



Trade Unions in Africa



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Abbreviations

AIDS	Acquired Immune Deficiency Syndrome	MDC	Movement for Democratic Change
ANC	African National Congress	MMD	Movement for Multiparty Democracy
ALRN	African Labour Researchers Network	NACTU	National Council of Trade Unions
BCEA	Basic Conditions of Employment Act	NAFWU	Namibia Farm Workers Union
CISEP	Centre for Informal Employment Promotion	NALF	Namibia Agricultural Labour Forum
COSATU	Congress of South African Trade Unions	NEPAD	New Partnership for Africa's Development
EEA	Employment Equity Act	NLC	Nigeria Labour Congress
EPZ	Export Processing Zone	NUNW	National Union of Namibian Workers
ESAP	Economic Structural Adjustment Programme	OATUU	Organisation of African Trade Union Unity
FDI	Foreign Direct Investment	RDP	Reconstruction and Development Programme
FEDUSA	Federation of Unions in South Africa	SACP	South African Communist Party
FFTUZ	Federation of Free Trade Unions of Zambia	SAP	Structural Adjustment Programme
FNV	Netherlands Trade Union Federation	SASK	Finnish Trade Union Solidarity Centre
FOS	Fund for Development Co-operation (Belgium)	SOE	State-Owned Enterprise
GDP	Gross Domestic Product	SWAPO	South West Africa People's Organisation of Namibia
GEAR	Growth, Employment and Redistribution	TEWU	Teachers and Educational Workers Union
HIV	Human Immunodeficiency Virus	TNF	Tripartite Negotiating Forum
ICU	Industrial and Commercial Workers Union	TUC	Trade Union Congress
ILO	International Labour Organisation	TUCN	Trade Union Congress of Nigeria
ILRA	Industrial and Labour Relations Act	TUCNA	Trade Union Congress of Namibia
IMF	International Monetary Fund	UNIP	United National Independence Party
IRA	Industrial Relations Act	ZaCTU	Zambia Congress of Trade Unions
LAC	Labour Advisory Council	ZiCTU	Zimbabwe Congress of Trade Unions
LaRRI	Labour Resource and Research Institute	ZFTU	Zimbabwe Federation of Trade Unions
LRA	Labour Relations Act		

Introduction

In March 2001, a group of African trade union-based researchers met in Johannesburg, South Africa, to form the African Labour Researchers Network (ALRN). The network initially covered Ghana, Nigeria, Namibia, South Africa, Zimbabwe and Zambia but has since grown and now includes Kenya, Tanzania, Malawi and Angola. One of the network's objectives is to address policy issues that affect African workers and their trade unions by providing relevant research and education materials.

The first research project undertaken by the network covered the labour movement in the countries of the founding members. The researchers looked at the legal, economic and political environment in which trade unions operate and identified some of the key challenges that unions face today. This booklet is based on the

country case studies that were undertaken by Austin Muneku (Zambia), Anthony yaw Baah (Ghana), Godfrey Kanyenze and Blessing Chiripanura (Zimbabwe), Salihu Lukman (Nigeria), Herbert Jauch and Barney Karuuombe (Namibia) as well as Ravi Naidoo, Claire Horton, Thobile Yanta, Samuel Denga, Lebo Modise and Wolfe Braude (South Africa). This booklet was compiled by Herbert Jauch and Kishi-Silas Shakumu with assistance from Anthony yaw Baah.

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Zambia

Labour Market

In the early post-independence period, Zambia had one of the fastest growing economies in the world and its *per capita* income was higher than that of countries like South Korea and Singapore. The driving force was the production and export of copper, but Zambia was also the world's largest producer of cobalt. The UNIP government invested heavily in infrastructure and social services like health and education.

In the 1970s the Zambian government moved towards a one party state and central planning with greater State involvement in the economy. After 1975, however, Zambia faced falling copper prices and the severe effects of rising oil prices (the first 'oil shock') to which the government responded with heavy borrowing to sustain the economy. The government turned to the IMF and World Bank for assistance and had to implement Structural Adjustment Programmes (SAPs) in the 1980s. These programmes were abandoned in 1987 following massive 'food riots' (which were caused by huge price increases for basic food like maize) in the Copperbelt region.

The external debt reached US\$ 7,1 billion by 1991, accompanied by rising levels of poverty and unemployment. When the Movement for Multiparty Democracy (MMD) came to power in October 1991, it inherited an economy with serious problems and promised to put the economy back on a path of growth and sustainable development. The new government implemented all SAP measures including economic liberalisation, removal of all subsidies, cuts in public

expenditure and privatisation. The results were not impressive as the real GDP growth was modest (even declining in some years) while social hardships increased.

Today, Zambia is ranked among the poorest and least developed countries in the world. According to official statistics, however, 84% of Zambians aged 12 and above are employed. This figure hides the real extent of unemployment in Zambia because of the definition used to identify employed people. These are 'persons who performed some work or conducted business, for pay, profit or family gain'. About 70% of the employed fall into the category of 'business for family gain' and only 11% are employed in the formal sector. Most of those counted as employed are subsistence or peasant farmers who are not paid.

Agriculture is the dominant sector in terms of employment and accounts for 70% of the 3 514 000 employed persons. All other sectors are small, for example wholesale and retail trade account for only 10,3% of employment, followed by social and personal services (8,6%) and manufacturing (3,8%). Mining accounts for merely 56 000 jobs (1,6%).

Female workers are concentrated in the agricultural sector (78%) followed by the wholesale and retail trade (11%). About 58% of women (compared to 51% of men) are regarded as self-employed. Women are grossly under-represented in employment by government, parastatals and the private sector. In 1998 they accounted for only 13,8% of local government employees, for 13,8% of employees at parastatals and for 15,4% of employees in

Table 1: Formal sector employment trends 1997 to 2000

Sector	1997	1998	1999	2000*	% change
Formal employment by industry	475 161	467 193	477 508	476 347	-0.2
Agriculture, food and fishing	58 898	58 898	60 000	59 377	-1.0
Mining and quarrying	44 498	39 160	38 521	35 042	-9.0
Manufacturing	47 118	46 685	46 000	47 782	3.9
Electricity, gas and water	5 009	5 237	5 300	5 049	-4.7
Construction	17 106	13 459	12 895	13 828	7.2
Trade and distribution	48 893	48 964	51 097	52 336	2.4
Transport and communication	45 963	45 840	45 000	46 719	3.8
Finance, real estate and business services	37 862	35 276	34 682	31 483	9.2
Community, social and personal services*	169 814	173 674	184 013	184 731	0.4
Formal employment by sector	475 161	467 193	477 508	476 347	-0.2
Central government (civilian)	129 200	117 250	112 345	101 300	-9.8
Local authorities	15 161	13 048	12 900	12 500	-3.1
Parastatal companies	73 900	68 046	65 300	65 700	0.6
Private companies	256 900	268 849	286 963	296 847	3.4

Source: Central Statistics Office, estimates as at June 30, 2000

the private sector. Overall, women accounted for only 12% of formal sector workers.

Despite official attempts to hide unemployment, the situation has worsened since the introduction of SAPs in the 1990s. Rising unemployment, falling *per capita* incomes, massive retrenchments in the public and private sectors and diminishing prospects for employment opportunities characterise Zambia today. It is estimated that about 122 500 young people enter the labour market every year without any hope of finding gainful employment. Declining formal wage employment has forced more and more people into the rapidly expanding informal sector.

Unionisation Rates

Currently there are twenty-nine registered national trade unions, of which twenty-five are affiliated to the Zambia Congress of Trade Unions (ZCTU) which was established in 1965. Three of the other unions are affiliated to the Federation of Free Trade Unions of Zambia (FFTUZ).

Total trade union membership stood at 241 522 in 1999, down from 289 322 in 1995. This decline of 16.5% was due to a loss in membership in many sectors including airways, banking, mining, communications, railways, transport, printing and local authorities. The retrenchments resulting from SAPs were the main reason for declining formal sector employment and trade union membership.

Zambian trade unions traditionally organise the formal sector where the unionisation rate dropped from around 80% in the 1970s to about 50% today. The best organised sectors are construction (88%), mining (81%), electricity, gas and water (79%) and finance, real estate and business services (43%). Workers in the informal sector and the unemployed are currently not organised by trade unions.

Labour Legislation & Union Practices

There are about fifteen laws in Zambia that regulate labour and labour relations. Of these laws the Industrial

Relations Act (IRA) of 1971 (amended in the 1990s) and the Employment Act 1997 are the most controversial ones.

The **Industrial Relations Act of 1971** was viewed by the ZCTU as the most favourable labour law for workers and the unions because:

- the Act provided for an automatic membership for all workers who qualified to be union members;
- it contained a 'one industry, one union' clause and provided for the mandatory deduction of union subscriptions;
- all affiliate unions were compelled to pay 30% of their income to ZCTU;
- the Industrial Relations Court and the Works Councils were introduced under this Act.

In short, this Act contributed to strengthening trade union organisation and finances and made ZCTU the sole and legally recognised national trade union federation. The Works Councils were seen as a vehicle to enhance industrial democracy by allowing workers to participate in company decisions. Works Councils were also expected to lead to better co-operation between workers and management and to contribute to greater efficiency and productivity.

This changed in the 1990s when government amended the IRA following the ZCTU's call for an end to the one-party State. These changes meant that the right to strike was limited, the 'one industry, one union' clause was removed (thereby encouraging splinter unions) and new tripartite structures of negotiations were established. The ZCTU felt that the IRA of 1990 was meant to threaten the existence of ZCTU and to undermine the cohesion of the Zambian labour movement.

The government of Zambia continued to amend this law. In 1993 it replaced it with the Industrial and Labour Relation Act (ILRA). This new law made it an individual's choice to belong or not to belong to a trade union. The mandatory check-off system was stopped, leaving the deduction of union membership fees at the discretion of the worker and employer. The ILRA further restricted

the right to strike and made solidarity strikes illegal. The ILRA prohibits any strike action which was not part of a collective dispute to which the employee or trade union was party.

The ILRA was amended again in 1997 to provide for the formation of union federations and employers' organisations. The amendments also redefined recognition and collective agreements and reviewed dispute settlement procedures. This served to liberalise industrial relations, to deregulate the labour market and to further weaken the unions. These and other amendments adversely affected the status of the ZCTU.

It is not only the ILRA that poses problems to the trade unions but also its sister legislation, **the Employment Act**. This Act was amended in 1997 to facilitate the deregulation of the labour market by removing, for example, protection for workers. The Act also changed the definition of a casual employee to a person who is paid daily and who is engaged for a maximum of six months (up from the previous provision of three months). The new law also removed many other benefits for workers such as the compulsory provision of housing and medical allowance.

In addition to these changes the Minimum Wages and Employment Act, which protected the workers in formal employment, was amended by the Minimum Wages and Conditions of Employment (Shop Workers) Order of 1997. The problem posed by the new Act is that the Minister decides on the minimum wage alone, as he/she has no obligation to consult with stakeholders such as trade unions.

ILO Conventions

Zambia has ratified forty-one ILO Conventions, including the seven core ILO Conventions such as Convention 98 on the right to organise and collective bargaining, Convention 100 on equal remuneration, Convention 138 on minimum age and Convention 87 on freedom of association and protection of the right to organise. Convention 87 was ratified simultaneously with Convention 98 on the right to organise and collective bargaining.

All these conventions were ratified in 1997 without any involvement of trade unions. The unions were very sceptical about the manner in which Convention 87 was ratified. Firstly, the unions were not consulted and secondly, the ratification happened at a time of growing fragmentation within the labour movement. Unions therefore believed that government ratified this convention in bad faith in an attempt to justify the amendments to national laws, which harmed workers and their unions.

There are several new multinational companies that came to invest in Zambia such as Supreme Furnishers, Shoprite Checkers, Pep, Game Stores and others. The challenge facing trade unions in Zambia is that some of the new investors are hostile to trade unions and resort to casual and temporary employment contracts. In Zambia casual, temporary and part-time employment is now the order of the day.

