

# Industrial Action 2004

## Annual Report



**labour**

Department:  
Labour  
**REPUBLIC OF SOUTH AFRICA**





**labour**

---

Department:  
Labour  
**REPUBLIC OF SOUTH AFRICA**

# **Industrial Action 2004 Annual Report**

Publisher  
Department of Labour  
Chief Directorate of Communication  
Private Bag X117  
Pretoria  
0001

Contributors  
Editor-in-Chief: Botshabelo Maja  
Editor: Ian Macun  
Author: Thomas Mafela

Editing, layout and design, photography and distribution  
Media Production Unit  
Chief Directorate of Communication  
Department of Labour

Printer  
Government Printer

ISBN No:  
0-621-35952-1



# Contents

	Page
<b>List of Acronyms</b>	(iv)
<b>Executive Summary</b>	(v)
Chapter One	
<b>Introduction</b>	1
Chapter Two	
<b>Overview of industrial action in 2004</b>	3
Chapter Three	
<b>Trends in workstoppages and workdays lost, 2000-2004</b>	5
Chapter Four	
<b>Comparative analysis, 2003 and 2004</b>	7
Industrial action by industry	7
Nature of industrial actions	8
Workers involved in industrial actions	8
Workdays lost by industry	10
Workhours lost by industry	11
Industrial actions and workdays lost by province	12
Time-loss ratio by industry	12
Industrial action by establishment size	14
Duration of industrial actions	15
Reasons for industrial actions	16
Trade unions and industrial action	17
Chapter Five	
<b>Conclusion</b>	18
<b>Annexures</b>	19
<b>List of Tables</b>	
Table 1 Number of industrial actions and workdays lost by province, 2003 – 2004	12
Table 2 Trade union involvement in industrial actions, 2003 and 2004	17
<b>List of Figures</b>	
Figure 1 Trends in workstoppages in South Africa, 2000-2004	5
Figure 2 Trends in workdays lost due to industrial action in South Africa, 2000 – 2004	6
Figure 3 Industrial share of industrial actions, 2003 and 2004	7
Figure 4 Industrial actions distribution by its nature, 2003 and 2004	8
Figure 5 Number of workers involved in industrial actions by industry, 2003 and 2004	9
Figure 6 Industrial share of workdays lost, 2003 and 2004	10
Figure 7 Workhours lost due to industrial actions by industry, 2003 and 2004	11
Figure 8 Workdays lost per 1 000 workers by industry, 2003 and 2004	13
Figure 9 Establishments affected by industrial actions by employment size, 2003 and 2004	14
Figure 10 Industrial actions distribution by duration, 2003 and 2004	15
Figure 11 Percentage industrial actions distribution by main cause, 2003 and 2004	16

# List of Acronyms

AMCU	Association of Mineworkers and Construction Union
AMAWU	African Miners and Allied Workers Union
ATUSAW	Associated Trade Union of South African Workers
AWAWU	African Wood and Allied Workers Union
CAWU	Construction and Allied Workers Union
CUSA	Commercial Workers Union of South Africa
CEPPWAWU	Chemical, Energy, Paper, Printing, Wood and Allied Workers Union
FAWU	Food and Allied Workers Union
HOTELICCA	Hotel, Liquor, Catering, Commercial and Allied Workers Union
IMATU	Independent Municipal and Allied Trade Union
NDCAWU	National Democratic Change and Allied Workers Union
NEAWU	National Education and Allied Workers Union
NEHAWU	National Education, Health and Allied Workers Union
NETUSA	National Education Tertiary Union of South Africa
NEWU	National Entitled Workers Union
NUFBWSAW	National Union of Food, Beverages, Wines, Spirits and Allied Workers Union
NULAW	National Union of Leather and Allied Workers' Union
NUM	National Union of Mineworkers
POPCRU	Police, Prisons and Civil Rights Union
SACCAWU	South African Commercial, Catering and Allied Workers' Union
SACWU	South African Chemical Workers Union
SADNU	South African Democratic Nurses Union
SADTU	South African Democratic Teachers' Union
SATU	South African Typographical Union
SAMWU	South African Municipal Workers Union
SARHWU	South African Railway and Harbours Workers Union
SATAWU	South African Transport and Allied Workers Union
SU	Solidarity Union
TAWUSA	Transport and Allied Workers Union of South Africa
UASA	United Association of South Africa
UTATU	United Transport and Allied Trade Union
WCWU	West Coast Workers Union

# Executive Summary

The report on industrial action in 2004 reveals a clear rise in workdays lost. Some 1 286 003 workdays were lost through labour disputes in 2004, more than the total in 2003 (919 780), and slightly less than the average for the five years 1999-2003 (1 356 923). This represents an increase of about 40% on 2003 and is the highest annual total since 2001. However, there was a decline in the number of strikes in 2004 compared to the previous three years. There were 49 stoppages of work in 2004 because of labour disputes, fewer than the total of 62 in 2003.

There was a considerable variation across industries and economic sectors in the rate of days lost between 2000 and 2004. In 2000, there were 84 working days lost per 1 000 workers in the manufacturing industry, but this rate increased to 255 in 2001 before declining to 26 in 2002 and increasing to 121 in 2003 and finally decreasing to 63 in 2004. At a more detailed level in 2004, just like in 2003, the rate of days lost was highest in the mining and quarrying industry, where the strike rate was 926, followed by community, social and personal services with 204 and transport, storage and communication with 121. The construction industry was not affected by any strike at all in 2004.



*Approximately 1 286 003 workdays were lost in 2004 compared to 919 780 in 2003.*

## **Key points of the report include the following:**

- South Africa has experienced a fluctuation in the incidence of industrial action in the period 2000 and 2004. There was a year-on-year increase in workdays lost due to strikes between 2003 and 2004. Approximately 1 286 003 workdays were lost in 2004 compared to 919 780 in 2003
- There has been an increase two years in succession in workdays lost in South Africa between 2003 and 2004 before industrial calm in the past three years
- The province with the highest number of workdays lost was North West Province. This was after the strikes that affected the major platinum producers, i.e Angloplat and Impala Platinum in September 2004

- The majority of workdays lost resulted from large stoppages, but very few stoppages were large
- Two large strikes accounted for just over half (53%) of all workdays lost during 2004. These were the strikes that affected Angloplat and Impala Platinum in September 2004 and the public sector strike also in September
- The main reason for industrial action remains wages
- Most workdays lost were due to disputes over wages
- The community, social and personal services industry (with health, social work and education particularly prominent) was the most strike-prone industry in the period 2000-2002, while in 2003 and 2004, mining was the industry most affected by industrial action
- Most industrial action during the period 2000 and 2004 was procedural and in compliance with the provisions of the Labour Relations Act of 1995. The annual breakdown of procedural industrial action was as follows: 79% in 2000, 59% in 2001, 46,8% in 2002, 76,8% in 2003 and 66% in 2004
- The period 2003 to 2004 saw increased use of replacement labour by employers during strikes. The use of scab labour rose from 36% in 2003 to 45% in 2004
- In all industrial action that took place over the period 2000-2004, very few employers reported having locked out workers during strikes. Three employers resorted to locking out workers in 2000, whilst five employers reported that they locked out workers in 2001, six in 2002, eight in 2003 and 11 in 2004. Although small in number, this does show an increase in lockouts of striking workers by employers.

## Chapter One

# Introduction

This report reviews developments in industrial action in South Africa over the period 2000 to 2004. It further presents detailed analyses of industrial action in 2004 and compares the 2004 data with 2003. This will serve as the basis for public debate on policy towards strikes and provides a consistent national time series of strike activity in the country. Industrial action as used in this report covers strikes, lockouts, stay-away's and stoppages of work. The information is obtained from reports submitted to the Department of Labour by employers affected by industrial action. Employers are required to keep records of any strike, lockout or protest action involving their workers<sup>1</sup>. The function of the Department's reporting system is to ensure that the information collected is as accurate as possible. The Department also maintains an active media monitoring system. Through this monitoring, strikes and stoppages are identified and the affected companies are contacted by the Department to ensure that the relevant industrial action, that is, industrial action related to the workplace and those that are socio-economic and political in nature are covered. Reporting also covers industrial action irrespective of duration or numbers of workers involved, although lunch-hour protests and pickets are excluded<sup>2</sup>.

Analysis of year-on-year changes and longer-term trends in industrial action is not straightforward. Annual figures are affected by the times at which collective bargaining occur, the scope and duration of collective agreements, the state of the economy and socio-political factors which may give rise to industrial action. At this level employers constitute the principal source of information. For purposes of accuracy, the Department does compare information as provided by employers and information as released by the press, which has been supplied by unions. Yet, for purposes of gaining or maintaining support, sympathy, assistance, each side (i.e. employers or unions) may have vested interest in describing the strikes in the most favourable terms to itself. The unions might seek to maximise the size of the strike, whereas employers might try to minimise such aspects. For example, on 16 September 2004, there was a public service strike that was covered by the media. The media estimated that about 800 000 public servants took to the streets on that particular day, whilst the employer (Department of Public Service and Administration) put the figure at 207 136 public servants. As required by the Labour Relations Act of 1995, information from employers becomes official statistics and is the only data that has been used in the preparation of this report. The willingness of employers to submit reports on particular cases of industrial action also affects the accuracy of the Department of Labour's information. Nevertheless, the following report provides as comprehensive an overview as possible for the period January 2003 to December 2004.

