



# Bargaining Indicators 2011/2012

## Benchmarks for collective bargaining in South Africa

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Labour Research Service

# Bargaining Indicators

## 2011/2012

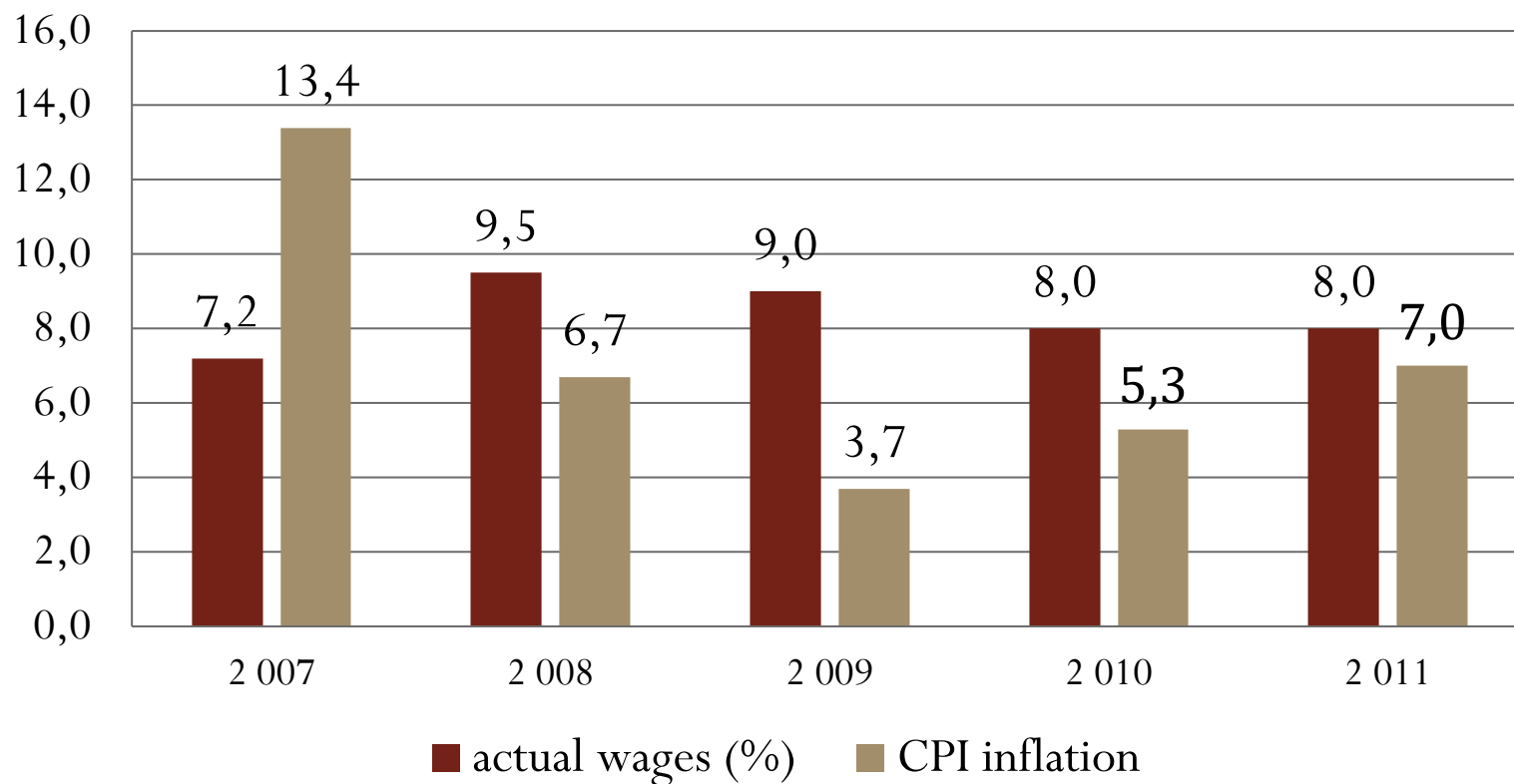
- We look at collective bargaining agreements and draw out key features to map the outcomes of collective bargaining
- We look at wages and conditions of employment
- We look at several main categories of conditions:
  - Hours of work and allowances
  - Security in employment
  - Family responsibility
  - Health
  - HIV & AIDS
  - Skills development
  - Gendered outcomes (cross-cutting theme)

## Wage settlements

- The median settlement level in 2011 across industries was eight (8) percent.
- In other words, half the settlements were less than or equal to 8 percent and half were greater than or equal to 8 percent.
- Minimums often move with increases to actuals but this is not always the case. Minimums can sometimes increase by large percentages or stay unchanged for years.