There is a high level of discrimination in work places due to the fact that some industries in Zambia are privatised. With privatisation came an increase in discrimination in employment, especially with regard to job selection and

remuneration. In private mines, Zambian nationals are paid lower than their foreign counterparts. Incidents of child labour and non-payment of wages or salaries are also common in Zambia. Negotiation in the private sector is very difficult because of government interference in the collective bargaining process. Therefore the employment situation in Zambia clearly indicates a lack of compliance with ILO core conventions.

The case study below illustrates the problem of casual workers in Zambia.

The case of Shoprite Checkers in Zambia

Shoprite Checkers has been operating in Zambia for a number of years and has a total of eighteen supermarkets throughout the country. A notable practice of Shoprite Checkers has been the exploitation of cheap human resources through casual employment contracts. The bulk of employees employed by Shoprite are casual workers.

A snap survey carried out by ZCTU revealed the following:

Casual workers are employed for periods of twenty-four hours per week at the rate of K22 000 per week. However they still get K22 000 per week when they have worked for more than twenty-four hours. In some shops, casual workers work over forty-five hours per week but still earn K22 000. To make things worse, casual workers' earnings depend on sales targets being reached. If sales fall below the targets, the weekly rate of K22 000 is reduced accordingly.

The following was the estimated number of casual workers in selected shops:

<i>Shoprite Kitwe</i>	<i>105 casual workers</i>
<i>Shoprite Chingola</i>	<i>90 casual workers</i>
<i>Shoprite Mufulira</i>	<i>86 casual workers</i>
<i>Shoprite Ndola</i>	<i>120 casual workers</i>
<i>Shoprite Lusaka Cairo</i>	<i>120 casual workers</i>
<i>Shoprite Manda Hill</i>	<i>120 casual workers</i>

In the Kitwe shop there are only fifty-five permanent workers, in addition to the hundred and five casual workers. Some of them have worked as casuals for two to three years. When a permanent worker is fired, he/she is normally replaced by a casual worker. Shoprite Checkers has benefited from this arrangement to the detriment of workers by avoiding responsibilities that go along with permanent employment. The casual workers have no benefits apart from their weekly pay and are hired and fired at will. In the Kitwe shop the management only provides tea (no buns or bread) in the staff canteen for lunch break. Workers have to provide the rest themselves. Tea is the only extra benefit that casual workers at Shoprite enjoy.

Innovative Union Strategies

At the top of the trade union agenda is job creation. It is for this reason that the ZCTU is advocating a national employment and labour market policy to be put in place. The ZCTU believes that such policies will not only create real and durable jobs but will also be a contribution towards fighting poverty.

Trade unions may themselves explore possibilities of contributing directly to employment and income generation through self-help projects including

co-operatives in activities such as brick-making. Unions can also go into farming, both in the small-scale and through communal farms owned by workers. Workers co-operatives may include day care centres to relieve working mothers of the burden of looking after their children while at work. Co-operatives can also be used as vocational training centres to transfer knowledge and skills to workers as they prepare for retirement and for those who have lost jobs through retrenchments and redundancies.

To this end, the ZCTU established the Centre for Informal Employment Promotion (CISEP) in 1998. There are three operational offices of CISEP in Kitwe, Chingola and Lusaka respectively. New offices are expected to open in Ndola and Kabwe. There are also plans to spread CISEP activities to rural areas. CISEP's activities target mainly the unemployed, including retrenched and retired workers. CISEP is an advisory and information centre that provides the following:

- entrepreneurship training;
- forum for informal sector organisations;
- employment services;
- information on youth employment & training services;
- lobbying for appropriate policies;
- reorientation and placement for retrenched workers; and
- research.

Challenges and Opportunities

The rapid liberalisation programmes in Zambia have severely affected the labour movement. Trade unions were sidelined in the policy-making process and were at times overwhelmed by the rapidly changing environment they found themselves in.

In the quest to better the welfare of their members and the wider society, trade unions have often found themselves in conflict with government. The challenges trade unions are confronted with in Zambia today include:

- promoting and protecting worker rights;
- protecting jobs against the threats of retrenchments;
- defending security of incomes and benefits;
- fighting high levels of unemployment and poverty;
- fighting the growing anti-union tendencies among investors and governments; and
- maintaining relevance and a good image of trade unions.

Zambian unions will also have to look at ways of broadening their membership base to include workers in the informal sector. These are formidable challenges that will test the ability of the Zambian labour movement to adjust to changing and increasingly difficult conditions.



Zimbabwe

Labour Market and Unionisation Rates

Before independence in 1980, Zimbabwe's colonial labour legislation was designed to undermine trade unions. After independence this changed as the government introduced the Minimum Wages Act in 1980. Following the flurry of retrenchments that followed this Act, government passed the Employment Act, which requires either an employee's consent or Ministerial approval before retrenchments can take place. These laws were incorporated into the Labour Relations Act of 1985.

Despite these achievements, Zimbabwean workers and their trade unions suffered severe setbacks since the 1990s due to Structural Adjustment Programmes (SAPs) and the ongoing political crisis. The unemployment rate is not exactly known but is estimated to now be as high as 80%. The official statistics, however, put the unemployment rate at 6% in 1999. Most unemployed are young people in the 15-24 year age group. By the end of the 1990s the main economic sectors in terms of employment were agriculture (26%), manufacturing (15%) and education (10%). The mining sector accounted for only 4,5% of

employment. Most Zimbabweans today have to try to make a living in the informal sector.

There is a gender division in the Zimbabwean labour market, as by 1999 only 22,3% of all workers in the formal sector were women. Although this figure is higher than at independence (17%) women are still under-represented in the formal sector (see table 2).

There is an increase of casualisation of labour, especially on large-scale commercial farms. This has led to a decline in full-time employment from 75% (1985) to 47% (1998). Casualisation affects the whole economy as industries try to survive the serious competition they face as a result of trade liberalisation, which opened the borders for cheap imports. Some employers try to cut their personnel costs and opt for casual employment to avoid housing, medical and pension costs. Other companies opted to make their production processes more capital intensive, which resulted in further retrenchments.

At the time of independence there were six national trade union centres in the country. They all merged into the Zimbabwe Congress of Trade Unions (ZCTU) in 1981, which remained Zimbabwe's only national union centre until the government-sponsored Zimbabwe Federation

Table 2: Formal sector employment by gender 1980–1999 (in thousands)

Year	Males	Females	Total	Female (%)
1980	838.5	171.4	1009.9	17.0
1981	871.9	165.9	1037.8	16.0
1982	881.8	164.1	1045.9	15.7
1983	864.5	168.9	1033.4	16.3
1984	864.4	172	1036.4	16.6
1985	863.2	189.3	1052.5	18.0
1986	890	194.1	1081.1	18.0
1987	889.5	195.5	1085	18.0
1988	929.5	201.5	1131	17.8
1989	956	209.9	1166.1	18.0
1990	977.6	214.5	1192.1	18.0
1991	1015.8	228.2	1244	18.3
1992	1012.1	224.1	1236.2	18.1
1993	997.6	242.7	1240.3	19.6
1994	1008.8	254.5	1263.3	20.1
1995	983.7	255.9	1239.6	20.6
1996	1002.7	271.1	1273.8	21.3
1997	1036.9	286.4	1323.3	21.6
1998	1052.6	295.9	1348.5	21.9
1999	1021	293.1	1314.4	22.3

Source: Central Statistical Office, Quarterly Digest of Statistics, 2000.

of Trade Unions (ZFTU) was formed in 1998. The ZFTU was created in an effort to establish splinter unions and weaken the ZCTU, which was seen by government as backing the opposition movement. The ZCTU has a membership base of thirty-nine affiliated unions, whose total membership stood at 165 000 in 2000 (see table 3).

The decline in union membership between 1998 and 2000 can be attributed to economic decline, to deaths resulting from HIV/AIDS and to the emergence of splinter unions. The ZCTU unions currently only organise workers in the formal sector, although they realised the need to protect workers in the informal sector as well. Trade unions have begun to develop strategies to organise workers in the informal sector.

Labour Legislation & Union Practices

The most important laws regulating labour relations in Zimbabwe are the Labour Relations Act of 1985 (which was amended in 1992) and the Law and Order (Maintenance) Act 53 of 1960.

The Labour Relations Act of 1985 (as amended) defines the fundamental rights of workers and unfair labour practices. The Act further elaborates dispute settlement procedures. It poses certain problems to workers because it undermines trade unions in several ways.

- The role of trade unions in determining wages and resolving disputes was reduced as power over these matters was given to the Minister of Labour.
- Continued State intervention made it difficult for trade unions to justify their existence.
- The cumbersome dispute procedures made it difficult for workers to obtain justice.
- Workers' committees at factory level were not trade union-based, as its members did not have to belong to trade unions. As a result workers committees at shop-floor level were sometimes in competition with union structures.
- Legal strikes were impossible under the Act and striking workers were in danger of being retrenched.

Since the late 1980s unions and employers were calling for changes to the LRA and a tripartite committee recommended several changes. By the end of the 1990s, consensus was reached on the required changes but these proposals were never implemented by government. Instead, several other changes were made, for example the streamlining of dispute procedures. This led to the formation of managerial committees and the abolishment of the principle of 'one industry, one union.' As in Zambia, trade unions in Zimbabwe have been weakened by the abolishment of this principle because it meant the birth of splinter unions.

The abolishment of the principle of 'one industry, one union' as part of the 1992 amendments created an environment where many unions could be registered in any sector. This paved the way for the creation of splinter unions – which was actively facilitated by the State, which became increasingly fearful of labour's opposition to government policies, especially the structural adjustment programmes. The sectors most affected by splinter unions are the commercial, mining, hotel and catering, transport, education, clothing and motor trade sectors.

One of the few positive aspects of the LRA amendments was the quick method of dispute resolution. Time limits in dealing with cases were also set, although backlogs remained.

The Law and Order (Maintenance) Act 53 of 1960 was passed during the colonial era to regulate strikes in Zimbabwe. This Act criminalises collective job action, with imprisonment of up to seven years for using inflammatory language during a strike. The Act further provides up to five years for inciting strike action in essential services. This law stands in sharp contradiction of ILO standards.

Other laws that hamper the operations of trade unions in Zimbabwe include the **Public Service Act**, which does not recognise the collective bargaining rights of public servants. The structures that this Act sets out for dealing with grievances and disputes are heavy-handed and unilateral. The Act does not even provide for the existence of trade unions. Although a joint negotiating forum was established in 1998, its power is limited to making recommendations.

Table 3: Unionisation rate, 1990–2000 ('000)

Year	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Membership	200.1	191.4	200.6	200.8	192.1	197.8	152.5	184.3	193.3	197.9	165.0
Employment	1192.1	1244	1236.2	1240.3	1263.3	1239.6	1273.8	1323.3	1348.5	1314.4	1290
Unionisation rate (%)	16.8	15.4	16.2	16.2	15.2	16.0	12.0	13.9	14.3	15.1	12.8

Source: ZCTU Database

The **Export Processing Zones (EPZ) Act** came into effect in 1995 and excluded the Labour Relations Act from applying in these zones. It took government until 1998 to establish employment regulations for EPZ workers and Labour Courts for EPZ workers were only established in 2000. These 'special' arrangements for EPZs made union representation and bargaining for EPZ workers extremely difficult.

The Role of the Courts

These laws were enforced through civil courts. The involvement of civil courts worsened the situation through their interpretation of legal texts. The following case studies illustrate the role the Zimbabwean courts of law play in cases of strike, reinstatement and retrenchment.

Case 1: The Lancashire Steel Case – The right to strike
The case of Lancashire Steel against Zvidzai and others in 1995 concerned a strike and alleged 'disrespectfulness' by strikers. In this case, the definition of 'joint action' was extended to include gatherings that are disrespectful and disobedient to management.

The principle laid down by this judgement is that if a person knowingly participates in a collective strike, this is sufficient grounds for termination of his/her employment. This decision was a serious setback for unions in their fight for the right to strike.