The number of industrial actions measures the number of occasions within a given period of time when one or other party to a negotiation adopts a stoppage as a sanction to obtain a satisfactory settlement. Hence the strike should be viewed as one possible stage in the collective bargaining process. It follows from this that to be able to evaluate the full significance of variations in strike numbers during a given period one needs to make assumptions about the number of bargains that were negotiated in that period. Otherwise it is impossible to assess whether a change in the number is the result of changes in the attitudes of the parties, the effectiveness of the bargaining machinery or the volume of bargaining itself. Unfortunately there are no measures, nor even any estimates, of the amount of bargaining in particular periods. Consequently, it is not possible to assess fully the significance of changes in the number of strikes series. Yet it does not follow from this that no conclusions may be drawn. Although there is considerable year on year variation in the incidence of strikes, there has been a significant increase in strike action

<sup>1</sup> Labour Relations Act (no. 66 of 1995) section 205 (3)

<sup>2</sup> Further information regarding methodology is contained in Annex A

over the past two years. Whether industrial action will continue to increase, stabilise or decline awaits to be seen.

## Chapter Two

# Overview of industrial action in 2004

A number of companies were affected by strikes in 2004. Amongst those that were affected are the following: Equity Aviation in the transport sector which accounted for about 62 752 (4.9%) workdays lost of the total, cleaning companies that includes, Airport Handling Services; Flo-Line Group; Fidelity Supercare Cleaning etc accounting for 135 140 (10.5%) workdays lost; Hulett Aluminium accounting for 16 200 (1.3%) workdays lost, Lothotech Africa Mail accounting for 23 205 (1.8%) workdays lost, Rainbow Farm accounting for 46 463 (3.6%) workdays lost, Impala Platinum accounting for 258 650 (20.1%) workdays lost, Angloplat accounting for 212 908 (16.6%) workdays lost and the public service strike that accounted for 207 136 (16.1%) workdays lost. The main cause of the strikes was wages, although grievances and working conditions featured prominently amongst reasons for the disputes. Most of the strikes were small in terms of duration and the number of workers involved. However, the strike by members of SATAWU at Equity Aviation that started on 18 December 2003, only ended on 15 April 2004. SATAWU was demanding an 8% increase on pensionable salary and a 40-hour working week. Equity Aviation's wage offer stood at 6% conditional on the increase of working hours from 40 hours a week to 45 hours a week.



*The main cause of the strikes was wages, although grievances and working conditions featured prominently amongst reasons for the disputes.*

The strike by SATAWU at Equity Aviation was the longest strike in history since 1999. The longest strike to date was by about 140 farm workers at Kaapmuiden Citrus Farm in Mpumalanga. The strike started on 18 June 1999 and ended on 17 December 1999. The workers went on strike after the farmer refused to increase their daily wage by more than 68 cents.

The Equity Aviation strike ended when the parties agreed to a 12% wage increase; an increase in working hours from 40 to 45 hours; the reinstatement of all dismissed workers (about 150) and a 2% performance incentive. The parties also agreed towards improving management/worker relations by implementing relationship-building exercises.

The strike at Lothotech Africa Mail also lasted for a long time, from 11 February to 9 June 2004. The platinum strike at Angloplat and Impala Platinum was large in terms of the number of workers involved and accounted for the most workdays lost. It was also a wage related strike.

In July, after months of futile negotiating, government declared a wage dispute with eight public sector unions over salary increases and other conditions of employment. The Department of Public Service and Administration declared the dispute after the fifth round of talks between the parties deadlocked at the Public Service Coordinating Bargaining Council. This resulted in protest actions by teachers on 31 August and 2 September 2004, followed by a national strike on 16 September 2004. The strike on 16 September 2004 was by far the largest in terms of workers involved since about 207 136 workers were reported to be on strike by the Department of Public Service and Administration. However, in terms of workdays lost the two platinum strikes were the largest.

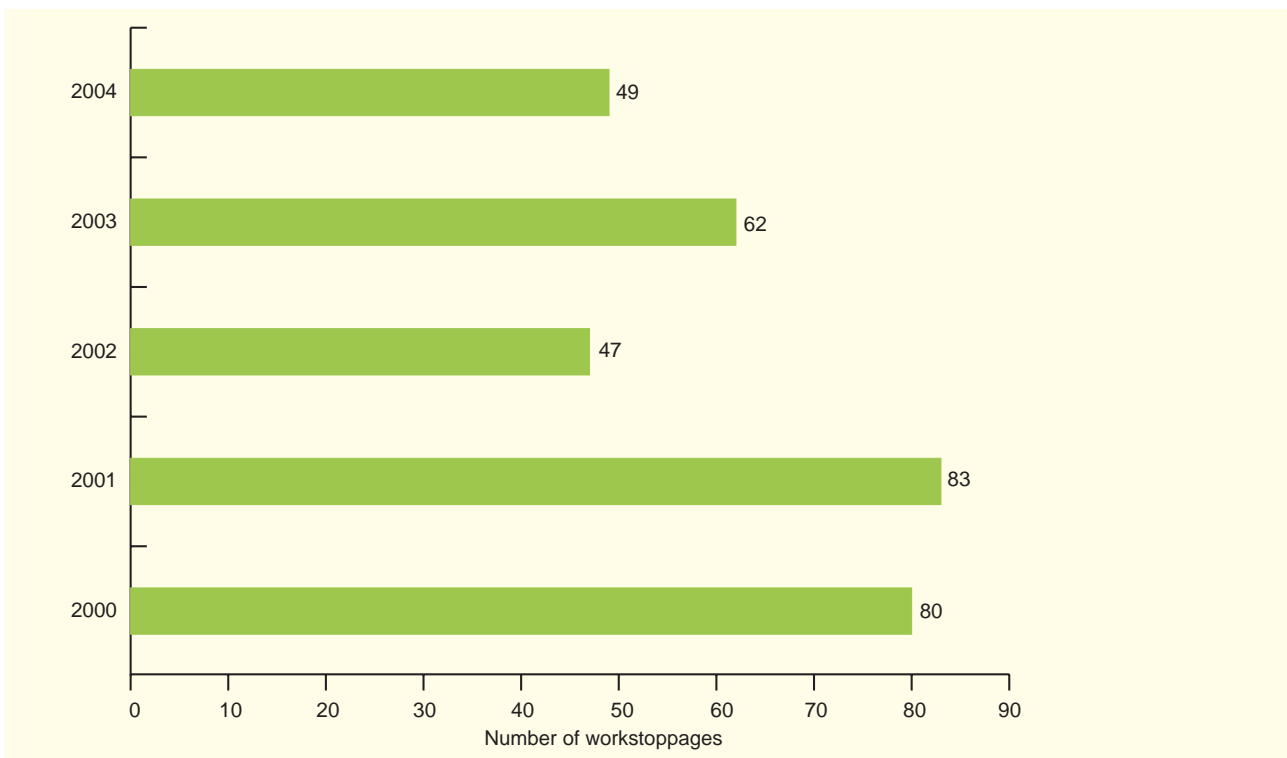
Briefly in 2004, the country witnessed workstoppages of about 49, with around 395 301 workers participating in industrial actions, approximately 1 286 003 workdays lost, 12 860 514 workhours lost and 107 workdays lost per 1 000 workers.

## Chapter Three

# Trends in workstoppages and workdays lost, 2000-2004

The number of strikes is one basic measure of strike activity. This refers to the number of industrial disputes, which resulted in stoppages of work. As such the word “strikes” covers a range of stoppages from those, which involve one worker, or last for some hours to those, which involve thousands of workers and last many months. **Figure 1** shows trends in the number of workstoppages between 2000 and 2004. There were 49 stoppages of work in 2004 because of labour disputes, higher than the total of 2002 of 47 and lower than the totals of 2003, 2001 and 2000 of 62, 83 and 80 respectively and fewer than the annual average of 64 for the five years 2000 to 2004.