# Wage settlements, 2011

## Median Wage Increases



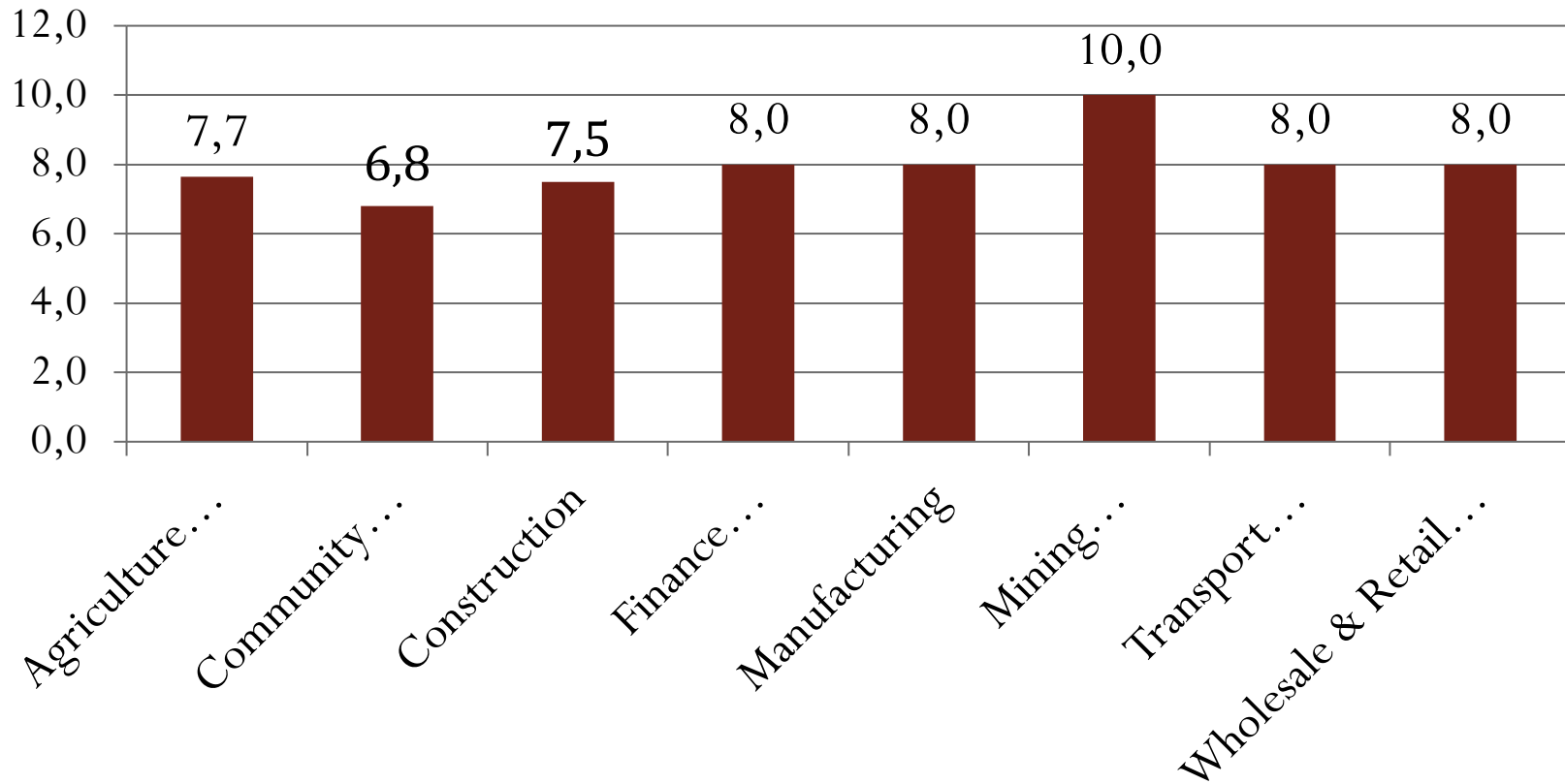
## Minimum wages

- Entry level minimums are one of the areas being contested by employers in the current economic climate and we are increasingly seeing moves employer demands to lower these minimums in the name of job creation. This is a highly undesirable outcome, which further reduces wage levels that very low in the first place. It also widens the wage gap between workers entering into employment and workers already in employment.