Case 2: The Continental Fashions (Private) Limited Case – Justification of Retrenchment

Another judgement that shaped the Zimbabwean retrenchment law is that of Continental Fashions (Private) Limited against Elliot Mupfuriri and others (1997). In this case, Justice McNally pronounced himself on the purpose of retrenchment as follows:

"The purpose of retrenchment is to avoid the collapse and liquidation of the company, the well-being of the retrenches cannot be the only consideration. The survival of the company is the motivating consideration. The purpose of the exercise is to save the company..."

This judgement undermined the ability of unions to negotiate good retrenchment packages.

Case 3: The Charles Ambali Case

The right to reinstatement was undermined in the case of Charles Ambali against Bata Shoe Company Limited in 1999. This judgement took away the right to be reinstated where an employee was wrongfully dismissed. Justice McNally said that:

"...an employee who considers that he has been unjustly dismissed is not entitled to sit around and do nothing. He must look for alternative employment. If he does not, his damage will be reduced. He will be compensated only for the period between his wrongful dismissal and the date when he could reasonably have been expected to find alternative employment."

This judgement not only undermined the right to be reinstated but also shocked the labour movement because it came at the time of economic crisis when many workers were losing their jobs.

Overall, the relationship between the government and the ZCTU deteriorated after the adoption of structural adjustment programmes in 1991. The hardships brought about by these programmes alienated government from the unions, as inflation levels reached 70% and more and more households fell below the poverty line. As a result,

strikes became a regular form of protest since the late 1990s. In 1998 and 2001 the ZCTU organised several nationwide stay-aways in protest against increasing hardships for Zimbabwean workers.

The right to strike in Zimbabwe is suppressed by the Presidential Powers under Statutory Instrument 368A of 1998. This measure was a reaction to the ZCTU threats to go on a weekly stay-away in protest against government. This draconian measure imposed heavy penalties on employers, workers, trade unions and employers' organisations that incite or support strikes or other forms of stay-away. The Zimbabwean government uses this measure to detain union leaders whenever they call for protest action. Penalties include up to three years imprisonment and/or fines up to Z\$ 100 000. Any worker can be fired by his/her employer (without Ministerial approval) for participating in collective action.

ILO Conventions

Zimbabwe has ratified seven ILO core conventions. However, the Zimbabwean government has not ratified Convention 87, which recognises the right of workers to freely associate and organise themselves. This right is very important for any trade union movement. The government's excuse for not ratifying Convention 87 is that it first needs to harmonise labour relations. This excuse does not hold water because it ignores the fact that Convention 87 is in line with the Zimbabwean Constitution and ratification would therefore not place an additional burden on the State other than those already placed on it by the Constitution. Ratification of the Convention would give workers more secure rights and enable civil servants to become unionised. The Law and Order (Maintenance) Act violates Convention 87 because it restricts the freedom of assembly.

Zimbabwe has ratified Convention 98, which promotes the right to organise and bargain collectively. However, Zimbabwe experienced repeated State interference in the collective bargaining process. For example, the Minister of Labour has the discretion to arbitrarily order the amendment of a collective bargaining agreement.

Certain provisions of the LRA are, however, in line with the ILO Conventions. For example, Convention 14 of 1921 calls for weekly rest while Convention 100 of 1951 calls for equal treatment of workers. These conditions have been incorporated in the LRA. On the other hand, the LRA violates ILO Conventions, as it legalises the interference of government in union affairs. It allows the Minister, for example, to regulate the collection, management and expenditure of union membership fees. Government can also order amendments to collective bargaining agreements if it considers them to be in contradiction of the LRA or public policy.

Innovative Union Strategies

The liberalisation of labour laws as part of Zimbabwe's overall liberalisation policies in the form of structural adjustment programmes have forced the Zimbabwean labour movement to engage in broader policy debates. Trade unions under the umbrella of the ZCTU moved away from resistance at enterprise levels to the national level. After presenting its own alternative policy proposals ('Beyond ESAP') in 1997, the ZCTU started organising national stay-aways to support its demands.

Trade unions have included governance issues in their agenda and the ZCTU has become a driving force challenging government policies. Several of its leaders have joined the political opposition movement and the Zimbabwean government has developed counter-strategies to weaken the labour movement.

Challenges and Opportunities

The ZCTU is confronted by a liberalisation of labour markets, mass poverty and unemployment, a shrinking economy, rival unions and declining membership. Most of the protection formerly enjoyed by workers was eroded by the economic structural adjustment programme in the 1990s. There is pressure on organised labour due to the emphasis on individualised contracts and temporary work. In addition, Zimbabwean unions have to face a hostile government that is willing to use repression to silence the labour movement.

As a result, the ZCTU has challenged the government repeatedly on the question of a suitable development strategy that will benefit workers and the poor. The labour movement has been vocal against the poorly performing public sector, the huge budget deficits resulting in massive inflation, corruption and the high levels of taxation.

As only about 15% of formal sector workers are currently unionised, the ZCTU still has the potential to increase its membership base and become representative of the majority of workers. Organisers at the ZCTU and its

affiliates have developed new strategies to reverse the trend of declining membership. They realised the need for more ongoing contacts between union officials and workers on the shop-floor. Unions also want to improve the service given to their members and have developed joint organising and recruitment programmes. Organisers from several unions come together and jointly target industrial areas. They assist each other in identifying areas with low unionisation rates and recruit jointly. Unions also started to explore ways of recruiting workers in the informal sector. Such initiatives are, however, sometimes undermined by retrenchments and company closures, as well as the government-sponsored splinter unions.

At national level the ZCTU participates in national fora, like the Tripartite Negotiating Forum (TNF) that deals with issues such as tax reviews, national cost of living adjustments, price monitoring, national minimum wages and other economic development issues. The enormous challenges that Zimbabwe is facing at present cannot be met by the labour movement alone, and the need to forge alliances with other social movements against neo-liberalism is becoming apparent. Already in 1999 the ZCTU and over forty civil society organisations convened the National Working People's Convention. Such alliances will have to be increasingly forged in the years to come to achieve fundamental socio-economic changes that will benefit workers and the poor in general. The ZCTU will have to play a leading role in this process.



Namibia

Labour Market & Unionisation Rates

Namibia's economy is still characterised by its colonial structure, as mining and fishing are still the sectors that account for most exports and foreign direct investment (FDI). About 65% of the population rely on agriculture (directly or indirectly) for their survival, but the Namibian economy differs from other African countries due to its relatively small informal sector. The formal employment sector plays a crucial role in ensuring people's survival, as wages are the main source of income for almost 50% of Namibian households. Most workers (80–90%) are employed on a permanent basis although there has been an increasing trend towards casual and contract labour during the past few years.

Namibia's population is extremely young, with more than half the population being less than 20 years of age. In 2000 the Namibian labour force survey classified 541 447 people as being 'economically active' and 346 157 people as 'economically inactive'. The bulk of those classified as

economically inactive were students (52,3%), followed by 'home-makers' (20,8%), retired and old people (18,4%) and those affected by illness and disability (6,9%). The number of economically inactive women (211 718) was significantly higher than the number of men (134 439), mainly because they account for the bulk of the 'homemakers'.

Agriculture is still the biggest sector in terms of employment, and accounts for 123 297 (or 28,6%) jobs. It is, however, important to point out that this figure includes about 78 000 communal (mostly subsistence) farmers, 1 623 commercial agricultural employers and 4 354 'own account', self-employed agricultural workers. There were 26 480 farm workers on private farms and 2 730 workers on public farms. Agriculture accounted for 53% of rural employment.

Other important sectors in terms of employment are: community, social and personal services with 47 517 jobs (11%); real estate, renting and business activities with

Table 4: Employment by sector (2000)

Sector	Percentage of employed people
Agriculture	28.6
Wholesale and retail trade, repair of motor vehicles	9.2
Domestic work in private households	5.2
Manufacturing	5.3
Community, social and personal services	11
Education	7.1
Public administration, defence, and social security	5.4
Real estate, renting, and business activities	9.8
Construction	5.0
Transport, storage and communication	3.3
Health and social work	3.1
Financial intermediation	0.8
Fishing	1.8
Mining and quarrying	0.9
Electricity, gas and water supply	1.0
Hotels and restaurants	1.8
Other	0.8

Source: Labour Force Survey 2000.

42 128 jobs (9,8%); wholesale and retail and motor vehicle repairs with 39 850 jobs (9,2%); and education with 30 523 jobs (7,1%). On the other hand, manufacturing accounted for only 22 921 jobs (5,3 %), which is an indication that this sector is still severely under-developed in Namibia. Overall about 37% of all employees work in the public sector (including parastatals) and 63% in the private sector.

Table 5: Unemployment – broad definition (2000)

	Overall percentage	Percentage among women	Percentage among men
Nationally	33.8	39	28.3
Urban areas	31.3	37.2	25.4
Rural areas	35.9	40.4	30.8

Source: Labour Force Survey 2000.

Table 6: Estimated Unionisation Rates (Signed-up membership)

Sector	Approximate number of employees	Estimated unionisation rate (based on figures supplied by trade unions)
Farm workers on commercial farms	42 000	5 000 (12%)
Metal, building and construction	25 000	10 500 (42%)
Mining and energy	7 000	5 800 (83%)
Food, fishing, wholesale, retail and hospitality	29 000	22 000 (76%)
Public service, parastatals and municipalities	63 000	55 000 (87%)
Teachers	15 000	12 000 (80%)
Domestic workers and dry cleaners	22 000	5 000 (23%)
Banking and insurance	17 000	4 500 (32%)
Transport and security	9 000	3 000 (33%)
Other	26 000	6 200 (24%)
TOTAL	255 000	129 000 (50,6%)

Source: Labour Force Survey 1997, LaRRI 1999

These figures do not include communal farmers and unpaid family labour. The paid-up unionisation rates are likely to be about 20% lower than the signed-up membership.

According to the broad definition of unemployment (being without work and being available for work), Namibia's unemployment rate stands at 34%. The rural unemployment rate stands at 36%, compared to 31% in urban areas. Unemployment has a gender dimension, as the rate is significantly higher among women (39%) than among men (28%).

Unemployment in Namibia affects the youth the most, as 67% of those between the ages of 15 and 19 years and 59% of those between 20 and 24 years of age were unemployed in 2000. On the other hand, the unemployment rate stood at only 11-17% for those between 45 and 59 years of age.

Unionisation Rates

Accurate statistics on trade union membership rates are difficult to find as few unions have computerised membership database systems. Most unions rely on their files and on membership fee deduction records of employers to count their members. A trade union survey carried out by the Labour Resource and Research Institute (LaRRI) in 1998-99 revealed a unionisation rate of about 50% among employees in formal sector employment. The highest levels of unionisation existed in the public sector (80-87%), the mining and energy sectors (83%), and the food, fishing, hospitality, wholesale and retail sectors (76%). On the other hand, unionisation levels were low among farm workers, domestic workers and in the banking and insurance sectors (see table 6). Likewise, only about 10% of workers in the small business sector are organised by trade unions.

Due to the lack of an accurate database, it is impossible to determine the exact number of women in trade unions. It is estimated that 35-40% of union members are women – roughly in line with women's share in the formal labour market. Women are, however, under-represented in decision-making structures, although some serve as general secretaries and union presidents.

The largest trade union federation is the National Union of Namibian Workers (NUNW) which has ten affiliated industrial unions with a combined membership of about

65 000 to 70 000. This federation played an active role in Namibia's liberation struggle and is still affiliated to the South West Africa People's Organisation of Namibia (SWAPO). There are several rival unions outside the NUNW, some of which formed the Trade Union Congress of Namibia (TUCNA) in 2002. The main reason for the existence of rival unions is the NUNW's link to SWAPO, and the prospects for trade union unity are bleak at present. The combined membership of the unions outside the NUNW is 30 000 to 40 000 and they are strongest in the public sector, the fishing industry and the wholesale and retail sector.