**Figure 1: Trends in workstoppages in South Africa, 2000-2004**

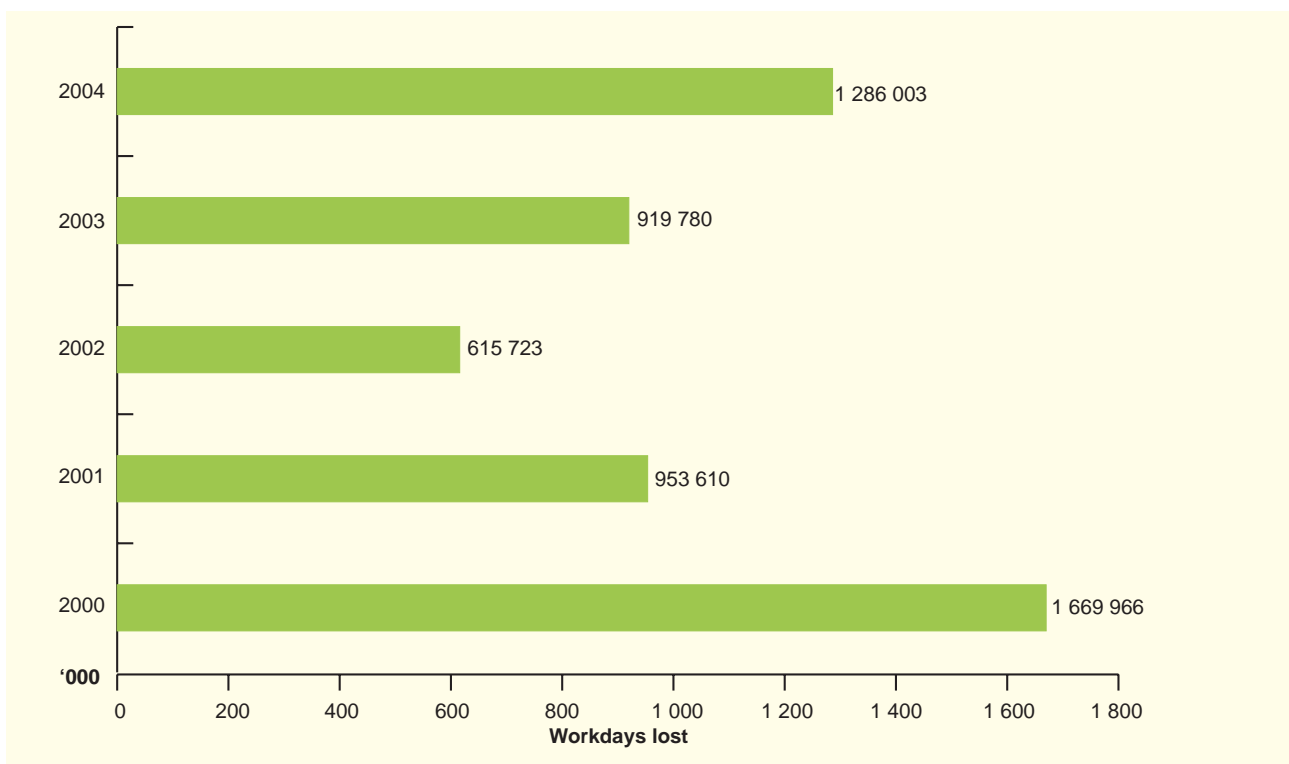


Source: Department of Labour, Strikes Statistics

Workdays lost is another basic measure of strike activity. It is calculated by multiplying the number of workers involved by the duration of the strike. **Figure 2** shows the trend in the number of workdays lost due to industrial action between 2000 and 2004. In 2004, 1 286 003 workdays were lost in South Africa as a result of labour disputes. This figure was higher than the total lost in 2003 of 919 780. This represents an increase of about 40%. Compared to 2000, workdays lost have declined by about 23%. Comparing the five years under observation, there were 1 286 003 workdays lost in 2004, 919 780 in 2003, 615 723 in 2002, 953 610 in 2001 and 1 669 966 in 2000. **Figure 2** further indicates that workdays lost declined between 2000 and 2002 before rising in 2003 and 2004.

The downward trend in workdays lost between 2000 and 2002 may be attributed to the effect of framework agreements that covered more than one year and covered significant sectors such as, the mining and motor sectors.

**Figure 2: Trends in workdays lost due to industrial action in South Africa, 2000-2004**



Source: Department of Labour, Strikes Statistics

## Chapter Four

# Comparative analysis, 2003 and 2004

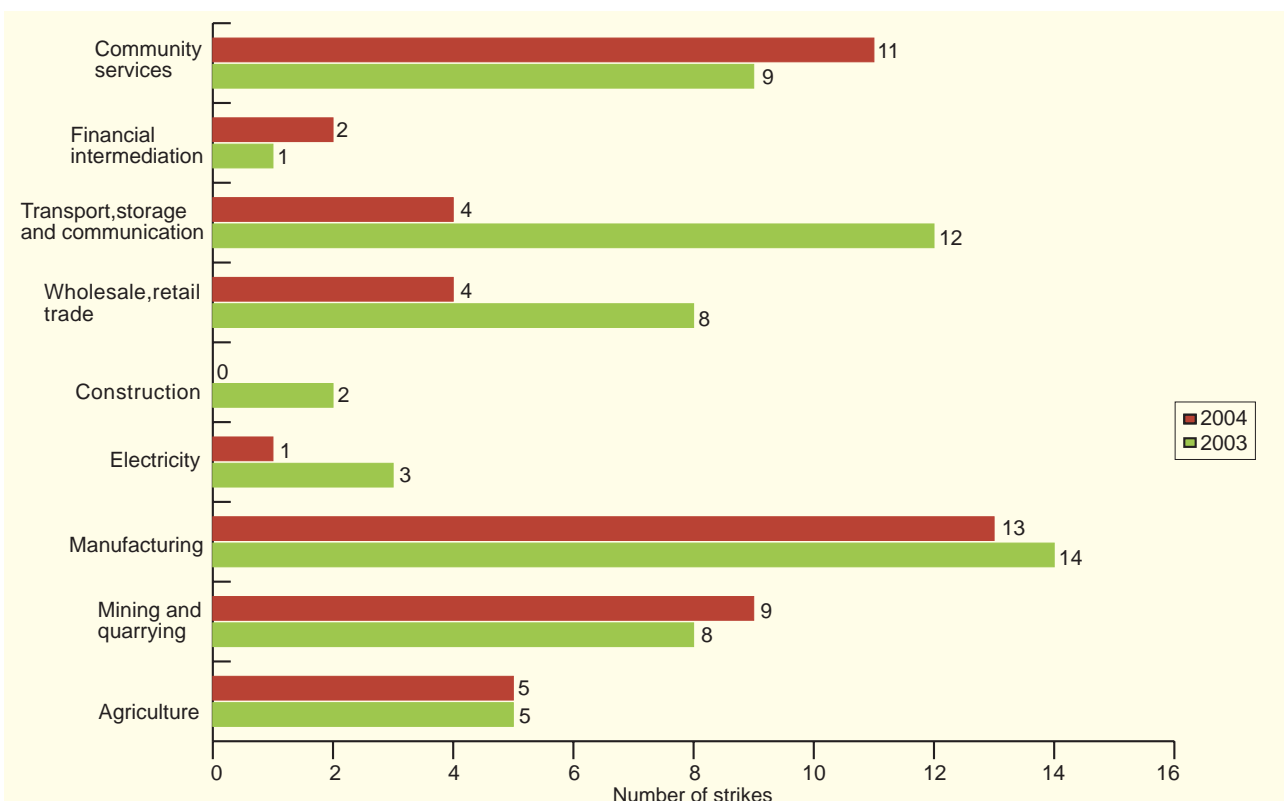
The method of data collection has remained the same over the past six years to enable comparison from one year to another. The Department relies on employers affected by industrial actions for detailed information, which it requires for its records as required by the Labour Relations Act of 1995.

### Industrial action by industry

Historically, certain industries have been more prone to strike action than others, and breaking the strike statistics down into separate industries can reveal some interesting patterns and shifts over time. However, it should be noted that comparisons between industries could also be affected by the methodology that is used for compiling the data. For example, large firms are likely to be covered by the media than smaller ones; hence they are more likely to be included in statistics than smaller ones.

There has been an overall decline in strikes and stoppages between 2003 and 2004, from a total high of 62 cases in 2003 to 49 in 2004. **Figure 3** shows the incidence of industrial action between 2003 and 2004 by industry. It indicates the most strike prone industries between 2003 and 2004 when considering the number of strikes. Manufacturing had the highest share of industrial actions in both 2004 and 2003 with 13 (26.5%) and 14 (22.6%) respectively. The community, social and personal services industry had the second highest share of the number of industrial actions in 2004 with 11 (22.4%), whilst transport, storage and communication had the second highest share in 2003 with 12 (19.4%). In 2004, the construction industry was not affected by strikes at all, whilst the financial industry was the least affected in 2003.

