

# Deregulation will pave the way to exploitation

SOUTH Africa has in recent months announced various economic measures as part of its comprehensive response to deepening crisis.

In essence they constitute nothing less than a direct attack on the living standards of workers.

And the deregulation of industrial zones is seen as one aspect of this attack which is aimed at rescuing the ailing economy from one of its deepest crises.

Deregulation must be seen as part of the broad attack on the democratic trade union movement which has come in the form of restrictions and detentions under the state of emergency, the pending labour Bill and mass dismissal of legally striking workers.

Along with privatisation, deregulation was listed as a

priority late last year in the government's attempts to bring down inflation.

This plan was supported by all major bosses' organisations and was in fact first mooted by a group of Anglo American Corporation researchers who had been to Korea and Taiwan in the Far East, where super-exploitation of workers is the norm.

## PROBLEMS

The proponents of the policy of deregulation believe that they can solve the problems of unemployment by getting rid of minimum wages, limits on working hours, leave and sick pay, fire escapes, protective clothing, subsidised canteens and maternity leave. These are rights that workers

have won through hard struggle.

The government gave effect to the plan in the form of the Temporary Removal of Restrictions on Economic Activities Act. This law empowers the government to suspend provisions contained in the Labour Relations Act and Basic Conditions of Employment Act.

This will effectively result in entire industrial areas being declared trade union-free zones.

Already some areas, among them the Kew industrial region near Alexandra township, have been deregulated.

But far from portraying the move as an attack on workers, the government has argued that it will increase employment and extend business opportunities to more aspiring black man-

agers and entrepreneurs.

Having removed a range of restrictions, they argue, the cost of running a business will be drastically cut, allowing more people the opportunity to enter the world of commerce and industry.

## FAILED

What they have failed to point out in clear terms is that the removal of "restrictions" or regulations governing minimum conditions of employment will effectively remove basic rights of hundreds of thousands of workers. The cost cutting exercise will be achieved almost exclusively at the expense of workers.

One needs to look no further than one of the first

examples of deregulation to appreciate the implications for workers.

The government's draft proclamation establishing the deregulated zone in Kew clearly outlines a reversal of crucial gains made by workers through years of struggle.

On the question of health and safety, the proclamation points out that companies employing less than 20 workers would no longer have to take special precautionary measures as required in terms of the Machinery and Occupational Safety Act.

The proclamation suspends the requirement that bosses provide protective clothing and equipment for workers engaged in dangerous tasks.

## DANGERS

It also suspends regulations which make it compulsory for proper ventilation to be provided in rooms used for welding and spray painting.

Again it fails to point out that workers are being subjected to extreme dangers just to create more businesses and higher profits.

Not only does deregulation compromise safety standards, it directly attacks the living standards of workers.

Botha's proclamation, for example, also suspends minimum wage regulations and provisions contained in the Basic Conditions of Employment Act.

The net effect of this would be to remove all restrictions relating to minimum wages, overtime, dismissals and shift work.

In the last two years, the government has exempted a number of sectors from wage determinations which require that employers pay a statutory minimum to their workers.

A wage determination in the rubber industry, for example, contained clauses which exempted bosses employing less than 20 workers. Similar exemptions were also contained in the wage determinations for the commercial and distributive trade, the catering sector and the coffee and chichory industries.

While it is possible that employment will certainly be created at lower costs to bosses, the process of deregulation is certain to increase unemployment in the long-term.

This will occur when big businesses turn to factories in deregulated zones and shut down their own operations which are subjected to minimum wage and safety regulations. Thousands of jobs will be lost in the process.

A more important reason for turning to deregulation can be found in the growing power of progressive trade

unions which have deepened and increased the level of organisation on the factory floors, shops and in the mines.

The case of the growing importance of the National Union of Metalworkers of South Africa (Numsa) in the steel and engineering industrial council is perhaps one of the best examples of the threat that workers pose to the system of continuing exploitation and how the government has chosen to deal with it through its deregulation strategy.

If, for example, the union wins substantial increases, the government will simply exempt certain employers from paying the gazetted rates.

The number of workers who could be affected is vast. According to Numsa, close to half of the 9 000 members covered by the bosses' organisation, Seifsa, are small businesses employing less than 20 workers.

These could all be eligible for exemption in the same way as factories in Kew.

Given the significant proportion of the industry these factories represent, any exemption could well generate serious downward pressure on wages throughout the industry.

The role of big business has to be seriously questioned in the move towards deregulation.

It is a known fact that monopoly capital has been at the forefront of the attack which has been disguised as deregulation. An estimated 70 percent of the capital of the Small Business Development Corporation (SBDC), which promotes the development of small businesses of the type that can be deregulated, is provided by 20 percent of the biggest companies.

## CRISIS

The political significance of the economic measure cannot be underestimated.

The government and its allies in big business hope to create a class of black entrepreneurs who will have a vested interest in the existing system.

This was confirmed by a leading businessman during the celebration of the 70th anniversary of the Federated Chamber of Industries last year during which he said that privatisation and deregulation must be seen as part of the plan to create opportunities to move away from the "conflict mode".

"Deregulation will not solve the economic crisis," trade unions have warned. Instead, it will serve to create a small group of fat-cat businessmen and lead to a further decline in the living standards of the workers.

This in turn is certain to lead to continuing resistance on the factory floor.

## Miners suing Vlok go missing



Striking miners from Western Deep Levels mine at a press conference after suffering injuries as a result of police action.

TWO mineworkers, who are suing the Minister of Law and Order, Adriaan Vlok, for close to R200 000 have gone missing.

The workers went missing on March 19 after being summoned to the offices of the Western Deep Levels mine management. The mine is owned by Anglo American Corporation.

According to mine management, the two were arrested by the South African Police (SAP) and taken away from the mine security offices.

Nothing has since been heard of the miners, who are both members of the National Union of Mineworkers (NUM).

According to a Mr Peens from the mine, the workers were summoned for the purpose of taking statements for pending disciplinary hearings.

## ARRESTED

Peens claimed that he did not know about the police, or why they arrested the two miners.

It is feared that the miners may have been sent back to the homelands but this could not be confirmed.

The two mineworkers are suing Vlok for injuries

received when police shot and partly blinded them during last year's wage strike.

The mine bosses at Western Deep Levels have also reduced the injured miners' wages because of the disabilities suffered as a result of the police action.

One of them, Sylvester Ussivane, claims that he was shot in his left eye. The eye had to be removed as a result of the shooting.

Ussivane also claims that he was shot on his nose and became permanently disfigured. He now experiences difficulty in breathing.

Ussivane's salary has

been reduced to R160 a month because he can no longer work as a machine operator.

The other worker, Simon Tsietsi, alleges he lost his right eye as police opened fire on striking miners.

## SALARY

Tsietsi also claims to have suffered permanent disfigurement as a result of the police action.

The bosses have also reduced his salary to R183 per month due to his disability.

Tsietsi is claiming R84 018 from Vlok