Labour Legislation and Union Practices

Before independence there was no comprehensive labour legislation in Namibia. Namibia was treated as a fifth province of South Africa and this meant that almost all South African labour laws applied in Namibia. South Africa's Wage and Industrial Conciliation Ordinance of 1952, for example, excluded black workers from the definition of 'employees' and thus prevented them from legally forming or joining trade unions. This Act was amended in 1978 and black workers were allowed for the first time to form unions and register them. The Conditions of Employment Act of 1986 covered basic conditions of employment but excluded certain categories of workers such as farm and domestic workers.

Two years after independence, the new SWAPO-led government introduced a new Labour Act in 1992 with the aim of consolidating labour-related legislation into a single Act. This law was the outcome of a lengthy process of consultations between government, trade unions and employers. The Act covers all workers in Namibia and provides for trade union registration, basic workers rights, organisational rights, collective agreement registration, and settlement of disputes. The Act also provides for the establishment of labour courts, a tripartite Labour Advisory Council (LAC), and the setting up of wage commissions to determine minimum wages in particular sectors. However, the Act made no provision for paid maternity leave and for national minimum wages, and instead left wage determination to collective bargaining.

Compared with the colonial labour legislation, the Labour Act was a large improvement for workers and their unions, especially in sectors that are well unionised. The situation was different in sectors with low levels of unionisation, where collective bargaining hardly takes place. This applies, for example, to domestic workers and security guards who still suffer very poor employment conditions.

Trade unions identified several shortcomings of the Labour Act and agreement was reached at the tripartite Labour Advisory Council that a new Labour Amendment Bill should be prepared. It is expected to become operational in 2004. The main changes affect the dispute resolution system, which is currently ineffective, expensive and time-consuming. The current dispute resolution system is adversarial and thus leads to confrontation rather than conciliation. The Bill therefore provides for mediation and arbitration of disputes and also suggests that there be arbitrators to deal with disputes of rights, which are currently handled by the District Labour Court.

This would reduce the pressure on the courts, which are unable to deal with the cases, resulting in delays of a year and more. The new Bill will turn the current District Labour Court into a court of appeal and review, rather than a court of first instance. Another proposed change in the Bill is the provision of full payment of basic salaries for women during maternity leave.

In addition to the Labour Act, Namibia has passed two more laws that are especially important for workers. **The Social Security Act of 1994** provides for maternity leave, sick leave and death benefit funds. Maternity leave benefits cover 80% of the woman's salary for three months but the maximum amount is currently set at R 2 400 per month. The establishment of a national pension fund is envisaged in the near future but does not exist at present.

The Affirmative Action (Employment) Act of 1998 places an obligation on employers with fifty or more staff members to redress some of the colonial apartheid inequalities in the workplace. Employers have to develop plans to increase the recruitment and promotion of people from previously disadvantaged groups ('designated groups') such as blacks, women and people with disabilities. The government currently reviews the effectiveness of the Act, as some employers seem to be reluctant to implement its provisions. Unions support this initiative and want to play a more active part in the implementation at workplace level.

Despite these improvements, Namibian unions are faced with the challenge of developing an effective strategy that would influence socio-economic policies in favour of their members. Although Namibia has not taken out IMF and World Bank loans, the government's economic policies resemble those of structural adjustment programmes. IMF and World Bank advisors have become regular visitors to Namibia and most local economists are trapped in the neo-liberal dogma. The introduction of the Export Processing Zones Act in 1995, as well as government's privatisation programmes since the late 1990s, have shown that Namibia's development path follows the same lines as other African countries.

Unions were not consulted in the enactment of the **Export Processing Zones (EPZ) Act of 1995**, which initially stated that the Labour Act of 1992 would not apply in EPZs. After the NUNW threatened to challenge this Act in court, a compromise was reached between government and the union federation, which stated that the Labour Act would apply in EPZs but without the right to strike or lock-out for a period of five years. Since 2001 the Labour Act has applied fully in EPZs but workers often experience poor working conditions in EPZ companies.

ILO Conventions

After independence, Namibia has ratified almost all the core ILO conventions with the exception of Convention 100 on equal remuneration. The Namibian government argues that some national laws are not yet in compliance with this convention and will have to be amended first before Convention 100 can be ratified. The provisions for payment during maternity leave, for example, currently state that women only receive 80% of their salaries, which is a violation of the equal remuneration principle.

The Namibian Constitution and the Labour Act protect all children from any form of economic exploitation and

any activity that prevents children from being educated. The laws state that no child under 14 years may be employed for any purpose, that no child under 15 years may be employed in mines or industrial undertaking, and that no child under 16 years may be employed underground in any mine. Despite these legal provisions, child labour occurs in Namibia, mostly due to poverty. A national child labour survey found that 16,3% of all children between 6 and 18 years were working. They were found mostly in rural areas (95,4%). Child labour exists in both sexes, affecting 17,2% of boys and 15,4% of girls. Most of the working children are in agriculture and combine work with schooling (80%). Child labour will only be abolished if the underlying poverty of households is addressed.

Innovative Union Strategies

The following cases where unions have used innovative strategies to advance their goals. One focuses on the NUNW's utilisation of the Labour Advisory Council to influence policy and the other relates to the Namibia Farm Workers Union (NAFWU), which managed to improve members' working and living conditions despite extremely difficult circumstances.

Case 1 – Using the Labour Advisory Council (LAC) to influence policy formulation

In the late 1990s the NUNW and its affiliates expressed growing concerns about the country's EPZs and the emergence of labour brokers, the so-called labour hire companies which recruit workers and hire them out to other companies for a few hours, days, weeks or months. The workers affected lose all job security, benefits and a big part of their salaries, which the labour hire companies keep as their fees.

The NUNW wanted a policy change regarding the EPZs and labour hire companies and asked the newly established union-based Labour Resource and Research Institute (LaRRI) to carry out a national study on the EPZs and labour hire companies. The research reports were completed in 2000, published and then presented for discussion at the LAC. These reports received significant publicity in the local media and strengthened the unions' demands for a review of the EPZ policy and a ban on labour hire companies. The LAC discussed the report findings and recommendations and agreed that the EPZ regulations and practices should be reviewed. The LAC also agreed that EPZ workers should enjoy all labour rights, including the right to strike. Likewise, the LAC agreed that labour hire companies use loopholes in the current legislation to engage in dubious practices and that there is a need for strict regulation of labour brokers to avoid further abuse of their workers.

This case has shown how trade unions managed to receive support from government and even employers, as they presented their demands backed by research findings, which strengthened their case.

Case 2 – Improving the living and working conditions of farm workers

Namibian farm workers are among the most exploited workers in the country and they are difficult to unionise due to their isolation on individual farms and due to the hostile attitude of many farmers towards trade unions. The Namibia Farm Workers Union (NAFWU) developed

a media strategy to publicly expose the violation of labour and human rights by agricultural employers. The union also warned repeatedly that unless justice is done to the plight of farm workers, the land issue might become as explosive as in Zimbabwe. Parallel to this media campaign, NAFWU started to sign collective agreements at some of the larger commercial farms and publicised the outcome as examples to follow for other employers in the agricultural sector.

In 2001, a Namibian Agricultural Labour Forum (NALF) was launched by NAFWU and the Agricultural Employers' Association to promote good labour practices, debate and understanding in the agricultural sector. This was a major breakthrough, as it enabled the union to negotiate minimum conditions of employment at a national level. Agreement was reached in 2002, when the union agreed with agricultural employers (both communal and commercial farmers) about a minimum wage for farm workers. This minimum wage was set at R 429 per month plus housing and food for the farm workers and their families. The agreement came into effect in January 2003.

Challenges and Opportunities

Namibian unions had to adjust to new roles after independence. They had to shift their focus away from political mobilisation towards engaging with government and employers under a new tripartite arrangement. One of the key challenges for labour today is how to develop effective strategies to influence socio-economic policies in favour of workers. Tripartite structures are often narrowly confined and the labour movement will have to create additional avenues for influencing policies. This raises the question of trade unions' political links and how they could be used to advance a working class agenda. Currently, the political affiliation of the NUNW is one of the key factors dividing the trade union movement.

Unions will only be able to play a strong role in the broader political and economic arena if they are strongly rooted in all workplaces and if unions express the wishes of their members instead of the views of individual leaders. There is a need for unions to improve the services they render to their members in the workplace and to broaden the membership base to include vulnerable workers such as casual workers, and those working in the small business sector. Although about 35 to 40% of all union members are women, the labour movement will have to do more to attract and retain women workers. Women are currently under-represented in decision-making structures – even in those unions where they constitute most of the membership. Unions will also have to devise strategies on how to become attractive and relevant to young workers who are often not attracted to join trade unions.

Finally, Namibian unions have to forge links with national and international organisations around issues of common interest. At national level this could include campaigns against privatisation and for a more radical programme of land reform. At international level this could include campaigns by international union organisations on issues relating to globalisation. Such links do already exist but they need to be strengthened and utilised more effectively.



Nigeria

Labour Market and Unionisation Rates

The Nigerian economy remains predominantly agricultural. Approximately 70% of the people are employed in the agricultural sector, followed by the oil sector. In 2000 the official unemployment rate stood at 18,1%. Statistics indicate that in 1998 around 33% of employed workers in Nigeria were union members. The country's trade union federation, the Nigeria Labour Congress (NLC), estimates that its affiliates represent almost four million workers.

The history of organised labour movements dates back to 1940. The first central labour organisation was the Trade Union Congress of Nigeria (TUCN), which was formed in 1942. Although many other federations were formed, not all outlived the suppression by Nigeria's military regimes. Even the Nigerian Labour Congress (NLC) suffered under government interventions, which led to its termination and later its re-birth in a different form. By 1988 the NLC was placed under an administrator appointed by the military government. This was done to weaken the NLC's efforts to oppose government's policy of structural adjustment. In 1994 the Congress experienced another blow due to its role in the struggle to have the election result of 1993 (which was won by Chief Abiola) recognised. The NLC organised a national one-day strike and negotiated for Chief Abiola's release from prison. The Nigerian regime responded by dissolving the leadership of the NLC as well as its affiliates in the oil and gas sector.

In order to further control the unions, the government enacted the Trade Union (Amendment) Decree No. 4 of 1996 which banned full-time union officials such as general-secretaries from holding elected positions in the NLC. A further decree (Trade Unions Amendment Decree No. 26 of 1996) made the holding of NLC leadership positions by full-time union officials a criminal offence. After intensive mobilisation, lobbying and advocacy work by the Nigerian labour movement, these decrees were abolished in 1998.

Labour Legislation and Union Practices

The colonial administration enacted the first labour legislation in 1938, which recognised the existence of trade unions. This piece of legislation was followed by the enactment of Trade Disputes and Arbitration Ordinance

and Workers Compensation Ordinance of 1945, the Factories Ordinance of 1955, Wages Board and National Provident Fund Ordinance of 1957.

In 1975 the military government introduced a twin policy of 'limited intervention and guided democracy' in labour relations. The purpose of this policy was to ensure government dominance over trade unions. In enforcing this policy, the military government enacted two decrees, namely the Trade Dispute Decree No.7 to prevent strikes and the Trade Union Decree No. 22 to regulate the formation, registration and organisation of unions.

These decrees were enacted in 1978. Decree No. 22 restructured trade unions into forty-two industrial unions. A major requirement of this decree was that each union should comply with accounting procedures in managing union funds. It also required a yearly external audit to be done. This meant that full-time accountants had to be employed by unions.

More recent labour legislation and practices were also aimed at controlling and weakening the labour movement. General Babangida disbanded the leadership of the NLC in 1988 to eliminate the labour movement's opposition to structural adjustment programmes. The regime supported a 'moderate' faction to weaken the NLC's militancy. Compulsory mediation and arbitration was introduced to arrest labour disputes and prevent workers from going on strike.

The second disbandment of the NLC took place in 1994 to break union opposition to government policies and to prevent independent, full-time officials of affiliates from holding NLC leadership positions. This interference of the regime was legalised through Decrees No. 4 and 26 of 1996. In addition, Decree No. 29 of 1996 empowered the Minister to de-register any union that affiliated to any international trade union centre outside the ILO and the Organisation of African Trade Union Unity (OATUU).