**Figure 3: Industrial share of industrial actions, 2003 and 2004**

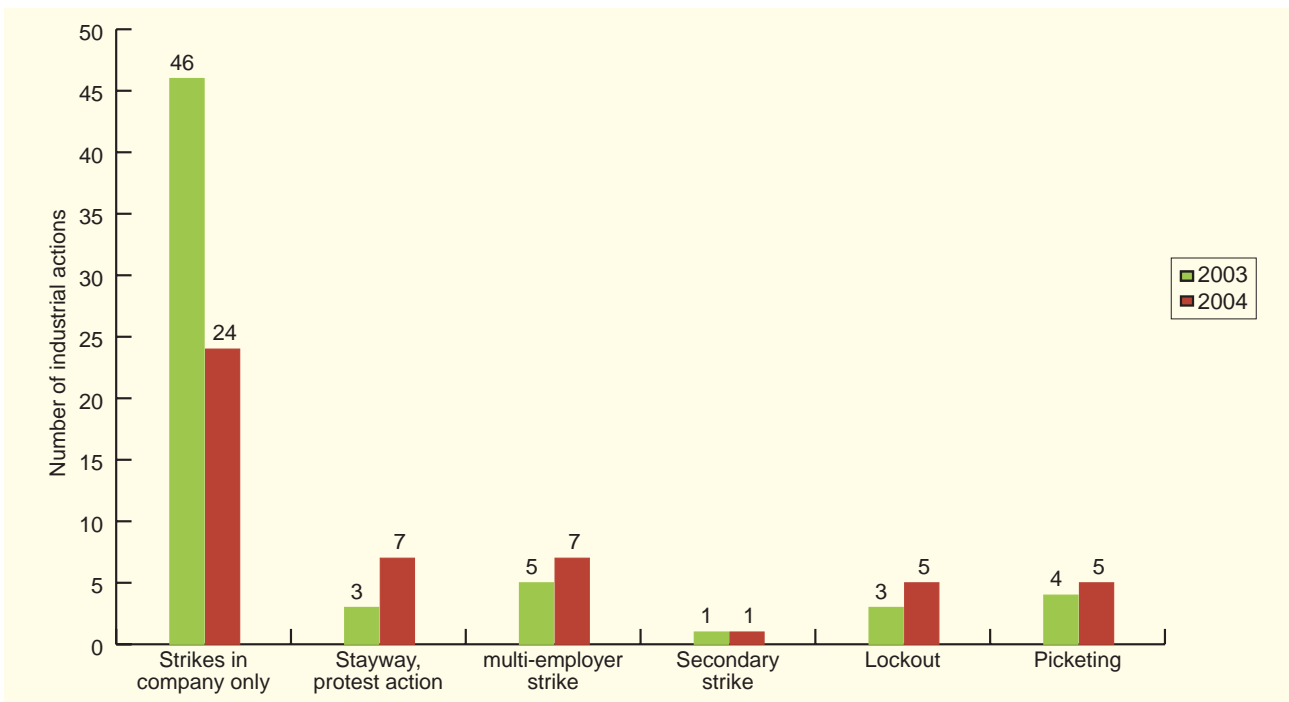


Source: Department of Labour, Strikes Statistics

## Nature of industrial actions

**Figure 4** shows the nature of industrial actions that occurred in South Africa in 2004 and 2003. Most industrial actions that took place in both 2004 and 2003 affected a number of isolated establishments. In 2004 about 24 (44.3%) of industrial actions affected one company at a time (strikes in company only) as opposed to 46 (61.3%) in 2003. This represents a decrease of about 48% in labour disputes that affected one company only. Approximately seven (11.9%) of industrial actions in 2004 were stayaways and protest actions, whilst only five (9.6%) stayaways and protest actions occurred in 2003. Secondary strikes have been minimal with only one (0.8%) in 2004 and one (1.6%) in 2003.

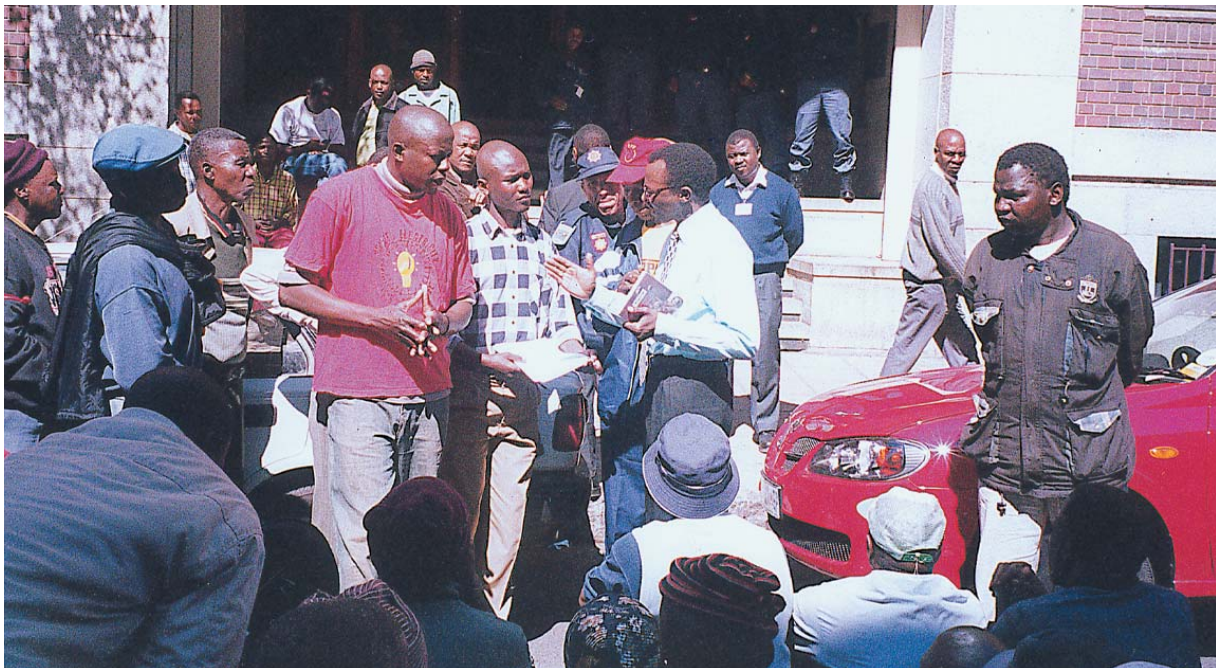
**Figure 4: Industrial actions distribution by its nature, 2003 and 2004**



Source: Department of Labour, Strikes Statistics

## Workers involved in industrial actions

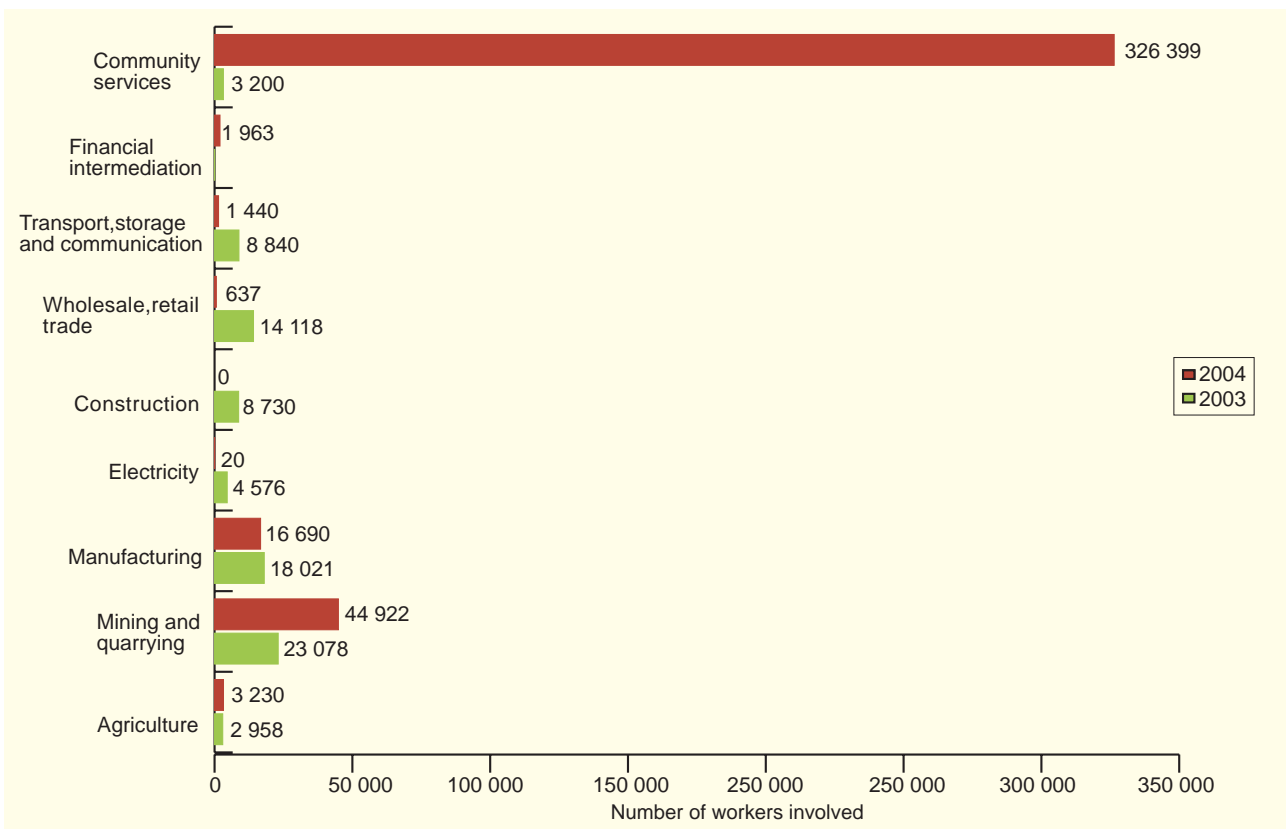
Workers involved in industrial actions is another basic measure of strike activity and refers to those “directly” and “indirectly” involved. Workers directly involved are those who went on strike, or were locked out, as a result of a dispute. Workers indirectly involved are those not working as a consequence of the initial stoppage of work because the necessary supplies or orders are no longer available. Only those workers indirectly involved who are employed in the same establishment(s) as workers directly involved are counted. Workers involved in repetitive strikes like those of Makhado Municipality in the Limpopo and teachers would be counted more than once, i.e. on each occasion they took strike action. The total number of workers participating in industrial action increased dramatically in 2004. In 2004, 395 301 workers participated in industrial action as opposed to 83 533 in 2003.



