

Artisans' increases behind labourers, but beat inflation

The average wage increase for artisans between July 1990 and June 1991 was 17,4%. While this wage increase beat the inflation rate for that period, it was lower than the 20,7% average wage increase for labourers.

These are the results of the Labour Research Service's latest review of artisans' wages. A total of 98 artisans' wages were surveyed from AWARD, the Labour Research Service's Actual Wage

Rates Database.

Altogether, 63% of the sample won increases above the inflation rate of 14,5% for the survey period. But these increases are spread over a large range from 14,6% up to 50%.

Of the sectors surveyed, only the metal products sector settled below 14,5%. Artisans in this sector won an average increase of 14,2%. The highest average increases were won by artisans in the iron and steel sector. There, artisans secured an increase of 19,6%, on average. The building products sector was not too far behind, settling for an average increase of 18,6%.

Artisans' wages too are widely distributed. At one extreme of the

Harmonisation of working conditions

In most companies, workers are divided into "staff" and "workers". Staff are generally white-collar workers who do administrative work. Workers are often called blue-collar workers, because they wear overalls.

But the colour of their collars is only a symbol. Working conditions often vary considerably. "Staff" normally have far better conditions than the workers. Management is often more lenient with the staff in the case of disciplinary offences, such as latecoming.

This issue is answered by "the harmonisation of working conditions". This demand means that white-collar staff and blue-collar workers should be treated the same. Here are some examples:

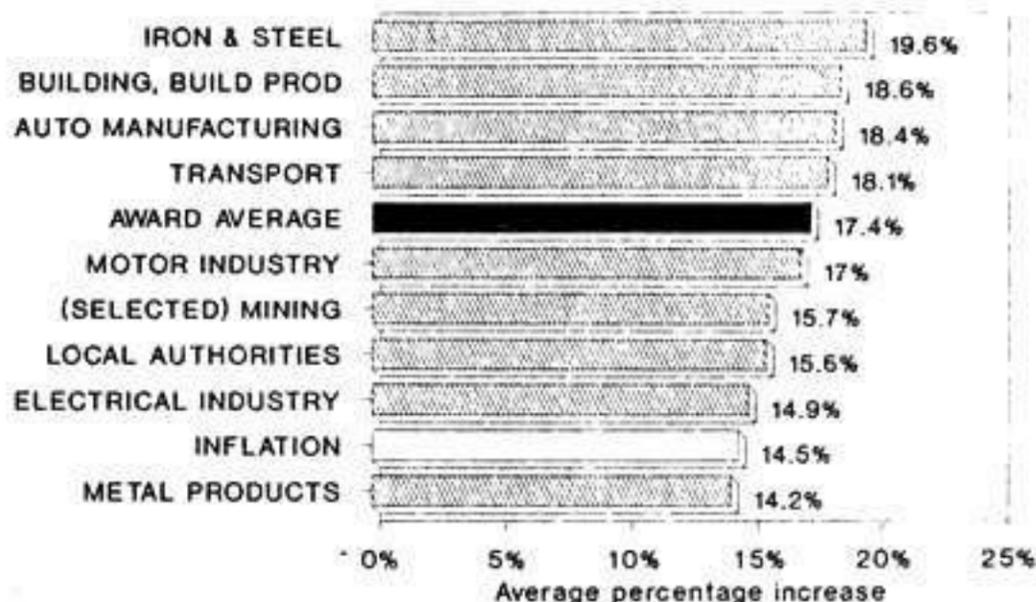
- everyone should clock in (from the managing director down), or no-one;
- there should be one canteen for everyone;
- everyone should get the same kind of overalls, and the same colour (from supervisor to cleaner);
- disciplinary rules should be the same for everyone, and applied the same;
- annual leave should be the same for all employees;
- hours of work should be the same;
- parking bays should be allocated according to service, not rank.

There will be other examples at your own factory.

Harmonisation of working conditions is a useful demand, especially in the era of the "social contract"! ♦

AVERAGE INCREASES

Iron & Steel secures the top increases



Labour Research Service 10/91

graph, only 2 companies pay artisans a rate below R5,00 per hour. These are Progress Furpile and Progress Knitting & Textiles, which pay artisans R4,60 and R4,59 per hour respectively. Both these factories are owned by Progress Industries Ltd, which is owned by the directors.

