company is allowed to destroy their trade union by dismissing the entire workforce then BTR's gross abuses will undoubtedly continue. Only effective trade union organisation can prevent this and bring about civilised industrial relations practices.
- * The struggle at BTR Sarmcol also has ramifications that extend beyond the particularities of this current dispute in that if the company is allowed to continue its "union bashing programme" then this will open the way for other multinationals to follow suit.
- * If BTR workers do not succeed in their demands therefore they will call for BTR to get out of South Africa.

(MAWU communique, June 1985)