The total number of workers participating in industrial action increased dramatically in 2004. In 2004, 395 301 workers participated in industrial action as opposed to 83 533 in 2003.

Figure 5 shows that the number of workers participating in industrial actions differs by industry. In 2004, the community, social and personal services industry recorded the highest number of workers participating in strikes at 326 399 due to the public sector strike, followed by mining and quarrying at 44 922. In 2003, the mining and quarrying industry accounted for the highest number of workers participating in strikes at 23 078, followed by manufacturing at 18 021.

Figure 5: Number of workers involved in industrial actions by industry, 2003 and 2004

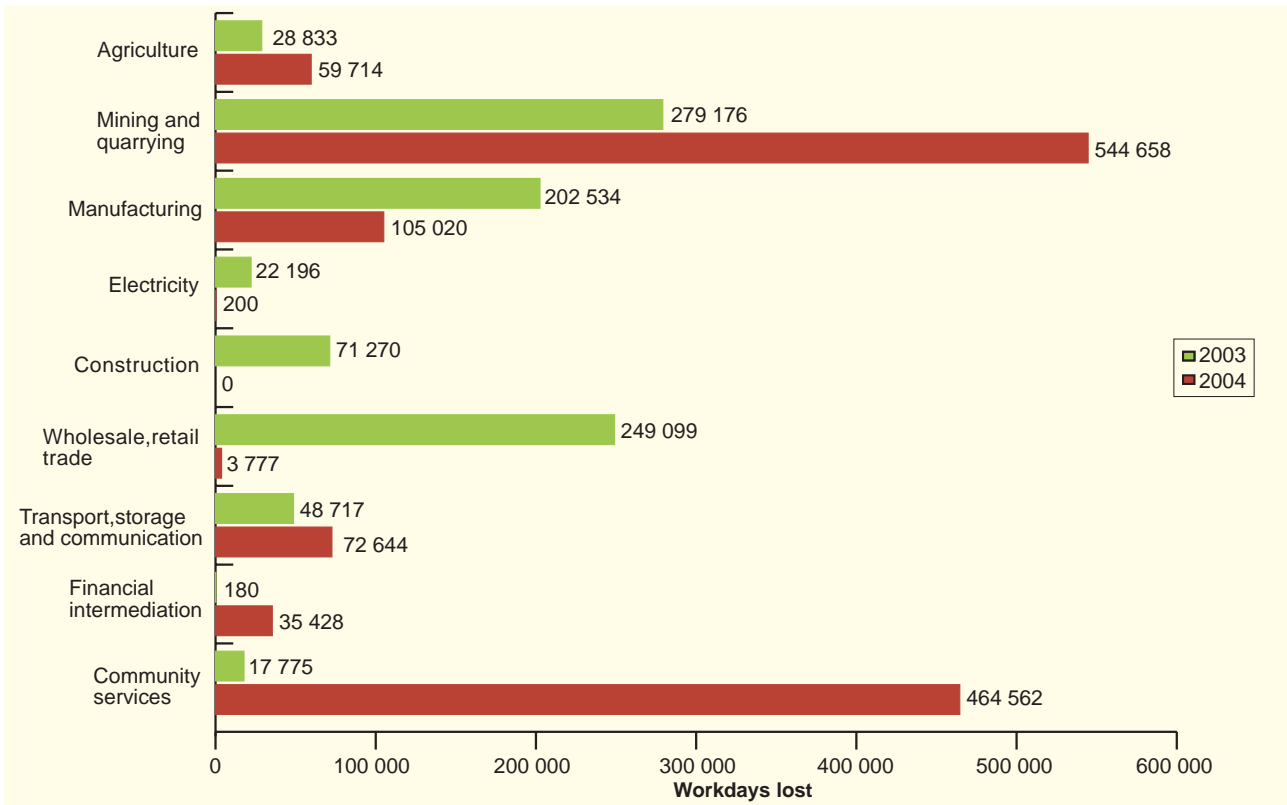


Source: Department of Labour, Strikes Statistics

## Workdays lost by industry

**Figure 6** shows that workdays lost differ by industry. When working days lost is used as the measure of strike proneness, the mining and quarrying industry had the highest share of workdays lost in 2004 of 544 658 (42.4%). The construction industry had no workdays lost in 2004. In 2004, the community, social and personal services had the second highest share of workdays lost of 464 562 (36.1%). In 2003, the mining and quarrying industry also accounted for the highest number of workdays lost of 279 176 (30.4%) whilst the wholesale and retail trade had the second highest share of workdays lost of 249 099 (27.1%).

**Figure 6: Industrial share of workdays lost, 2003 and 2004**

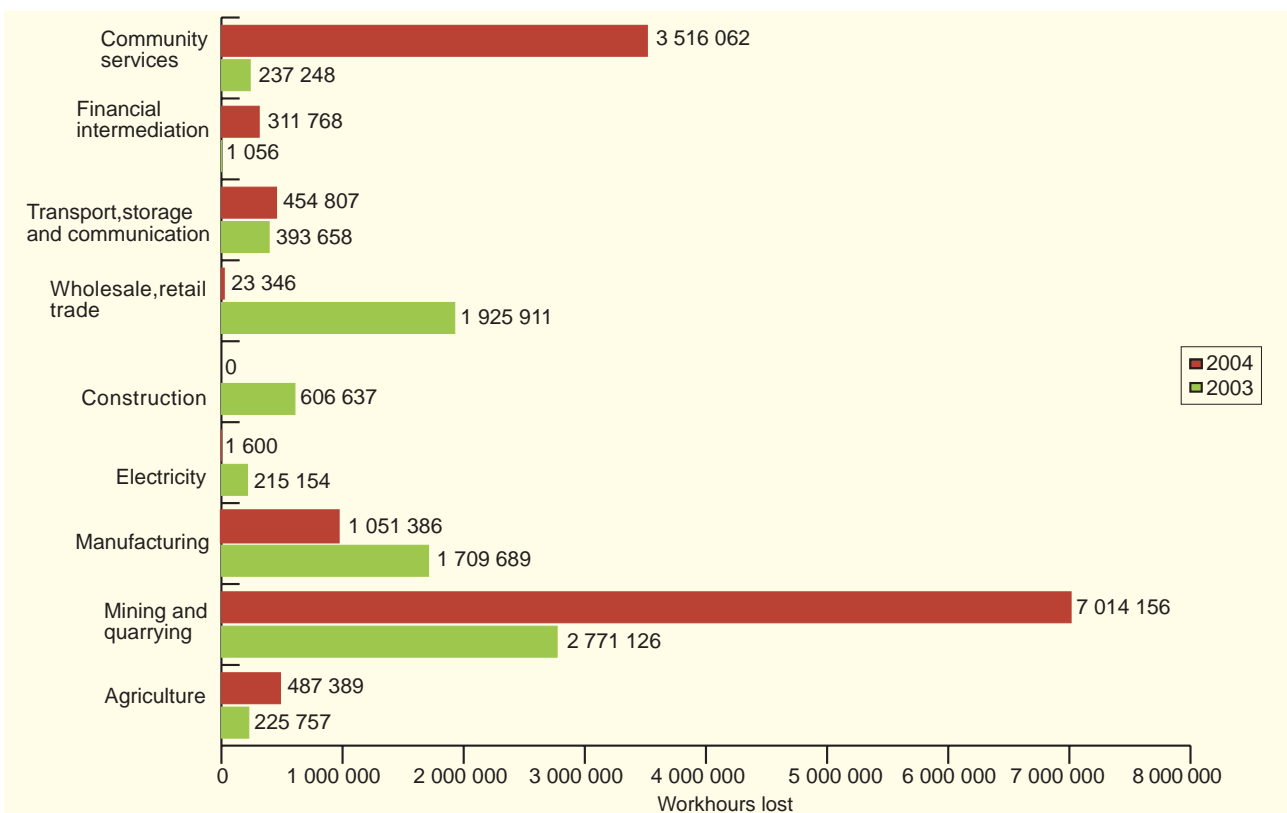


Source: Department of Labour, Strikes Statistics

## Workhours lost by industry

Loss of working time due to industrial action can also be measured in workhours lost. This measure is arrived at by ascertaining the number of hours not worked in each day of a strike or stoppage and summing the totals. Workhours is an accurate measurement of time lost in industrial action as it includes the measurement of strikes and stoppages of short duration. While always exceeding workdays lost, workhours will follow the trend in workdays lost over time. In 2004, 12 860 514 workhours were lost in the country as a result of labour disputes. This figure was higher than the total in 2003 of 8 086 236. **Figure 7** shows that the mining and quarrying industry had the highest number of workhours lost in 2004 of 7 014 156. The industry with the second highest number of workhours lost in 2004 was the community, social and personal services with 3 516 062. In 2003, the mining and quarrying industry also had the highest number of working hours lost of 2 771 126, whilst the wholesale and retail trade had the second highest number of workhours lost of 1 925 911 in 2003.