At the other end of the graph, only 6 companies pay artisans more than R13,51 per hour. The highest paid artisans work for Transwerk, the engineering division of

Transnet. There, they are paid R17,93 per hour or R807 per week, based on a 45 hour week.

Amongst these 6 companies are two municipalities, Johannesburg and Pretoria. Artisans working at these municipalities earn R15,98 and R14,07 per hour, respectively. These cities have large tax bases and so are able to pay high wages to their artisans.

Of the different artisan categories surveyed in this review, fitters are the highest

paid. They earn an average wage of R10,70 per hour or R482 per week, based on a 45 hour week. Electricians are the second highest paid at R10,63 per hour, on average.

The lowest paid artisans are in the building trade. They include bricklayers, carpenters and plumbers. They earn an average wage of R8,10 per hour or R365 per week, based on a 45 hour week.

The majority of building artisans in this survey fall under industrial councils, which set minimum wage rates. Actually, the shortage of artisans and the demand for skilled labour result in artisans being paid higher wages than industrial council minimum wage rates. ♦

New SLL figures released: in real terms, a surprising decline

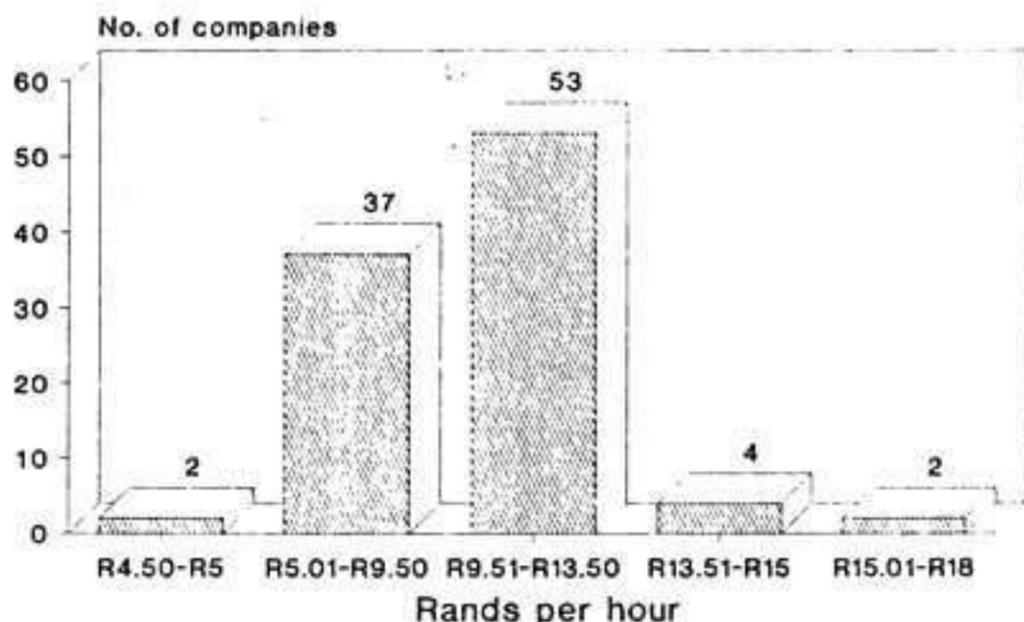
The Bureau of Market Research at Unisa have announced their latest figures for the Supplemented Living Levels. The average African family now needs R872,67 per month to enjoy "a modest, low-level standard of living".

That's R201,40 per week, or R4,48 per hour for a forty five hour week.

The Supplemented Living Level has increased by only 12,1% since 1990. Compared to the Consumer Price Index, that means a 3,1% decline in

DISTRIBUTION OF WAGES

Majority earn between R9.51 & R13.50



Labour Research Service 10/91

SLL (major centres)	Per month	Per week
Durban	R986,75	R227,73
Pretoria	R926,05	R213,72
Cape Peninsula	R922,51	R212,90
Johannesburg	R842,98	R194,55
Port Elizabeth	R862,78	R199,12
Bloemfontein	R786,69	R181,33
South Africa	R872,67	R201,40

Source: Bureau for Economic Research

real terms. Why did the SLL go up by only 12,1% when the CPI went up by 15,6%? The CPI is supposed to measure the cost of living, and the SLL is supposed to do something very similar.