These decrees were opposed by the majority of unions, which engaged in a massive campaign for their repeal. This campaign succeeded to the extent that even the National Council on Nigerian Vision (NCNV), which consisted of 250 eminent Nigerians from all sectors of society, supported the unions' demands in its vision policy paper 2010.

ILO Conventions

Nigeria has ratified thirty of the 182 ILO conventions, including five of the seven core labour standards conventions. The core conventions that were not yet

ratified are Convention 111, dealing with the elimination of all forms of discrimination in respect of employment and occupation, and Convention 138, which seeks to abolish child labour and raise the minimum age for employment to at least 15 years.

Although Nigeria has ratified the other five core conventions, they are often violated in practice. The right to freedom of association and protection of the right to organise, for example, were violated by the Nigerian regime when it suspended and arrested union leaders, prohibited international affiliation, disrupted union rallies, and prevented some categories of workers from joining unions. These incidences all contravened Convention 87.

Likewise, Convention 98 on collective bargaining was violated when the military regime imposed wage freezes in the 1980s. Furthermore, the compulsory mediation and arbitration procedures effectively prevented workers from going on a legal strike. Nigeria also still has discriminatory laws, especially against women. For example, some tax relief is only given to men based on the patriarchal notion that women do not have dependants. In reality, many men are dependent on their wives, mothers, daughters and sisters but Nigerian law

does not recognise this and continues to discriminate against women in violation of Convention 100.

Challenges and Opportunities

A major challenge facing trade unions in Nigeria today is that of rebuilding the organisational structures after years of military interference in union administration. This is already underway as part of a NLC project, which aims to develop a strategic agenda for the labour movement and to strengthen its research, education, management and lobbying capacities.

The labour movement also wants to address the restrictive legislative framework in which it has to operate. The NLC wants to push for a comprehensive review of the country's legal framework as part of a new democratic process. Possibly the biggest challenge for the labour movement in Nigeria (and elsewhere in Africa) is the dominance of the neo-liberal ideology that underpins economic policy. Many thousands of workers were retrenched in the formal economy as the structural adjustment programmes promoted by the IMF and World Bank took their toll. Trade unions will have to become pro-active if they want to reverse this trend and present alternative policy proposals around which they can mobilise their members and allies.



Ghana

Labour Market and Unionisation Rates

The population of Ghana stands at about 19 million, of whom 11,6 million are economically active. The total labour force is estimated at ten million people of whom about seven million are 15 to 64 years old. Only about 14% of them are wage earners in the formal sector while 86% have to try to make a living in the informal sector.

Women constitute about half of the labour force. Nearly 90% are employed in the informal sector and over two-thirds are self-employed. Agriculture continues to dominate the economy in terms of employment as about 55% of the labour force between 15 and 64 years of age are working in this sector. Most of them are self-

employed peasant farmers. The trading sector accounts for 18% of employment while manufacturing accounts for 12%.

The Ghana Living Standard Survey Report 2000 indicated an unemployment rate of 6,7% but independent researchers put the figure at about 12-25%.

Trade unionism in Ghana dates back to colonial times. During that period all the important sectors such as

Table 7: Type of work engaged in by population aged 15 – 64 years

Type of work	Proportion engaged in the type of work (%)	Male(%)	Female(%)
Wage employment	13.8	23	6.2
Self-employment (non- agriculture)	30.2	18.9	39.6
Unpaid family worker (non-agriculture)	1.9	1.1	2.6
Self-employment (agriculture)	38.5	47.0	31.4
Unpaid family worker (agriculture)	15.3	9.6	20.1
Other	0.2	0.1	0.2
Total	100	100	100

Source: Ghana Living Standard Survey Report, 2000.

mining, manufacturing, commerce, banking, and maritime were under the control of foreign investors. Working conditions were very poor because they were determined by the foreign investors, who regarded the indigenous African people as backward. Due to the

appalling working conditions, the struggle for workers rights and acceptable working conditions started in the early part of the 19th century, mainly through strike actions. To prevent strikes from causing political unrest, the colonial government passed the Trade Unions

Table 8: Type of employer for population 15 to 64 years

Main employer (sector)	Proportion engaged in the sector (%)	Male(%)	Female(%)
Self-employment (agriculture)	52	55.9	48.7
State-owned Company	6.2	9.8	3.3
Private formal	7.5	2.9	7.5
Private informal and self-employment (non-agriculture)	34.3	45.1	34.3
Total	100	100	100

Source: Ghana Living Standard Survey Report, 2000.

Table 9: Distribution of population aged 15 to 64 by sector and by gender

Main industry	Proportion engaged in the industry nationwide (%)	Male(%)	Female(%)
Agriculture	55	59.8	51.1
Mining/quarrying	0.7	1.4	0.1
Manufacturing	11.7	8.9	13.9
Utilities	0.2	0.4	0.1
Construction	1.4	2.8	0.2
Trading	18.3	7.4	27.4
Transport/communication	2.2	4.6	0.1
Financial services	0.8	1.7	0.1
Community/social service	9.8	13.0	7.1
Total	100	100	100

Source: Ghana Living Standard Survey Report, 2000.

Table 10: Union membership

Position of union in terms of numerical strength	Name of TUC affiliated union	Membership as a percentage of total unionised employees (nationwide)
1	Industrial and Commercial Workers Union (ICU)	16.79
2	Teachers and Educational Workers Union (TEWU)	12.10
3	Public Services Workers Union (PSWU)	10.81
4	Ghana Private Road Transport Union (GPRTU)	10.74
5	Timber and Wood Workers Union (TWU)	9.08
6	Public Utilities Workers Union (PUWU)	6.83
7	Health Services Workers Union (HSWU)	6.65
8	General Agricultural Workers Union (GAWU)	5.87
9	Construction and Building Materials Workers Union (CBMWU)	4.66
10	Railway Workers Union (RWU)	3.53
11	Ghana Mineworkers Union (GMWU)	3.34
12	Local Government Workers Union (LGWU)	3.00
13	Communication Workers Union (CWU)	2.84
14	Maritime and Dockworkers Union (MDU)	2.31
15	General Transport, Petroleum and Chemical Workers Union (GTPCWU)	1.30
16	National Union of Seamen	0.10
17	Railway Enginemens' Union (REU)	0.06
	Total	100

Source: TUC Membership Survey Report, 2001

Table 11: Trends in trade union density (1960–2000)

Year	Labour force	TUC membership	Union density with respect to labour force (%)
1960	2 694 000	500 000	18.6
1980	4 353 000	342 480	7.9
1990	5 686 000	600 000	10.5
1995	6 790 000	560 978	8.3
2000*	10 120 000	500 000	5.0

Source: Sawyer A. (2000). *Economic Emancipation and Democratic Governance: The Role of Trade Unions*.

affiliated to the TUC, such as the Ghana National Association of Teachers (150 000 members), the Civil Servants Association (70 000 members) and the Ghana Registered Nurses Association (12 000 members). Workers in the police service, the armed forces, fire service, prison service as well as customs and excise are not allowed to join unions.

A TUC Membership Survey in 2001 revealed that the overall union density in the formal sector at national level stands at around 75% and that women account for about 25% of union membership. However, when the union membership figures are compared to the total labour force in Ghana, the picture is different: union members as a percentage of the total labour force declined from 18.6% in 1960 to about 5% today (see table 11).

Unions experienced a loss in membership in the 1990s due to mass retrenchments in privatised State-Owned Enterprises (SOEs) and because of retrenchments in the private sector, which tried to cut costs. Membership loss in some unions was as dramatic as 80%. This happened, for example, with the National Union of Seamen and Railway Workers. In the mining sector, the Ghana Mineworkers Union lost more than 6 000 out of its 22 000 members between 1998 and 2000 because of mine closures that followed a sharp fall in gold prices.

The Current Economic Situation

Ghana has been pursuing IMF/World Bank-sponsored structural adjustment policies since 1983. As part of these policies, government introduced a flexible exchange rate system and removed subsidies from agriculture, health and education sectors. Trade was liberalised, leading to dumping of cheap and second-hand commodities in Ghana. Many public sector workers were retrenched. Additionally, many State enterprises were privatised, leading to loss of more jobs in the public sector. The national monthly minimum wage is about US\$30 but because of the high inflation in the country, workers can no longer make ends meet with their wages. It is estimated that one of every three Ghanaians is poor, but this figure rises to 80% in some provinces.

Labour Laws and ILO Standards

Ghana adopted its first Industrial Relations Act in 1958, a year after its independence. It paved the way for collective bargaining at enterprise level, provided for the certification of trade unions and entrenched trade union and workers rights such as the right to strike, mediation, conciliation, deduction of union membership fees, etc. The Act also provided for the establishment of a National Advisory Committee on Labour. However, the Act did

not allow collective bargaining in the public sector and State-owned enterprises. This affected about 44% of organised workers and was a major concern for the unions and the ILO. When the Act was amended in 1965, it only granted SOE workers the right to bargain collectively but teachers and civil servants were still denied that right.

Ghana has ratified forty-six ILO conventions, including the seven ILO Core Conventions that form the basis

for minimum international labour standards namely: freedom of association; collective bargaining; equal treatment; elimination of child labour; and the abolition of forced labour. The provisions of these conventions are embodied in the national labour laws but there were problems with the applications of some of these standards. The powers granted to the Registrar of trade unions, for example, paves the way for refusal of registration in contravention of Convention 87 on the right to organise. There were also several gross violations of workers' rights at national and enterprise level, for example, retrenchments when workers joined unions. Employers used several union-busting tactics to frustrate workers' efforts to exercise their right to form or join unions of their choice. The Ghanaian government also violated the Convention when it dissolved the TUC through the Industrial Relations Act of 1971, which also gave the Minister of Labour the power to call off any strike.

Other problems experienced with the implementation of ILO conventions include restrictions imposed by Ghanaian labour laws on collective bargaining, the cumbersome procedures for a legal strike (which meant that there was never a legal strike in Ghana), and the lack of equal opportunities for women in the labour market (especially in senior positions). Women are further disadvantaged as the producers of food crops compared to men who are cash crop producers, which was promoted under structural adjustment.

Child labour is also widespread in Ghana, specifically in the informal sector. A survey conducted in 1998 revealed that in the northern part of the country, up to 57% of children were working. There are also incidents of forced labour, as some laws allow compulsory labour as punishment for various offences. In addition, there are still traditional practices that encourage the holding of children in bondage. These examples show how core labour standards are still violated in Ghana by employers and government – despite their ratification.

Innovative Union Strategies

The future prospects of unions depend, to a great extent, on the pace of recovery of Ghana's economy. Negative trends in trade union membership can be reversed only if the economy improves and more jobs are created in the formal sector. In the meantime, the TUC is encouraging and supporting its affiliates to intensify their efforts to organise informal sector workers, young workers, as well as senior and professional staff, who are currently not unionised. To provide support to its affiliates in an effective manner, the TUC has employed a number of

professionals to strengthen its central secretariat to enable it to assist the affiliates, particularly in the areas of collective bargaining and membership recruitment. The TUC has also encouraged its affiliates to negotiate with employers to extend collective agreements to cover casual and other temporary workers. This effort has succeeded to a large extent among the affiliates that organise in the construction, maritime and mining sectors. The TUC is also encouraging some of its affiliates, particularly unions that lost a huge percentage of their membership, to merge. Merger talks are already taking place among the unions in the transport sector. It is envisaged that such mergers will create fewer but stronger unions that will be better able to fight for the rights and interests of their members.

The TUC is also building alliances with other labour and civil society organisations to ensure that government pursues socio-economic policies that will improve incomes and reduce the abject poverty in Ghana – unlike the structural adjustment programmes, which had the opposite effect.