**Figure 7: Workhours lost due to industrial actions by industry, 2003 and 2004**



Source: Department of Labour, Strikes Statistics

## Industrial actions and workdays lost by province

**Table 1** shows that the number of stoppages and workdays lost differs by province. When interpreting these figures, it is important to bear in mind that the industrial composition of employment in a province is a major factor influencing the scale of labour disputes experienced. In 2004, Gauteng accounted for the largest share of industrial actions of 22. This figure was slightly lower than the total in 2003 of 25. Free State and Mpumalanga had the second largest share of 11 each in 2004. KwaZulu-Natal and Northern Cape had the second largest share of 10 each in 2003. In terms of workdays lost, North-West recorded the highest number of 547 186 in 2004, followed by KwaZulu-Natal with the second highest share of workdays lost of 228 992. In 2003, North-West was once gain leading in the number of working days lost with 277 384, whilst Gauteng accounted for the second highest number of workdays lost (208 204).

**Table 1: Number of industrial actions and workdays lost by province <sup>3</sup> , 2003 and 2004**

Province	Industrial action		Workdays lost	
	2003	2004	2003	2004
Gauteng	25	22	208 204	228 992
Western Cape	5	9	113 273	59 261
Mpumalanga	6	11	35 286	65 414
KwaZulu-Natal	10	9	75 630	269 327
Eastern Cape	6	6	52 956	13 480
Limpopo	6	4	38 264	66 403
North-West	6	4	277 384	547 186
Northern Cape	10	2	91 692	13 544
Free State	4	11	27 091	22 396
<b>Total</b>	<b>78</b>	<b>69</b>	<b>919 780</b>	<b>1 286 003</b>

## Time-loss ratio by industry

Time-loss ratio, that is, the number of workdays lost due to industrial action per 1 000 workers, is the standard method that has been used to convert workdays lost in a strike rate that takes account of the size of total employment. This also enables comparisons to be made across industries and provinces that differ in size. Since the number of worker jobs has not changed substantially over the past five years, the rates for South Africa as a whole show the same pattern of general decline and occasional peaks that can be seen in the workdays lost series.

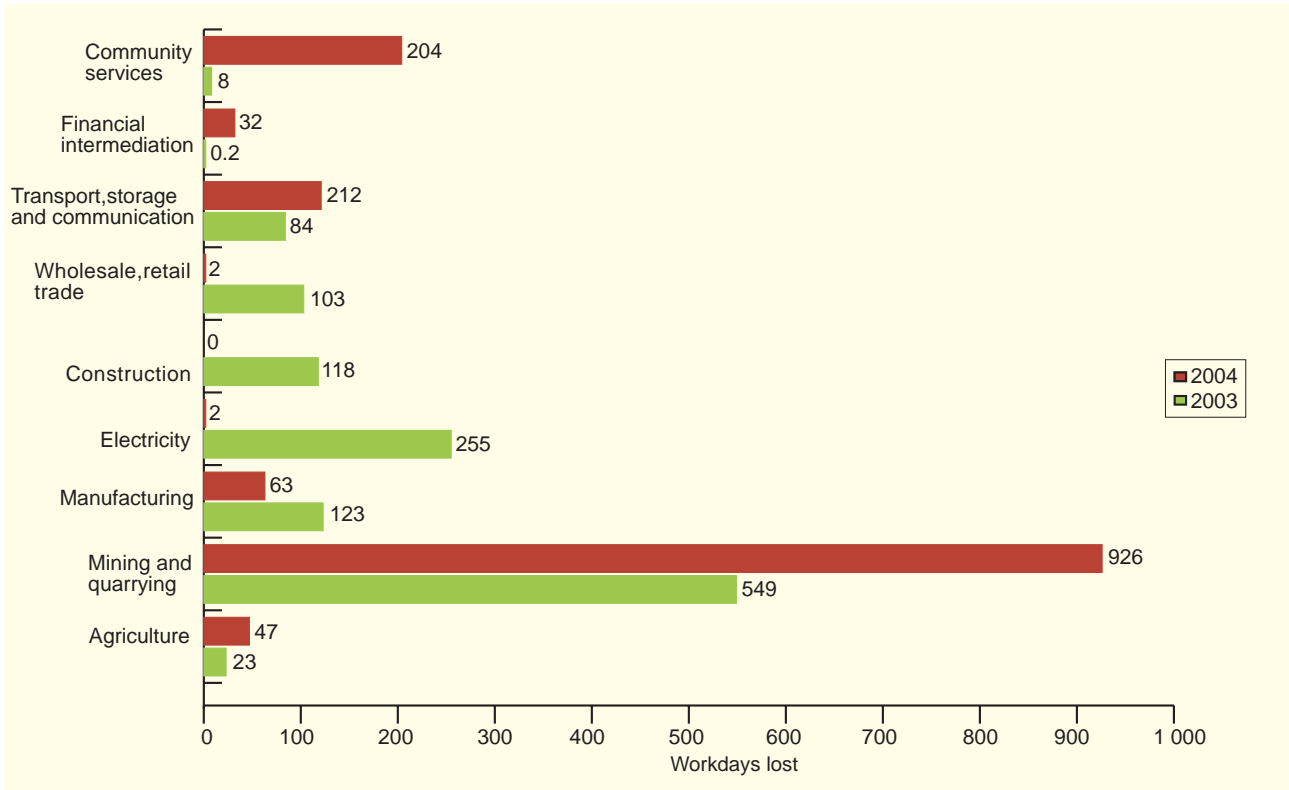
The time-loss ratio is calculated by dividing workdays lost in a particular year by the total number of workers (including workers in the informal sector) in that particular year multiplied by 1 000. The time-loss ratio is a useful measure of the intensity of strike activity in a country over a particular time period. This is the only indicator that can be used reliably to compare strike activity in different countries and industries.

In a country with total employment of about 11 594 000 (average of March and September 2003, Labour Force Survey) in 2003 and 11 984 000 in March 2004 (March 2004, Labour Force Survey), South Africa lost 1 286 003 workdays in 2004 and 919 780 in 2003. This translates into 107 and 80 workdays lost per 1 000 workers in 2004 and 2003 respectively. **Figure 8** shows that the

<sup>3</sup> The total for industrial actions in **Table 1** differs from the total of 49. This is due to national strikes, that may affect a number of branches or establishments in the nine provinces, being counted as one strike in the national total but according to the establishment affected being counted more than once.

mining and quarrying industry had the highest time-loss ratio of 926 in 2004. Community, social and personal services had the second highest time-loss ratio of 204 in 2004. In 2003, mining and quarrying also had the highest time-loss ratio of 549, whilst electricity, gas and water supply had the second highest time-loss ratio of 255 in 2003.

**Figure 8: Workdays lost per 1 000 workers by industry, 2003 and 2004**



Source: Department of Labour, Strikes Statistics



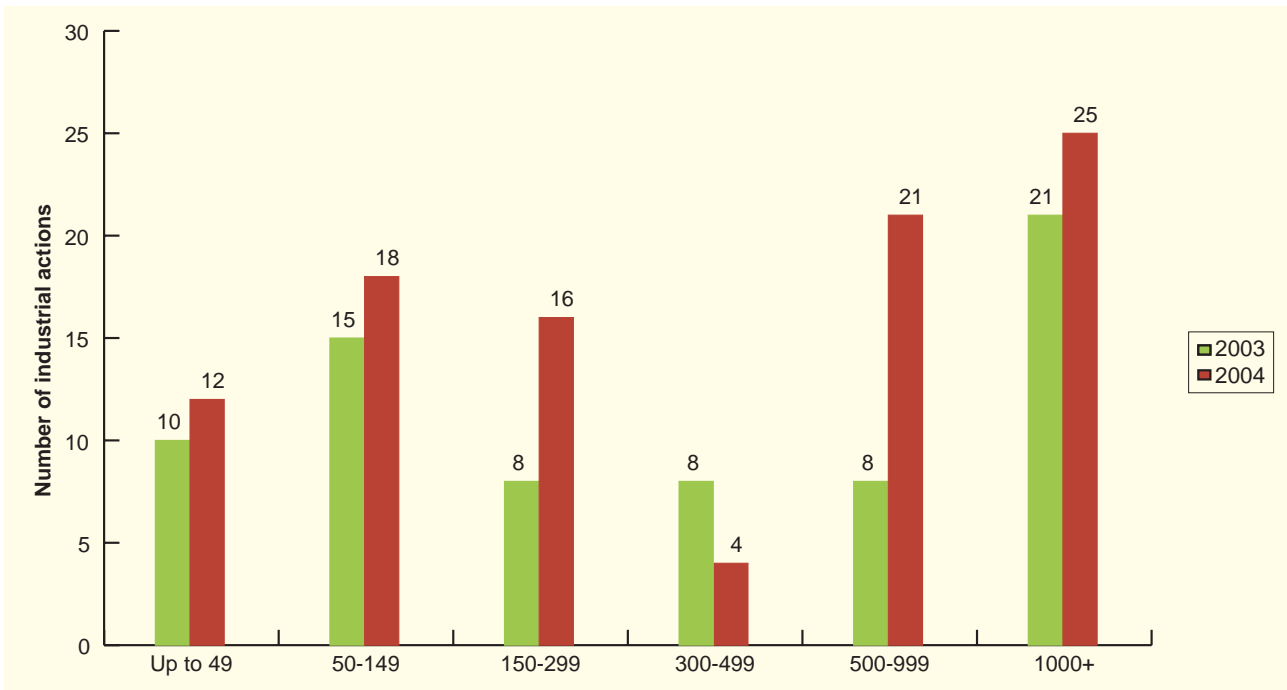
*In terms of workdays lost, North-West recorded the highest number of 547 186 in 2004, followed by KwaZulu-Natal with the second highest share of workdays lost of 228 992.*

## Industrial action by establishment size

In South Africa a small and medium size enterprise is defined as any business with fewer than 200 workers (Cronje et al, 1997:451). However, incidents of industrial actions are not confined to a particular establishment size. Industrial actions occur in either small or big establishments.