The main factor in the lower increase in the SLL is probably the continuing rent crisis in African townships. Rents in many areas have not been increased for some years. This may have brought down the overall cost of living in real terms. But just wait until VAT is covered in the next set of SLL figures! ♦

Company profile: Tollgate

Tollgate Holdings was changed from a road passenger transport company in 1988 to an industrial holding company in 1989 by buying interests in companies in food (Gants), textiles (Arwa), tourism (Entercor and Budget Rent-A-Car) and distribution (Norths).

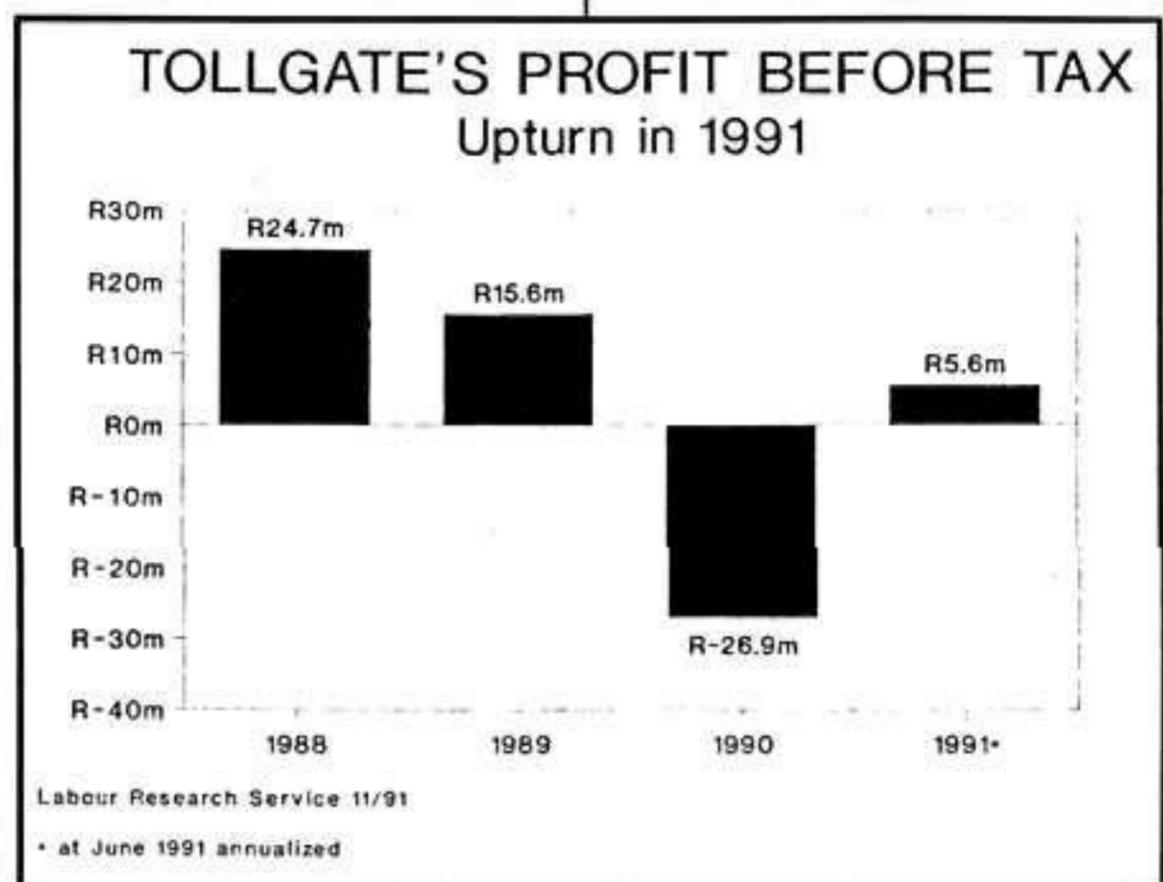
A consortium headed by

Mr Julian Askin took control of Tollgate in June 1990. His analysis of Tollgate was that it was overborrowed, inefficiently managed, totally lacking in strategic direction and suffering big losses in its subsidiaries. His solution was a ruthless rationalisation resulting in a 52,6% decrease in the group's workforce from 19 000 to 9 000. Reducing the group's debt was the main reason for selling off its subsidiaries.