# Minimum wages

- Unions should not allow employers to narrow the debate to the lowering of wage costs only. Questions need to be asked about management fees, productivity and investment. In short, does the company have a real plan to grow employment or is its strategy limited to depressing the wages and conditions of workers.
- If the union is unable to resist such attacks then at the very least there should be clear counter demands which are quantified (i.e. how many jobs do employers commit to creating and in what time period) and there should be consequences in the event that employers do not meet these targets.

## Median settlement levels by industry in 2011

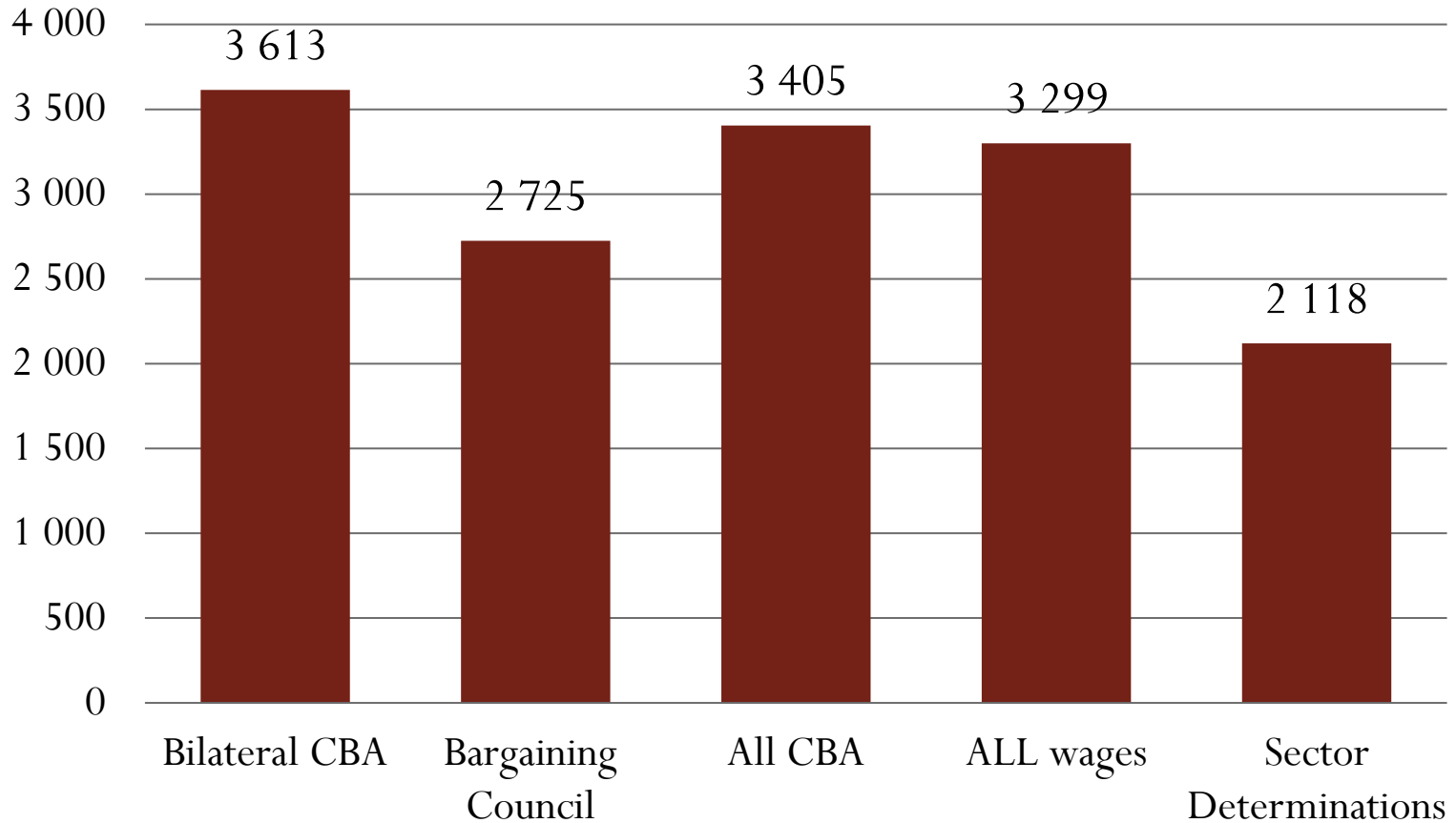


# Minimum Wages

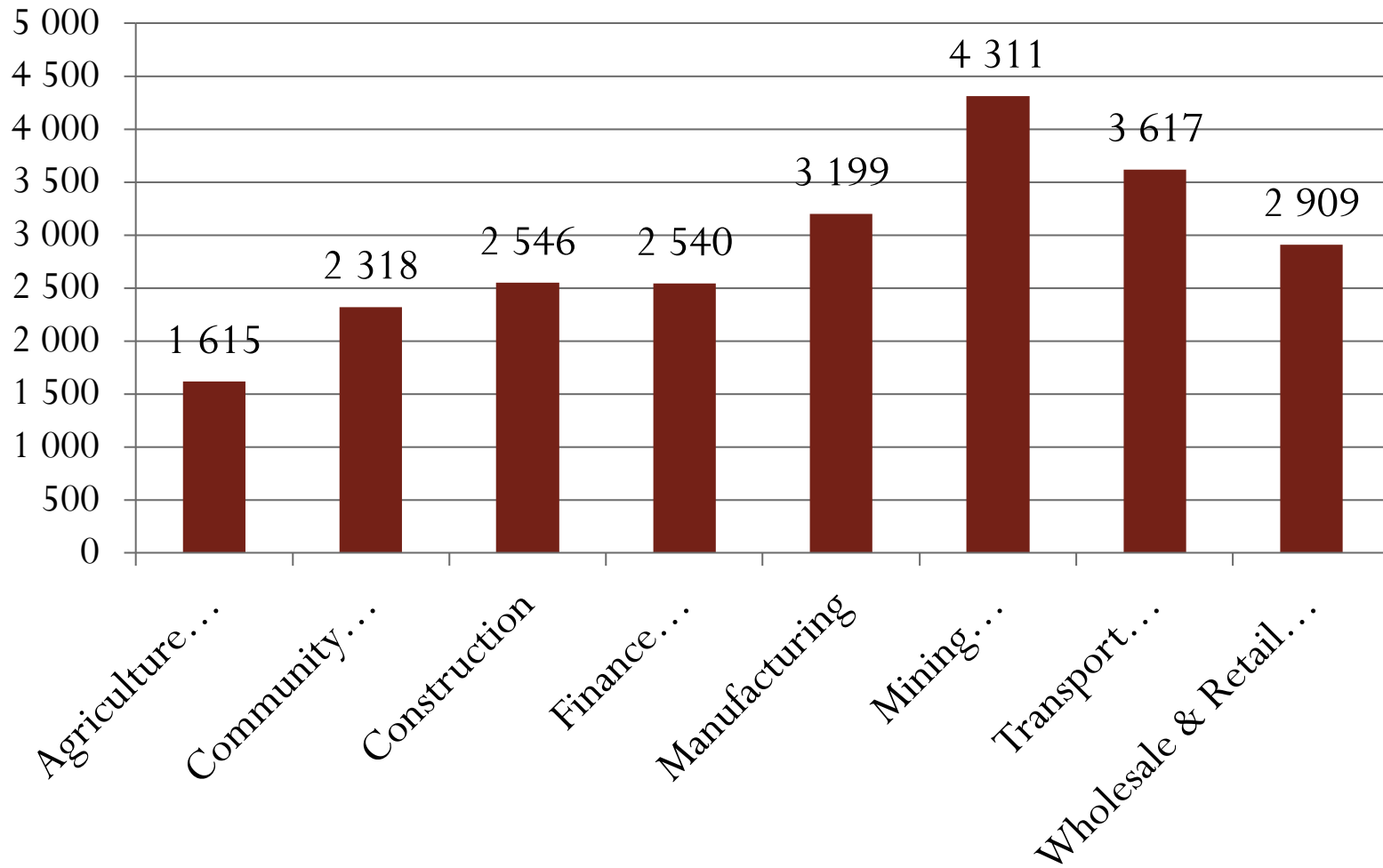
- Minimum wage levels in the South African economy tend to be higher in bilateral agreements than in centralised bargaining agreements, although centralised bargaining agreements cover a far greater number of workers than any one bilateral agreement. This does mean that bilateral negotiations necessarily yield better results than centralised bargaining. The history of industrial relations and struggle at a company and the profitability of the industry involved are important factors.