**Figure 9** shows that big establishments are more prone to industrial actions than smaller ones. Of all establishments that were affected by industrial actions in 2004, 12 (12.5%) employed 49 people and less, whilst 25 (27.1%) employed 1 000 and more people. In 2003, 10 (14.5%) of the establishments employed 49 people and less, whereas 21 (30.6%) employed 1 000 and more people.

**Figure 9: Establishments affected by industrial actions by employment size, 2003 and 2004**

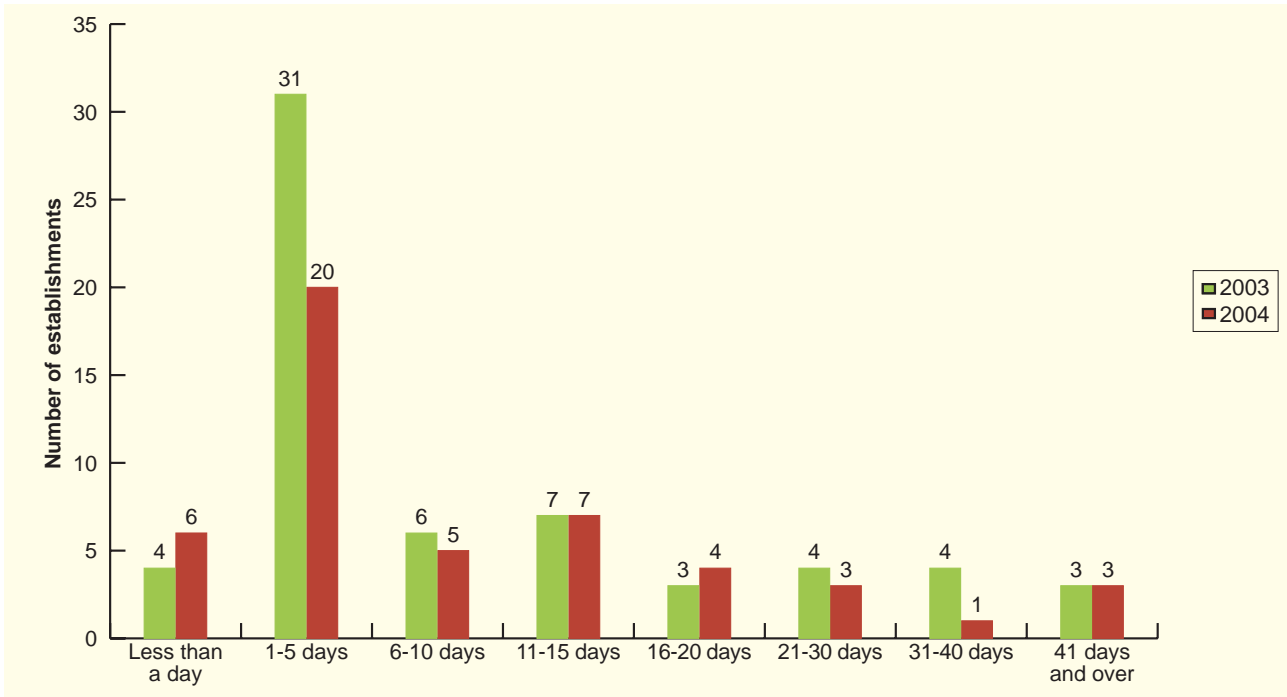


Source: Department of Labour, Strikes Statistics

## Duration of industrial actions

**Figure 10** shows the length of industrial actions. The longest strike in 2004 lasted for 106 days. In contrast, in 2003 the longest strike lasted for 91 days. In 2004, about 20 (39.2%) of industrial actions lasted from one to five days, seven (15.2%) from 11 to 15 days, five (10.1%) from six to 10 days, three (6.3%) over 40 days and six (12.7%) lasted for less than a day. Furthermore in 2003, approximately 31 (50%) of disputes lasted from one to five days, seven (13.2%) from 11 days to 15 days, six (10.3%) from six days to 10 days, three (4.4%) over 40 days and four (5.9%) lasted for less than a day.

**Figure 10: Industrial actions distribution by duration, 2003 and 2004**

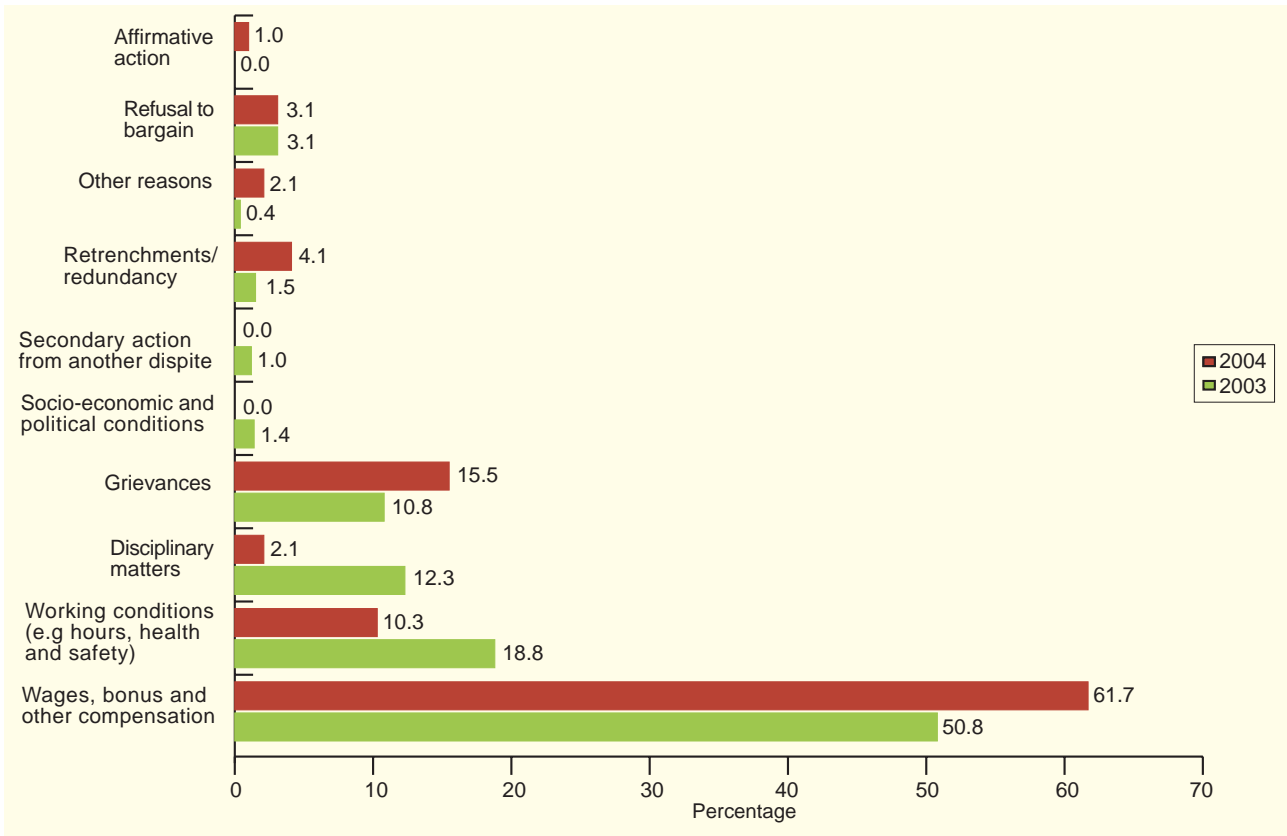


Source: Department of Labour, Strikes Statistics

## Reasons for industrial actions

Data collected on industrial action includes an identification of the main causes of industrial action. **Figure 11** shows the percentage of stoppages in 2003 and 2004 by main causes. In 2003 and 2004, 50.8% and 61.7% respectively of all industrial actions were due to disputes over wages, bonuses and other compensation. In comparison, grievances accounted for 10.8% in 2003 and 15.5% in 2004. Working conditions accounted for 18.8% in 2003 and 10.3% in 2004. The refusal to bargain accounted for 3.1% in both 2003 and 2004. This, in part reflect the higher priority workers place on pay, even during this period of job insecurity.

**Figure 11: Percentage industrial actions distribution by main cause, 2003 and 2004**



Source: Department of Labour, Strikes Statistics

## Trade unions and industrial action

**Table 2** indicates that SATAWU and NUM have been prominently participating in industrial actions in both 2003 and 2004. In 2004, SATAWU participated in 20 (23%) of all industrial actions, followed by NUM that took part in nine (10%) of the total workstoppages. By comparison SATAWU took part in 25 (25%) of all industrial actions in 2003, whilst NUM was involved in 20 (20%) of all industrial actions in 2003. About 5% of the disputes were not related to any trade union.

