

# SA's bargaining structures need to change

Labour Minister Mildred Oliphant says South Africa needs to find a solution for the failing labour bargaining structure.



Labour Minister Mildred Oliphant says that the SA's labour bargaining structures may need to change in order to encourage investment in the country's economy.  
Image: [The Weekly](#)

"Government, unions and business have an important role to play in order to maintain a stable labour force and fair labour practices that will attract investors and inspire economic growth," said Oliphant in response to the Industrial Action Report 2013, which shows an increase in strike incidents between 2012 and 2013.

The report, released last week by the Minister, shows a rise in strikes from 99 in 2012 to 114 in 2013. A total of R6.7bn in wages was lost by workers last year compared with R6.6bn the year before.

The strike-related statistics are based on information supplied by employers who have to fill in Labour Relations Act Forms after a strike ends.

Oliphant said the findings do not attempt to report extensively on the current industrial disputes in the country this year.

"This is because some of the strikes that my department has identified have not yet concluded and information has not been processed. However, a five-year analysis for the years between 2009 to 2013 is provided to show the impact of industrial action on the labour market and the economy in general."

## Working days lost

While an increase in the number of strikes was recorded, the report finds that working days lost between 2012 (3,309,884 work-days) and 2013 (1,847,006 work-days) decreased by 44.2%.

"As has been the trend in the past, the report noted that wages was still the main reason for workers going on strike. As the cost of living keeps rising because of a number of factors, workers are likely to continue to strike over wages," she said.

To address the issue of reducing strikes linked to wage demands, Oliphant said:

"Possibilities of increasing minimum wages to reduce poverty and inequality, and to expand the provision for retirement savings for low income workers will come into sharp focus in the future."

Oliphant went on to say that In the mining industry, union rivalry between the Association of Mineworkers and Construction Union (AMCU) and National Union of Mineworkers (NUM) continued to stretch the wage negotiations and fuel strikes in other sectors such as manufacturing and stall industrial production.

"In all cases, wage agreements reached were below the initial demand by unions and were followed by other negative employment trends such as job losses.



The number of work-days lost to strikes in South Africa in the years between 2005 and 2009 were the highest of any country in the world according to figures released by the Department of Labour.  
Image: [Zero Hedge](#)

## Manufacture and mining hurt by strikes

"By industry, the community, social and personal services industry was mostly affected by strikes in 2012 and 2013, followed by mining and manufacturing.

According to the report few strikes were recorded in the finance and utilities sectors in both periods.

It also shows that out of 114 strikes in 2013, 42% were protected whereas in 2012, the Department of Labour recorded more that 54.5% of 99 strikes that took place were protected.

By trade union, the findings show that 25.2% of the total work-days lost in 2013 (1,847,006) were recorded in the South African Transport and Allied Workers' Union (Satawu), followed by NUM (17.4%) and the National Union of Metalworkers of South Africa (Numsa) at 16.3%.

This was unlike 2012, where the NUM and AMCU had more member participation in strikes. This, according to the report, might imply that more workers, who were involved in strikes, came from these unions.

By province, the report indicates that the North West (48.5%) and Gauteng (41.5%) were the two provinces most affected by strike action and lost wages last year.

On average, South Africa recorded the highest annual average of 292.6 work-days lost per 1,000 workers in the years between 2005 and 2009. It was higher than any other country in the same period.

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