While it is difficult to compare the group's profits with previous years because of its radical changes, Tollgate showed a profit in June 1991 for the first time since 1989.

But the Tramways division is profitable. "Our rationalisation of the group's commuter bus interests has returned this division to profitability but not, I believe, to levels of return on these considerable assets that are acceptable to the shareholders of a publicly-owned company" (*Chairman's statement, 1990 Annual Report*). The *Cape Times* (18 November 1991) reports that the group's passenger transportation subsidiary, City Tramways, will soon be sold.

According to *Financial Mail* (9 August 1991), selling City Tramways will reduce the group's debt to zero. City Tramways employs 2 200 workers and is responsible for the public bus transport in the Cape Town area. Mr Askin was clear that the group has no social responsibility: "It is not the proper task of Tollgate to operate efficiently a high-cost commuter division solely on the basis of providing an extensively regulated



social service against unregulated competition..." (Chairman's statement, 1990 Annual Report).

The "taxi war" in Cape Town has shown the importance of having an efficient public bus service. While Tollgate is negotiating with an undisclosed party, Askin has given the assurance that City Tramways will not sell off the buses as Putco did (Financial Mail, 9 August 1991). ♦

Striking back at unions: the blacklist

A service which offers to check the strike record of prospective workers has appeared in the Western Cape, reports the SA Labour News.

SR Investments claims to be able to run a strike check on future workers, through a centralised computer data base. Subscribers to this service will in return provide information on workers who have participated in strikes.

The strike check effectively creates a "blacklist" of workers who have taken part in industrial action, making their future employment prospects very difficult.

This service is seen as a way of possibly getting back at unions who use strikes as a weapon supporting "unrealistic demands". Denis Nel of SR Investments said: "We want to eliminate strikes.

Inflation

Consumer Price Index (1985=100)

Annual rate of inflation (% increase over 1 year)

Area	Nov 1991	Nov 90 - 91
Cape Town	122.8	15.5%
Port Elizabeth	121.8	14.4%
East London	122.4	15.7%
Durban	121.5	15.0%
Pietermaritzburg	123.2	15.9%
Witwatersrand	122.6	16.3%
Vaal Triangle	118.4	11.7%
Pretoria	121.8	14.8%
Klerksdorp	121.9	14.9%
Bloemfontein	117.5	12.3%
OFS Goldfields	121.5	13.8%
Kimberley	121.8	15.2%
South Africa	122.2	15.5%

Area	Dec 1991	Dec 90 - 91
Cape Town	124.4	16.8%
Port Elizabeth	123.1	15.2%
East London	124.1	17.1%
Durban	123.1	16.1%
Pietermaritzburg	125.0	17.4%
Witwatersrand	124.3	16.7%
Vaal Triangle	119.8	13.0%
Pretoria	123.3	15.2%
Klerksdorp	123.1	14.8%
Bloemfontein	118.5	13.1%
OFS Goldfields	122.9	14.3%
Kimberley	123.0	16.0%
South Africa	123.8	16.5%

Source: Central Statistical Service

People will be more careful if they know that their names will be put on a list every time they go on strike."

One industrial relations expert says that this scheme is almost certainly an unfair labour practice. This is because the law guarantees freedom of association and trade union membership implies participation in collective action. Because members of the trade union go on strike collectively, black-listing individuals

would be victimisation.

Firms taking part in the service could face action from workers.

Nel, however, did not believe that the service could be viewed as an unfair labour practice or as victimisation or that it will cause industrial relations problems for the companies subscribing to it. What do you think? Nel has admitted, however, that the database does not yet exist. ☆