**Table 2: Trades union involvement in industrial actions <sup>4</sup>, 2003 and 2004**

Trade union	2003	2004
NEHAWU	3	1
NUM	20	9
SACCAWU	4	3
SAMWU	7	8
FAWU	11	9
SADTU	1	5
SADNU	0	1
AWAWU	0	1
SATAWU	25	20
CEPPWAWU	3	2
IMATU	3	0
NEWU	0	1
POPCRU	0	7
NULAW	1	2
UASA	3	1
NEAWU	0	1
AMAWU	0	1
UTATU	3	0
SARHWU	1	0
AMCU	0	2
TAWUSA	1	1
WCWU	1	0
NETUSA	1	0
NUFBWSAW	1	0
CUSA	0	2
NDCAWU	0	1
CAWU	0	1
ATUSAW	0	1
SACWU	3	0
SU	5	1
CWU	0	1
HOTELICCA	1	0
None	4	5
<b>Total</b>	<b>102</b>	<b>87</b>

<sup>4</sup> The number of industrial actions in **Table 2** will not add to 49 since more than one trade union can participate in a single strike like the public service strike of 16 September 2004, where SADTU, PSA and other unions took part in. In this case the number of industrial actions will be overestimated since all unions will be listed.

# Conclusion

The analysis of industrial action reported to the Department for the period 2003-2004 confirms a number of key features. Most industrial actions lasted for less than six days and few strikes dominated in both years. Most disputes arose from collective bargaining and were over wages and other compensation. Although workdays lost have increased two years in succession since 2003, perhaps the most striking feature of the period has been a steady decline in the number of industrial actions. The Department does not have reliable information available to assess the reasons for this decline in industrial action, but it is hoped that the public debate on policy towards strikes will be based on this and future reports. Finally, and most important of all, within their self-imposed limits the Department's records provide consistent national time series of strike activity. A wage settlement between government and five public sector trade unions on 29 September 2004 also bodes well for future industrial relations stability in the country. With employers in the automotive industry (AMEO) having concluded a three-year wage agreement with NUMSA on 4 August 2004, the three-year wage agreement between employers and NUMSA in the fuel and motor retail industries, one can only expect a lower level of industrial actions in 2005.

# Annexures

## A: Methodology for monitoring industrial action

### B1. Introduction

The following is aimed at providing the reader of the Department of Labour's Industrial Action Report with a definition of concepts and the full methodology used in collecting, compiling and analysing data on industrial action. The Department has been provided with a legislated instrument (Form LRA 9.2) to collect data on labour disputes.

The collection and analysis of industrial action statistics is guided by the guidelines and practices that have been developed by the International Labour Organisation (ILO). The point of departure can be found in the ILO Resolution adopted by the Fourteenth International Conference of Labour Statisticians in January 1993, concerning statistics of strikes, lockouts and other action due to labour disputes. This resolution is accommodative rather than prescriptive in its approach. It states that; "Each country should aim at developing a comprehensive programme of statistics of strikes, lockouts and where relevant other action due to labour disputes in order to provide an adequate statistical base for the various users, taking into account the specific national needs and circumstances" (ILO Bulletin of Labour Statistics, 1993-2, Annex I, XI).

### B2. Definitions

**Section 213 of the Labour Relation Act, 1995 provides the following definitions:**

#### ***A strike:***

The partial or complete concerted refusal to work, or the retardation or obstruction of work, by people who are or have been employed by the same employer or by different employers, for the purposes of remedying a grievance or resolving a dispute in respect of any matter of mutual interest between employer and worker, and every reference to work in this definition includes overtime work, whether it is voluntary or compulsory (s 213).

#### ***A lockout:***

The exclusion by an employer of workers from the employer's workplace, for the purpose of compelling the workers to accept a demand in respect of any matter of mutual interest between employer and worker, whether or not the employer breaches those workers' contracts of employment in the course of or for the purpose of that exclusion.

#### ***A protest action:***

The partial or complete concerted refusal to work, or the retardation or obstruction of work, for the purpose of promoting or defending the socio-economic interests of workers, but not for a purpose referred to in the definition of strike".

**Barker, F et al (1996) in "South African Labour Glossary" defined the following concepts as follows:**

#### ***Picketing:***

Action by workers or other people to publicise the existence of a labour dispute by patrolling or standing outside or near the location where the dispute is taking place, usually with placards

indicating the nature of the dispute. The aim of the picketing might simply be to communicate the grievance to the public or it might be to persuade other workers in that workplace not to work and to take their side in the dispute, to deter scab labour, to persuade or pressurize customers not to enter the workplace, to disrupt deliveries or drum up public support.

***A secondary strike:***

A strike in support of a strike by other workers against their employer. The strikers have no issue with their employer, but that employer might be in a strong position (due to there being a close business relationship as either an important customer or supplier) to pressurize the employer who is in dispute.

***Stayaway action:***

Industrial action by a group of workers in the form of absenting themselves from work without permission in support of some socio-political or socio-economic issue which does not relate to their employment situation.

***Work stoppage:***

A collective refusal to work which is not linked to a demand or, if so, such demand is not related to the employment relationship.

***Industrial action:***

Action by unions and workers to pressurise the other party in the furtherance of an industrial dispute. It usually refers to strikes and lockouts but could also include picketing, product boycotts, sit-ins, go-slow strikes and other actions which disrupt the production process.

***Workhours:***

Those hours during which a worker is obliged to work.

**B3. Coverage**

Data collection attempts to cover the entire country, all economic activity and all sectors of the economy, legal and illegal industrial action, and is consistent with other economic and social statistics. The system attempts to cover all industrial action due to labour disputes. Due to the design of the LRA Form 9.2, the Department is, however, in a position to cover workers both directly and indirectly involved in industrial action, that is, those who participate directly or indirectly by stopping work. Workers absent from their normal place of work at the time of a strike or stoppage, for reasons such as sick-leave, vacation, business or personal reasons, whether authorised or unauthorised, are excluded from participation in industrial action and are therefore not counted.

The LRA excludes independent contractors from the definition of worker. The LRA further excludes from the scope of coverage certain categories of workers, namely members of the National Defence Force, National Intelligence Agency and South African Secret Service. The coverage of the Department's monitoring of industrial action, however, includes all of the above, provided they embarked on an industrial action in the period under consideration.

**B4. Data collection**

In addition to the legal obligation on employers to report industrial action, the Department has introduced an active media monitoring programme. Through this programme, media information

on industrial action is used to make contact with employers and to encourage voluntary compliance with reporting requirements. Telephone and telefax communication with affected employers ensure a reasonably accurate coverage of all industrial action.

The cooperation of private sector employers also speeds up the process of data collection. After completing the form, most employers send it to the Head Office of the Department. Some employers keep blank forms with them to complete and when an industrial action arises they voluntarily complete the forms and send them to the Department.

After receiving the form either directly from the employer or from the provincial office, Head Office staff members check the form to assess if the information provided is sufficient. If the information is insufficient, Head Office staff contact employers with the aim of getting relevant information, after which the data is captured on a database specifically designed for monitoring industrial action. The form is designed for workers who are both directly and indirectly involved in the industrial action, excluding all those who are on leave.

## **B5. Calculations**

### Workdays lost

All calculations are made on the basis of information captured on the LRA Form 9.2. After capturing the data, the loss of workdays is calculated by multiplying the number of workers involved in each stoppage by the duration of the stoppage in days lost and adding the totals for all stoppages during the reference period. For example, if during the reference period there is one stoppage, involving 2 000 workers and lasting three days, workdays lost would be calculated as follows:

- 2 000 workers x 3 days =6 000 workdays lost

### Workhours lost

Workhours lost are the aggregate number of workhours lost stemming from all work stoppages during the reference period. The statistic is calculated by multiplying the number of workers involved in each stoppage by the number of hours of the stoppage and summing the products thus obtained for all stoppages during the period. For example, if during the reference period there is one stoppage, involving 2 000 workers and lasting three hours, workhours lost would be calculated as follows:

- 2 000 workers x 3 hours = 6 000 workhours lost

Estimated working time is computed by multiplying the employment for the period by the number of days typically worked by most employed workers during that period. In some cases, Saturdays (when customarily not worked), Sundays, and established holidays are excluded. It is also to determine the normal hours of work for groups of workers since LRA form 9.2 provides for this. An average eight-hour day is used to represent the normal working day in the country.

## **Measurement**

The criterion used to identify a single strike, lockout, stoppage or protest action, is the industrial action in question. The following is, therefore, used to denote one industrial action:

- a temporary work stoppage, due to one industrial action, occurring among workers in one establishment at one time
- temporary work stoppages, due to one industrial action, occurring among workers in several establishments at the same time

- temporary work stoppages, due to one industrial action, occurring among workers in one establishment at different times, in which the period between stoppages is not more than two months
- temporary work stoppages, due to one industrial action, occurring among workers in several establishments at different times, in which the period between stoppages is not more than two months.

While attempts to satisfy the ILO requirements are made, the instrument of data collection (Form LRA 9.2) served as the point of departure, in order to meet the specific needs of the Department.

