Great Expectations: Working Conditions Since the End of Apartheid (Agriculture, Forestry and mining)

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- Early 2006: violent strikes – 60 people killed
- Mai 2008: Xenophobe attacks – 62 people killed
- August 2012: 45 people killed during protest at Marikana platinum mine
- Since 1994: 2000 farm killings and many more farm workers killings
  
Growing disenchantment with the “New” South Africa

Demands for improved labour/living conditions legitimate

Worrying is that they are expressed with increasing violence
Political economy of South Africa focusing on an essential, yet often overlooked, cause for frustration among the majority of South Africans, namely their inability to access satisfactory jobs since 1994.

3 sectors: Mining, forestry and agriculture
- Importance in structuring SA society and economy
- Different degree of unionisation
- Violent labour relations, with rapid casualisation presently

4 parts
1) Great expectations

• Black populations weakened both as capitalists and as labourers
  - Deeply shaped social relations of production
  - Geographical organisation - Migrant labour (reserves/abroad)

• Violent strikes of 1973 led to the emergence of unions

• Industrial Conciliation Act (ICA) of 1979 and to recognise black workers’ unions

• Labour Relations Act (LRA) of 1995 restructured the relationships between employers and employees

• Basic Conditions of Employment Act (BCEA) of 1997 defines the employee & regulates working conditions
1) Great expectations

- Some regulations = all sectors
- Number of measures = negotiation agreements within each business or branch
  (allows government to intervene in sectors where workers are insufficiently unionised)

- Post-apartheid labour regime - (intended) collaborative nature
  (Northern-European model of industrial relations – in opposition to WB-IMF market-oriented model)

- While progress cannot be ignored (progressive constitution protection civil, social and economic rights), several dynamics constrained awaited improvements
2) Mining affected by deregulation and contracting

A globalised sector with strong labour organisation

‘minerals-energy complex’

1980: Sectoral agreements
   A sector with relatively “good” and respected labour conditions
   (direct and indirect salary)

1987: Decrease in world prices – reversal of working conditions
   Substitution labour with capital - Increased retrenchments
2) Mining Affected by Liberalisation and contracting

Liberalisation and the withdrawal of the State, accompanied by political desire to undermine the power of oligopolies

- New organisation models
  - larger companies moved abroad or registered offshore
  - emergence of medium-sized, often foreign-owned mining enterprises, with temporary licenses
  - since 1998, promotion small-scale, mainly black activities
- Outsourcing of labour (30% 2000 – 70%? Now)
  - formal (labour surplus)
  - informal contractors (12% ?- evade legislative requirements and limit union action)

Temporary mining activities, (low investment), profitability ~ reorganisation of labour

Intense labour exploitation, precarious status, even illegal employment depends on available work and on actual profits
3) Forestry – chain outsourcing

Semi-industrialised sector, with collapsed labour organisation

Part of the Minerals-Energy Complex (Sappi & Mondi)

Low margins, long establishment
- State played direct role in the establishment of plantations, through subsidies and credit facilities
- Integrated structures

1980-unrests - Most labour-intensive parts were outsourced
- When deprived of integration with downstream activities, very risky activity with small margins
- Strict control of production and costs, aggressive strategy to reduce remuneration of contractors
3) Forestry – chain outsourcing

2 consequences –
• Huge bankruptcy rate
• Chain outsourcing practices – up to contracted individual workers

Pressure on labour conditions
• Casualisation of working conditions
• But mainly, workers subject to task work (workers taking on business/physical risks)

Union mobilisation did not lead to improvement
Sectoral determinations
4) Agriculture - Failure to Secure Labour and Land

Conservative sector – “Patronal” agriculture

Agricultural labour - labour legislation and land appropriation
- Dispossession, displacements and suffocation of black peasantry
- Unions prohibited until 1994
- Terrible working conditions, dependence and paternalism

1994: attempt to secure labour and land ownership
- LRA and BCEA - legal protection to agricultural workers (initially no minimum wage)
- Labour Tenants Act (LTA) in 1996 and the Extension of Security of Tenure Act (ESTA) in 1997, which provided a legal framework for evictions
- Land redistribution and restitution
4) Agriculture - Failure to Secure Labour and Land

Labour laws not applied (salary, working and living conditions insecure)

New laws negative impact on the working and living conditions of farm workers.
  • Increase in evictions
  • Increased tensions between farm owners and farm workers

Change in practices and have accelerated the evolution of the social division of labour
  • Mechanisation & less labour-intensive activities (game farms)
  • Seasonal and/or temporary workforce
  • No farm residence
  • Foreign workers (illegal employment)
4) Agriculture - Failure to Secure Labour and Land

Land reform – no major agrarian restructuring

After 2000-accelerated since 2008
• Major agrarian change in the “commercial” sector
• Renewed interest in agriculture
• “production grabbing”

3 major actors, all related to financial sector
• Commercial banks, investment funds, agricultural engineering companies
• Corporate-managerial model
Main characteristics:
• Financial paradigms – futures markets, shareholding, high IRR and risk control (several farms)
• Capitalisation - Limited labour (qualified)
• Outsourced and flexible – Formal outsourcing model (Shareholders pressure)

 Totally different trajectory than the 2 other sectors:
• Presently, converging tendencies
• Agriculture as an “orthodox” sector
• Initially “commercial land” – now “failed” land reform/”former-reserve” lands
South Africa’s transition accompanied by casualisation of status and conditions of labour

BEE/Agri-BEE
Elements of labour flexibilisation
As a component of a necessary trajectory and a vehicle for transformation (establishment of a black bourgeoisie)

economic liberalisation and the withdrawal of the State
&
the South African specificity of racial/social segregation