Challenges and Opportunities

During the structural adjustment programme trade unions lost about a quarter of their membership as a result of mass retrenchments in the public sector and in privatised State-owned enterprises. As a result, trade union membership declined from 750 000 before structural adjustment to about 500 000 in 2000. The unions have therefore started recruiting among young workers, casual and temporary workers, senior staff and workers in the informal sector. These efforts are sometimes undermined by employers, with full support of the Ghana Employers Association. However, the Industrial and Commercial Workers' Union and a few other affiliated unions have been quite successful in the unionisation of senior and professional staff as well as workers in the 'informal' garment sector. Several garment and dressmakers associations have affiliated to the ICU while other TUC affiliates in the building, construction, mining and maritime and construction industries have been successful in extending collective agreements to non-permanent workers. In other cases, specific collective agreements have been negotiated to cater for the needs of casual workers and other non-permanent staff.

Another impediment hampering the trade union membership recruitment drive is that some categories of workers are, by law, not allowed to join or form trade unions. These include the police, customs, civil service, as well as prison and fire services personnel. These restrictive laws regarding the unionisation of public sector workers and the non-cooperative attitude on the part of employers regarding the unionisation of senior and professional staff, as well as the rapid 'informalisation' of the labour market, continue to pose a major challenge to the trade union movement.

Furthermore, the neo-liberal orientation of government has encouraged some employers to blatantly violate workers' rights either by delaying the implementation of collective agreements or by refusing to implement some provisions of such agreements. This is especially the case with clauses related to wages, benefits, health and safety of workers. Even though the right to strike is recognised by law, the process of embarking on a legal strike in Ghana is so long, frustrating and tedious that

there will never be a legal strike in Ghana until this legislation is changed. The labour movement will have to campaign for a change of these laws and practices to pave the way for the higher unionisation and better representation of members' interests.

Another challenge relates to participation of women in the trade union movement. In order to strengthen the labour movement, more women have to be encouraged to participate actively in its activities. Currently none of the general secretaries and deputies of the seventeen affiliated unions of the TUC is a woman. The TUC has changed its Constitution to provide a position for women in its executive board and committees at the district, regional and national levels. It has encouraged all its affiliates to do the same. Several affiliates have since changed their constitution to pave the way for increasing women's involvement in decision-making at the highest levels of the union hierarchy.

The TUC's gender policy aims to promote women's representation in all structures and activities and to advance the concerns of women in the trade union movement. A special effort must be made by unions to recruit in the informal sector, which is dominated by women. In order to generate and sustain women's interest in trade unions, the labour movement has committed itself to:

- Continued integration of women in the structures of the movement through affirmative action programmes;
- Intensification of gender sensitisation programmes for both men and women;
- Intensification of educational programmes specific to the needs of women and to use those trained under such programmes to reach out to more women, especially women workers in the informal sector;
- A campaign for the ratification of ILO Convention 156 concerning workers with family responsibilities.

These strategies are expected to increase trade union membership. The unions will also have to ensure that government adopts active labour market policies to create jobs and reduce the high unemployment rate, particularly among the youth. The TUC wants to participate meaningfully in the social, political and economic decisions of the country and has started to build its capacity to meet this challenge. This includes the development of an alternative economic growth path that is not based on social devastation, as is the case with neo-liberal policies.



South Africa

Employment, Unemployment and Types of Jobs Created

The 2003 Growth and Development Summit held between labour, business and government to chart a path forward in terms of growth and job creation has set a target of halving unemployment by 2014. The stabilisation and restructuring of the economy have come at a high price in terms of job losses. Capital-intensive production methods, retrenchments, outsourcing and casualisation have been used to increase productivity and raise competitiveness. The Summit agreed on the following employment creation measures: enhancing public infrastructure capacity and reinforcing investment in support of employment creation; creation of an expanded public works programme, thus extending job creation initiatives across a broad development front; and expanding education and training and accelerating enrolment in learnerships (competency-based training programmes) to underpin long-term job creation.

Employment

The total number of South African workers in March 2003 was estimated at 11,6 million people. The majority of these people were employed in the formal sector (63,6%). The share of employment of the informal sector (excluding subsistence or small-scale agriculture and domestic service) was estimated at 16%, commercial agriculture at 7,5% and subsistence or small-scale agriculture at 3,6%, while domestic workers constituted 8,7% of the employed, and 0,6% did not specify their sector.

South Africa's statistics reflect the country's apartheid legacy: Africans had the smallest percentage of people employed in the formal sector (62,3%). More than 90% of the Indian/Asian and white population groups (90,5%

and 93,6% respectively) were employed in the formal sector. On the other hand, the African population had the highest percentage (25,6%) employed in the informal sector compared to the other population groups (8,6%, 8,5% and 5,6% of the coloured, Indian/Asian and white groups respectively). A similar picture is found with domestic workers. The percentage of African workers employed as domestic workers (11,4%) was higher than in the other population groups (7,7 of employed coloureds, but only 0,3% of employed Indians/Asians and 0,2% of employed whites). These figures reflect the overlap between race and skills in employment in an economy that increasingly favours skilled and professional workers, who are largely comprised of whites and Asians.

As can be seen from table 12 above, the number of jobs created has varied since 2000, with 2003 figures only now returning to 2000 levels. However, although just over 500 000 jobs have been created since 2002, the breakdown shows that around 200 000 of these were non-formal sector jobs, i.e. jobs that are often temporary in nature and are paid at a much lower rate than formal sector employment, often without any significant non-wage benefits. Informal sector jobs have increased from around 250 000 in 1995 to current levels, as retrenched workers have turned to survivalist and micro-enterprise activities in order to sustain themselves.

In addition, the rate of job creation over the last two years has been outstripped by the rate at which new entrants have entered the labour market. The rise in unemployment has thus been exacerbated by population growth, with new entrants coming into the marketplace faster than retrenched workers are being reabsorbed. The Labour Force Survey of September 2002 estimated that between February 2000 and September 2002 the number of those potentially economically active rose from 26,5 million to 28 million, a 5,7% increase. Job creation was in

Table 12: Employment by sector 2000–2003 (000's)

Sector	Sept 2000	Sept 2001	Sept 2002	Mar 2003
Formal sector (excluding commercial agriculture)	6 842	6 873	7 034	7 358
Commercial agriculture	667	666	811	865
Informal sector (excluding subsistence or small scale agriculture)	1 933	1 873	1 703	1 845
Subsistence and small scale agriculture	965	359	520	420
Domestic workers	999	916	875	1 005
Unspecified	306	146	86	75
All	11 712	10 833	11 029	11 565

Source: Statistics SA, Labour Force Survey, March 2003. SA Labour Review, May 2003.

Table 13: Employment in the formal and informal sectors by industry, March 2003

Industry	Formal	Informal	Domestic	Total
Agriculture	865	420		1 288
Mining	509	3		514
Manufacturing	1 462	196		1 668
Electricity	83	5		88
Construction	369	202		583
Trade	1 489	869		2 373
Transport	464	127		598
Business services	940	78		1 027
Community services	2 006	165		2 183
Private households	1	196	1 005	1 202
Other /Unspecified industry	34	3		42
Total	8 223	2 265	1 005	11565

Source: Statistics SA, Labour Force Survey, March 2003.

Table 14: Trends in atypical labour in metal and engineering sector, 1999–2002

Typical and atypical labour categories	Percentage of overall sector's employment 1999	Percentage of overall sector's employment 2002
Permanent employees (full time and part time)	97%	90%
Casual labour	0%	1%
Temporary labour	1%	1%
Sub-contracted labour	2%	7%

Source: Naledi, 2003.

the negative for most of this overall period. As a result the number of workers in informal employment has grown steadily, from 1,2 million in 1995 to 2,410 million in 1999 to 2,578 million in 2003.¹

As noted above, firms have responded to tougher market conditions brought on by increasing liberalisation of the economy, by resorting to casualisation, outsourcing and temporary employment contracts. This has allowed them to cut labour costs by avoiding responsibility for most benefits such as medical aid and pensions. Costs are also cut in that firms can easily hire and release such 'atypical' labour on short-term contractual basis without incurring retrenchment costs or strikes. A study of the Metal and Engineering sector² that NALEDI participated in early in 2003 provided a snapshot of the growth of such atypical labour practices. Most new employment in the formal sector is now comprised of this type of employment. The trends are evidenced in table 14.

Unions have responded by starting to organise and recruit casual workers. A recent retail sector supermarket strike was supported by casual workers and secured more consistent working hours.

Unemployment

A revised system of official statistics was introduced following the advent of democracy in South Africa in 1994. Using the narrow definition of unemployment, the aggregate unemployment rate rose from 20% to 26% between 1994 and 1999. However, according to the broad

or expanded definition of unemployment, whereby a person is also unemployed if he or she has not actively sought work in the past four weeks, the increase between 1994 and 1999 was 33% to 36,2%. The expanded definition of unemployment is useful because it captures discouraged work-seekers, and is therefore a more accurate reflection of long-term, structural unemployment. In 2000 the method of collection was amended³, and statistics for narrowly defined unemployment from that point onward are reflected in table 15.

The current official unemployment figures for 2003 are listed separately below as the 2003 population figures are based on the 2001 Population Census, whereas the 2000–2002 figures were based on the 1996 Census. Statistics SA is in the process of benchmarking the 2000–2002 figures to the 2003 data.

Between September 2001 and September 2002 employment increased in the mining, manufacturing and public sectors (formal sector) for the first time since 1996. Additional increases were noted overall across the informal sector. However, much of the increase results from a methodology change introduced by the government statistics body (Statistics SA) in 2000. Statistics SA now counts any income-earning activity, no matter how poverty stricken or unstable, as informal

Table 15: Unemployment rate (strict/official definition), Feb 2000 – September 2002

Category	Feb 2000	Sept 2002	Change +/-
Total employed	11 880 000	11 029 000	-851 000
Total unemployed	4 333 000	4 837 000	-504 000
Total economically active	16 213 000	15 866 000	-347 000
Total not economically active	10 242 000	12 118 000	1 876 000
Population, 15–65 years old	26 454 000	27 984 000	1 530 000
Participation rate (%)	61,3%	56,7%	-4,6%
Labour absorption rate (%)	44,9%	39,4%	- 5,5%
Unemployment rate (%)	26,7%	30,5%	3,8%

Source: Statistics SA, Labour Force Survey, September 2002.

Table 16: Official labour market trends, March 2003

Key	Category	March 2003
a	Total employed	11 565
b	Total unemployed	5 250 000
c	Total economically active (a+b)	16 815 000
d	Total not economically active	12 740 000
e	Population, 15–65 years old (c+d)	29 555 000
	Participation rate (%) (c*100/e)	56,9%
	Labour absorption rate (%) (a*100/e)	39,1%
	Unemployment rate (%) (b*100/c)	31,2%

Source: Statistics SA, Labour Force Survey, March 2003.

Table 17: Unemployment rate (expanded definition),
Feb 2000 – September 2002

Category	Feb 2000	Sept 2002	Change +/-
Total employed	11 880 000	11 029 000	-851 000
Total unemployed	6 553 000	7 925 000	1 372 000
Total economically active	18 432 000	18 954 000	522 000
Total not economically active	8 022 000	9 031 000	1 009 000
Population, 15–65 years old	26 454 000	27 984 000	1 530 000
Participation rate (%)	69,7%	67,7%	-2%
Labour absorption rate (%)	44,9%	39,4%	-5,5%
Unemployment rate (%)	35,5%	41,8%	6,3%

Source: Statistics SA, Labour Force Survey, September 2002.

Table 18: Official labour market trends, March 2003

Key	Category	March 2003
a	Total employed	11 565 000
b	Total unemployed	8 421 000
c	Total economically active (a+b)	19 986 000
d	Total not economically active	9 569 000
e	Population, 15–65 years old (c+d)	29 555 000
	Participation rate (%) (c*100/e)	67,6%
	Labour absorption rate (%) (a*100/e)	39,1%
	Unemployment rate (%) (b*100/c)	42,1%

Source: Statistics SA, Labour Force Survey, March 2003.

Table 19: Official unemployment by race and gender as at March 2003

Racial group	Unemployment totals by group	Percentage of overall total	Gender analysis of percentage	
			47% male	53% female
Black African	4 592 000	87,5%	47% male	53% female
Coloured	392 000	7,5%	47% male	53% female
Indian/Asian	123 000	2,3%	48% male	52% female
White	142 000	2,7%	50% male	50% female
Total	5 250 000	100%	48% ave	52% ave

Source: Statistics SA, Labour Force Survey, March 2003.

employment. Most of the jobs created will probably not sustain longer-term development in the traditional sense: jobs that would provide an income high enough to support a family; promote the acquisition of skills; or increase productivity. From this standpoint, most of the informal jobs created are a form of concealed unemployment, yet are usually the only options available to millions of unemployed. A similar scenario applies to the biggest employment drive yet announced by government, in November 2003. It comprises a massive public works programme, which will provide up to one million mainly unskilled jobs over the next five years in infrastructural repair and community service sector

Table 20: Expanded unemployment rate by race, gender and location

	African	Coloured	Indian/Asian	White	Total
Urban men	41%	28%	19%	8%	32%
Urban women	53%	34%	33%	11%	43%
Rural men	45%	12%	10%	1%	41%
Rural women	58%	34%	4%	13%	56%

Source: Statistics SA, Labour Force Survey CD ROM, September 2002.

projects. However, the longest of these jobs will be only eighteen months in duration. Most will comprise six-month contracts.

Within the official definition of 'unemployed', the statistics of those hunting for work are sobering. Of the jobless total of 5,25 million, about 59% have never worked; among jobless people between the ages of 15 and 30, about 75% have never worked; and of the jobless total of 5,25 million, about 26% have been job hunting for one to three years and 41% for more than three years.

The expanded definition of employment reveals a far higher picture of joblessness. The expanded numbers essentially reveal that many workers are available, but unable to find anything, as noted above, and so have given up looking.

As can be seen above, the broad definition increases the unemployment rate to above 40% for the first time since the collection of standardised employment data. It is an unfortunate paradox that although the ANC government has succeeded in bringing stability and competitiveness to the macro-economy, this has resulted in even lower levels of employment, thus concentrating the benefits of liberalisation and stability in the hands of a small number of South Africans. The current broad or expanded unemployment figures for 2003 are once again listed separately below.

The gendered and racial nature of unemployment is clearly still entrenched in the economy, with present breakdowns still reflecting the economic patterns of the country's colonial and apartheid forms of capitalism.

Unemployment rates, particularly for rural African women, are in fact higher. The September 2000 and September 2002 Labour Force Surveys show that

unemployment rose more for African women than for any other group (by 9% in just two years). Unemployment amongst African men rose by 6% between 2000 and 2002. These changes increased the number of unemployed by 757 122 among African women and by 528 474 among African men.

Wage Incomes, Poverty and Inequality

The average level of wage settlements rose over the last two years as inflation rose. A recent survey placed them at 7,4% in 2001, followed by 8% in 2002 and 8,9% in the first half of 2003. Statistics South Africa places the 2002 increase at closer to 10,2%. Most commentators expect that with the rapid decline in inflation in 2003, wage demands will moderate accordingly in 2004.

The average annual rate of productivity growth from 1995 to June 2002 was 4,8%. Over the same period, real wages grew at an

Table 21: Average monthly salaries and wages (including bonuses and overtime payments) at current prices for industry, as at February 2003

Industry sector	Ave monthly wage (Rands) ⁴
Mining and quarrying	R5 604
Manufacturing	R5 488
Electricity, gas and water supply	R16 277
Construction	R3 987
Wholesale trade, retail trade, motor trade and hotels	R4 483
Transport, storage and communication	R7 156
Governmental institutions	R8 729
Non-governmental institutions	R4 303
Financial institutions	R11 770
Community, social and personal services	R7 681
National departments	R8 428
Provincial administrations	R7 697
Local governments	R5 933
Other government institutions	R10 136
Total government sector	R7 724
Laundries and dry cleaning services	R2 010

Source: Statistics SA, Survey of Average Monthly earnings, Feb 2003.

Table 22: Workers (employers, employees and self-employed) by monthly income and sector (000's)

Monthly income	Formal	Informal	Domestic	Unspecified	Total
Total number of workers*	8 223	2 265	1 005	73	11 565
None	33	317	*	-	351
R1-R500	693	899	578	11	2 182
R501-R1 000	1 187	486	308	*	1 991
R1 001-R2 500	2 361	320	96	13	2 789
R2 501-R8 000	2 526	131	*	14	2 674
R8 001+	726	32	-	*	764
Don't know/Refused	679	76	16	*	780

* For all values of 10 000 or lower the sample size is too small for reliable estimates. Due to rounding, numbers do not necessarily add up to totals.

Source: Statistics SA, Labour Force Survey, March 2003.

Table 23: Median monthly wage rates among working-class black households (September 2002 Rands)⁵

	Formal unionised		Formal non-unionised		Informal	
	Male	Female	Male	Female	Male	Female
Agriculture etc.	R900	R652	R500	R448	R375	R326
Mining and quarrying	R2 000	R1 700	R1 640	R1 000	R350	R350
Manufacturing	R2 174	R1 652	R1 739	R1 225	R870	R400
Electricity etc.	R3 000	R1 937	R1 937	R1 937		
Construction	R2 000	R1 937	R1 225	R800	R800	R350
Wholesale and retail	R1 937	R1 600	R1 225	R1 000	R652	R350
Transport etc.	R2 958	R2 958	R1 500	R1 937	R1 225	R500
Financial etc.	R1 800	R2 000	R1 600	R1 800	R750	R500
Community etc.	R3 500	R3 969	R1 937	R1 500	R707	R522
Private households*	R1 000	R665	R470	R250	R400**	R400**

Source: Statistics SA, Labour Force Survey CD ROM, September 2002 (from a paper by E. Watkinson and L. Orr, Naledi, June 2003).

Notes: Excludes missing values, extremes and outliers. Includes African, Indian/Asian and Coloured workers in households spending less than R5000 per month. *Refers to gardeners. **The same median values apply to domestic workers.

average year-on-year rate of 2,5%, contributing to declining unit labour costs. These figures are a reflection of the form that restructuring has taken place, with increasing capital-intensity and a concentration of job losses among lower skilled (mostly Black) employees. Economy-wide productivity growth fell during 2002 from a year-on-year rate of 3,7% in the first quarter to 1,8 % in the fourth quarter.

Average monthly wages in the industrial sector are reflected in table 21.

However, the picture for monthly earnings by workers across a wider range of sectors, and analysed according to broad salary levels, shows us that a large number of workers are earning very low salaries. From table 22 we can see that a significant percentage of workers still earn R2500 or less a month across all the sectors. At a salary of R2500 or less, it is unlikely that the worker will be able to access a bank loan to purchase a house or vehicle, and in many sectors these salaries would be largely those for unskilled work.

Once again, black African workers comprise the largest group of those earning low salaries. Out of a total of 7 818 000 black workers, 72% fell within the R1-2500 bracket in September 2002. This is illustrated in further detail in table 23.

Table 24: Minimum wages in Rands, various sectors, 2003

Industry	Monthly minimum wage (Rands)	Occupation
Accommodation	535,00	Cooks general assistant
Business equipment industry	731,20	Assembler
Catering trade	731,20	Watchman/assembler
Cement products industry, certain areas	415,20	General worker grade
Commercial distribution trade	564,00	General assistant
Funeral undertaker	661,00	General worker
Glass and glassware industry	484,00	Packer
Goods transportation and storage trade	563,04	General workers/packer/loader
Hotel trade, certain areas	249,00	General assistant
Laundry, dry cleaning and dyeing trade	460,13	Boiler assistant/watchman
Letting of flats and rooms	644,00	Bedroom attendant
Meat cold storage, bacon curing and small goods industry	341,20	Slaughter assistant
Metal containers	N/a	N/a
Road passenger, transportation trade	342,40	General worker
Stone crushing industry	340,00	General worker
Sweets industry	441,60	Any other employee not listed

Source: www.irnetwork.co.za

Table 25: Sectoral determinations, wages and occupations, 2003

Industry	Monthly minimum wages in Rands	Occupation
Civil engineering sector	N/A	N/A
Clothing and knitting sector	595,52	General employees not classified
Contract cleaning sector	969,90	Cleaner
Domestic worker	702,00	Domestic worker
Farm worker	650,00	Farm worker
Learnership	480,00	Learner
Private security sector	N/A	N/A
Wholesale and retail sector	1 234,77	Security guard

It is also evident from table 23 that unionised workers earn consistently higher wages than non-unionised workers. It also reveals that gender disparities still exist regarding wage levels, with female workers paid much less than male workers.

Minimum Wages

Minimum wages vary across sectors according to the agreements reached with unions within respective bargaining councils.

In addition to minimum wages, sectoral determinations setting a minimum wage for an entire sector are in place in a number of sectors where labour has been deemed

Source: www.irnetwork.co.za

vulnerable by the national Department of Labour. The most high profile of these has been the recent agriculture and domestic workers determinations, with analysts concerned that employers would retrench workers. No data is currently available to support or reject this claim.

Table 26: Key indicators of household poverty and unemployment – September 2002

Monthly household expenditure category	No. of households	% With problems meeting food needs sometimes, often or always	% Where children below 15 years collect water and/or fuel	% With person/s in permanent employment	% With member/s of a trade union	% With person/s in informal or domestic work	Expanded unemployment rate
R0–R399	3 205 927	54%	13%	22%	6%	32%	55%
R400–R799	2 890 267	42%	15%	34%	13%	26%	51%
R800–R1 199	1 329 752	28%	9%	56%	28%	25%	41%
R1 200–R1 799	831 533	19%	5%	63%	36%	17%	37%
R1 800–R2 499	654 841	12%	2%	73%	46%	13%	24%
R2 500–R4 999	826 267	8%	1%	74%	42%	10%	20%
R5 000–R9 999	554 766	4%	0%	78%	34%	9%	10%
R10 000 or more	224 252	3%	0%	78%	28%	6%	7%

Source: Statistics SA, Labour Force Survey CD ROM, September 2002.

Poverty and Inequality

Despite South Africa being an upper-middle-income country, its rate of poverty (a measure of the extent of absolute poverty) stood at 45% in 2000. This translated into 3 126 000 households or more than 18 million citizens. South Africa's high poverty rate is primarily due to apartheid's legacy, where the majority of the population was deprived access to income-generating assets. In 1995 the poorest 20% of households received a mere 1,9% of the total income in South Africa. By 2000 this share had dropped still further to 1,6% of total income. The poorest 50% of the country's households also slipped backwards in these five years relative to the richer 50%. The poverty divide remained racial – in 1995 the average white household earned four times as much as its average African counterpart. In 2000 the average white household was earning six times the average African household.

Poverty lowers the productivity of the labour force by making skills acquisition harder and increasing social fragmentation. This reduces household incomes, which limits domestic markets. South Africa has been described by the World Bank as being among the world's most unequal economies, with a Gini co-efficient measuring 0,58. More recent analysis using the 1996 Population Census data put the Gini co-efficient as high as 0,68⁶. Approximately 6% of South Africa's population captures over 40% of income earned.

As table 26 shows, rates of unemployment rise according to monthly household expenditure category. High rates of unemployment in urban and rural areas also coincide with low quality impermanent jobs and serious problems in accessing minimum basic needs like water, food and energy.

Unionisation Rates

Unionisation rates have been dropping slowly since 1997, but with a faster drop in the last year due to ongoing layoffs.

As with unionisation rates, membership has declined in the last year. This was a matter of debate in the labour movement congress that occurred this year. Unions have pledged themselves to stabilising and growing their

Table 27: Unionisation rate

Category	1997	2002	2003
Total formal sector excluding agriculture	36%	35%	32%
Total formal sector	30%	28%	26%
Total public sector	43%	61%	60%

Note: Figures for employment by sector generally do not include the informal sector, which is estimated to have a unionisation rate of 5%.

Source: COSATU 8th Congress Organisational Review. Original source for private sector figures: Statistics SA Survey of Employment and Earnings.

Table 28: Union membership

Category	1997	2002	2003
Total formal sector excluding agriculture	1 218 600	1 106 500	1 011 000
Total formal sector	1 247 600	1 128 700	1 033 000
Total public sector	543 400	739 900	734 100

Note: Figures for union membership derived from reports to COSATU, and may not be accurate due to poor membership systems.

Source: Cosatu 8th Congress Organisational Review.

membership base. The largest labour federation remains the Congress of South African Trade Unions (COSATU), with almost two million members. Generally, where COSATU affiliates have low membership relative to their scope, the reasons are:

- Their scope includes a lot of vulnerable workers, as in agriculture and retail.
- Some unions have not managed to penetrate small employers, remaining in historic strongholds in large companies. Meanwhile, some big employers, especially the parastatals, have seen huge job losses. In part, this reflects casualisation and outsourcing.

COSATU membership has dropped as workers who are union members have been retrenched, and where new jobs are then created that are largely 'atypical', i.e. casual, outsourced and temporary. COSATU aims to recruit members from these employment sub-sectors, but at the same time each union is encouraged to grow membership by 10% per year from 2003 to counteract declining membership. In most cases there is room for increased unionisation in sectors.

COSATU was launched in 1985 and became the most organised and powerful anti-apartheid force within the country as part of the Mass-Democratic Movement. COSATU is one of the fastest growing trade unions in the world and joined forces with the ANC and SACP in 1991 to work together in a Tripartite Alliance to advance socio-economic reconstruction and transformation. The Alliance programme became known as the Reconstruction and Development Programme (RDP), which served as the ANC manifesto in the 1994 elections. The RDP identified four main strategies to promote more equitable ownership and incomes:

- the provision of government services to poor communities;
- skills development and education;
- appropriate strategies for the development of key economic sectors; and
- supportive macro-economic policies to expand economic activity.

Neo-liberal Economic Policies

In 1996, however, the South African government introduced a neo-liberal macro-economic policy called GEAR (Growth, Employment and Redistribution Strategy) to stabilise the South African economy. This macro-economic framework promoted budget cutbacks, tax cuts for the better off, trade liberalisation and privatisation. This was to appease international investors and the large domestic companies. Statistics indicate that GEAR failed to achieve most of its objectives, especially on job creation and poverty reduction. Instead, many people lost their work and this increased the level of poverty in the country. GEAR stands in sharp contrast to the RDP, which had called for active State intervention in the economy to redress the high levels of inequality and poverty.

Labour Legislation and Union Practices

The new democratic government introduced a series of laws to pave the way for better labour

relations. The new laws passed since 1994 include the Labour Relations Act, the Basic Conditions of Employment Act, the Employment Equity Act, the Skills Development Act and the Unemployment Insurance Fund.

The Labour Relations Act (LRA) protects collective bargaining rights. However, the LRA excludes 'independent contractors' from the definition of 'employees', which paved the way for employers to utilise so-called 'independent contractors' instead of employing workers with full rights and benefits. This loophole in the Act has deprived casual and contract workers of their rights.

Another shortcoming of the Act is that it prohibits strikes in response to retrenchments. Section 189 requires that employers consult with the workers before retrenchments but in practice, employers merely inform workers about their plans to retrench. This paved the way for mass retrenchments as employers were allowed to retrench for (widely-defined) 'operational' requirements.

On the other hand, the Act requires fair reasons and fair procedures for retrenchments to put an end to the widespread victimisation of workers that was common under apartheid rule. The LRA also sets out (manageable) procedures for going on a protected (legal) strike. However, large categories of workers in 'essential services' are excluded from the right to strike.

The Employment Equity Act (EEA) places an obligation on companies to redress inequalities in the workplace. Like in Namibia, employers have to develop plans to increase the recruitment and promotion of people from previously disadvantaged groups ('designated groups') such as blacks, women and people with disabilities. This Act enjoys a lot of public support but there appears to be a high rate of non-compliance by companies who prefer to pay penalties instead of changing their employment profile. The government's capacity to monitor the implementation of the Act is limited.

The Basic Conditions of Employment Act (BCEA) provides a basic floor of rights for all workers but fails to offer sufficient protection for vulnerable workers like casual workers, domestic and farm workers. The Act also does not provide minimum wages and requires workers to negotiate their wages with employers. This makes vulnerable workers dependant on the mercy of their employers and many are already below the poverty line.

The BCEA also lowered maternity benefits by setting a minimum of four months unpaid leave, whereas the Unemployment Insurance Fund had allowed women six months paid benefits.

The Skills Development Act was introduced to force employers to contribute 1% of their wage bill to a skills and training fund. Employers who implement their own skills development programmes can claim their money from the fund. In general, the Act is welcomed by unions, although they often lack the capacity to influence its implementation.

Despite the shortcomings in the implementation of these laws, trade unions feel that they have strengthened the organisational rights for workers in South Africa.

ILO Standards

South Africa ratified all seven ILO core labour conventions between 1996 and 2000. The national labour laws are in line with these conventions. For example, the EEA was

framed along Convention 111, which prohibits discrimination at the workplace. South African labour law prohibits discrimination on the basis of pregnancy, HIV status, conscience, belief, language, etc. In compliance with Convention 87, the LRA of 1995 allows workers and employers to freely form their own organisations. No person has the right to discriminate against another for practising this right.

Despite these legal commitments, there are many problems experienced during implementation. Although child labour is outlawed, it is still common, especially on farms. The government and trade unions are working hard to stop the practice. Likewise, equal remuneration is guaranteed under Convention 100, but the South African government leaves it up to the unions and employers to negotiate equal remuneration through collective bargaining. As the wage gap is still wide along racial and gender lines, a lot more will have to be done to make equal pay for work of equal value a reality in South Africa.

Innovative Union Strategies

COSATU has on-going national campaigns on budget processes, social security for the poor, job-creation, HIV/AIDS, Multinational Corporations (MNCs) and against privatisation. All these programmes are carried out in conjunction with other progressive forces such as NGOs and churches.

One of the most innovative affiliates of COSATU is the South African Transport and Allied Workers Unions (SATAWU), which organises the transport, security and cleaning industries. In the absence of any significant public transport system, most commuters use taxis (mini-buses), which are part of a turbulent, under-regulated and violent industry.

Case Study: Organising South Africa's Taxi Industry

The taxi industry is the main mode of public transport and generates an annual turnover of R15 billion. The industry employs more than 130 000 people and is characterised by violence, high road deaths and extreme labour exploitation, especially among drivers. Most taxi drivers are paid on the basis of a 'target system' which means that they are paid according to the number of trips and passengers. Thus, they overload, drive fast and recklessly in order to ensure a better income.

SATAWU started a taxi recruitment campaign in September 2000, urging taxi drivers to join the union. Despite several obstacles like victimisation and intimidation by taxi owners, the union managed to recruit several thousand members and helped them to negotiate proper employment contracts with benefits and more appropriate targets. SATAWU has also started to prepare recognition agreements with the taxi industry in some provinces that have taxi association structures. The union works with government to regulate the industry and a major achievement was the agreement in 2001 to form a National Taxi Association. This could pave the way for setting industry-wide standards for taxi drivers and other workers in the sector.

SATAWU helps taxi drivers with disputes and was instrumental in establishing a sectoral skills body for the transport sector in line with the Skills Development Act. Taxi drivers are represented by this body.

SATAWU managed to implement a cash subscription system for its membership fees from taxi drivers. They pay R10 per month and the money is collected by shop-stewards who pass it on to union organisers.

Challenges and Opportunities

Despite the progress made during the past decade, trade unions in South Africa face several challenges. They need to find strategies to resist neo-liberalism and build alternatives to the government's neo-liberal GEAR strategy. This includes building broad-based resistance to the government's privatisation programmes which still go ahead despite anti-privatisation strikes in 2001 and 2002. Public sector restructuring has not only resulted in massive job losses but also in price increases for basic services, which have become unaffordable for the poor.

The labour movement will have to build strategic alliances with other organisations to halt and reverse this trend.

South African unions will also have to play an active role in international solidarity campaigns to tackle multinational corporations and international financial institutions that drive the globalisation process. In recent years some success was achieved in tackling multinationals but much more still needs to be done.

The labour movement regards the increasing number of casual, temporary and contract workers as a threat to its bargaining power. Unions need to organise these vulnerable workers but most do not have specific strategies to organise them. This is a key area unions need to address to broaden their membership base and become inclusive of vulnerable workers, women and young workers. Unions also need to improve their service delivery to their current members to retain them.

Conclusion

The case studies covered in this booklet show that the conditions under which trade unions in Africa operate vary significantly. In some countries workers and their unions enjoy basic labour and organisational rights, whereas in others they are exposed to suppression and intimidation by employers and the State. There are, however, some common trends that the labour movement in Africa needs to confront.

One striking issue is the question of representation. Traditionally, trade unions concentrate on recruiting members in the formal sector but in several African countries, formal sector workers are just a minority of the labour force. Unions will therefore have to broaden their membership base beyond the formal sector to include the many millions of workers in the informal small business sector. The ILO defines this sector as consisting of establishments which carry the characteristics of household enterprises (established with the primary objective of generating income and employment for household members) and which are not registered under any specific form of national legislation. Such 'household enterprises' are usually small, employing just the household members and a small number of paid employees on an occasional basis but not on a continuous basis. There are, however, various definitions of the informal sector. In Turkey, for example, unregistered establishments with fewer than five employees are considered to be operating in the informal sector.

The point for African trade unions is that far too many workers in the small business sector are currently not unionised. They present an enormous potential for membership growth and the poor conditions of employment in large parts of the informal sector can only be improved through a combination of protective legislation and unionisation. African unions will also have to pay far more attention to gender issues and become organisations that are relevant for and responsive to the needs of women workers. The same applies to young workers who often regard trade unions as irrelevant to their interests.

Another key issue for African unions - and the international labour movement - is the question of how to deal with the onslaught of neo-liberal economic

policies. They were first introduced as the IMF and World Bank prescribed structural adjustment programmes in the 1980s and 1990s and had a devastating effect on workers and the poor. Today, many governments adopt similar policies and describe them as their 'own' invention. Namibia, South Africa and the New Partnership for Africa's Development (NEPAD) are typical examples in this regard. Although the labour movement has repeatedly opposed such policies and even presented its own alternative proposals (as in Zimbabwe and South Africa), governments are usually not willing to listen and rather lend an ear to the business lobby and the IMF/World Bank 'advisors'. Unions will therefore have to develop strategic alliances with other progressive organisations to create the necessary groundswell to force governments into a change of policy.

Several trade union movements on our continent are already engaging in issues beyond 'bread and butter'. Although it is critical for unions to render good services to their members and assist them with their workplace-related problems, unions have to engage the policy arena if they want to address the root causes of the problems that African workers are facing today. At times, trade unions at national level backed a specific political party or went into politics themselves - with mixed results. The Zambian case, for example, has shown how a former union leader may become president and then turn against his former labour constituency. African workers will therefore have to ensure that their unions engage in politics with a clear mandate and enough independence to promote a workers' agenda.

These are some of the key challenges for the African labour movement today.

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Footnotes

- 1 Informal sector statistics have proved hard to measure consistently – the sector may be larger than indicated.
- 2 According to official statistics in 2002, the Metals and Engineering sector constituted 29.3% of formal manufacturing employment – a total of 371 000 jobs (Source: IDC 2002).
- 3 Please note: due to a change in statistical methods and survey implementation utilised in the national statistics post 1999, the figures for the 1990s are not strictly comparable to those commencing 2000. Therefore, where necessary, the post-2000 figures are reflected as a separate table. The two sets may be integrated in the future.
- 4 Figures in dollars for some of these tables are given in the accompanying dataset. The exchange rate at 25 November 2003 was R6,65 to a US dollar.
- 5 Median values, as opposed to averages, give a better indication of the centre of the dataset in skewed (non-normal) distributions.
- 6 Although the National Government disputes this figure.