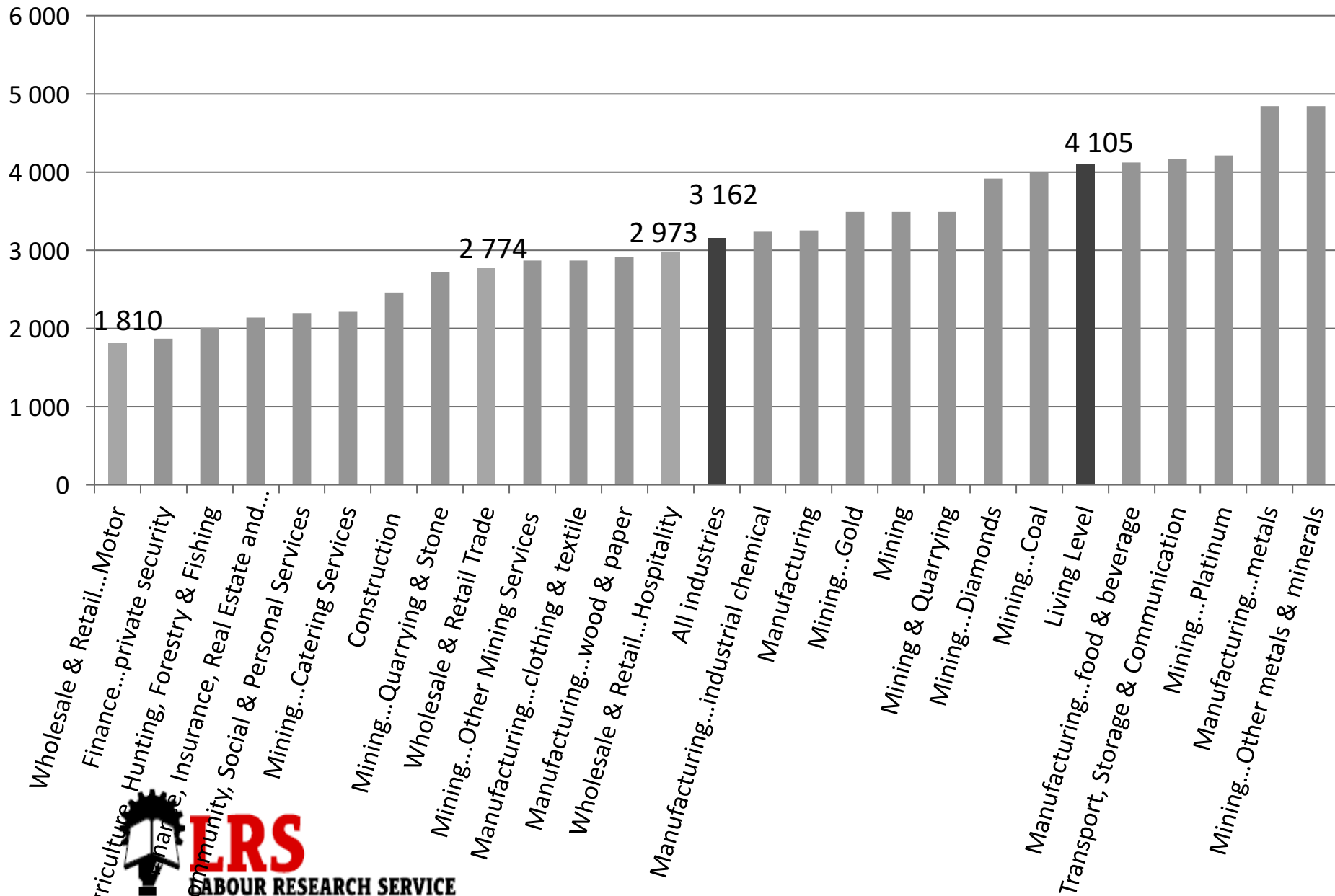
# Minimum wages by bargaining level, 2011



# Minimum wages by industry, 2011



# Minimum wages by sub-sector in 2010

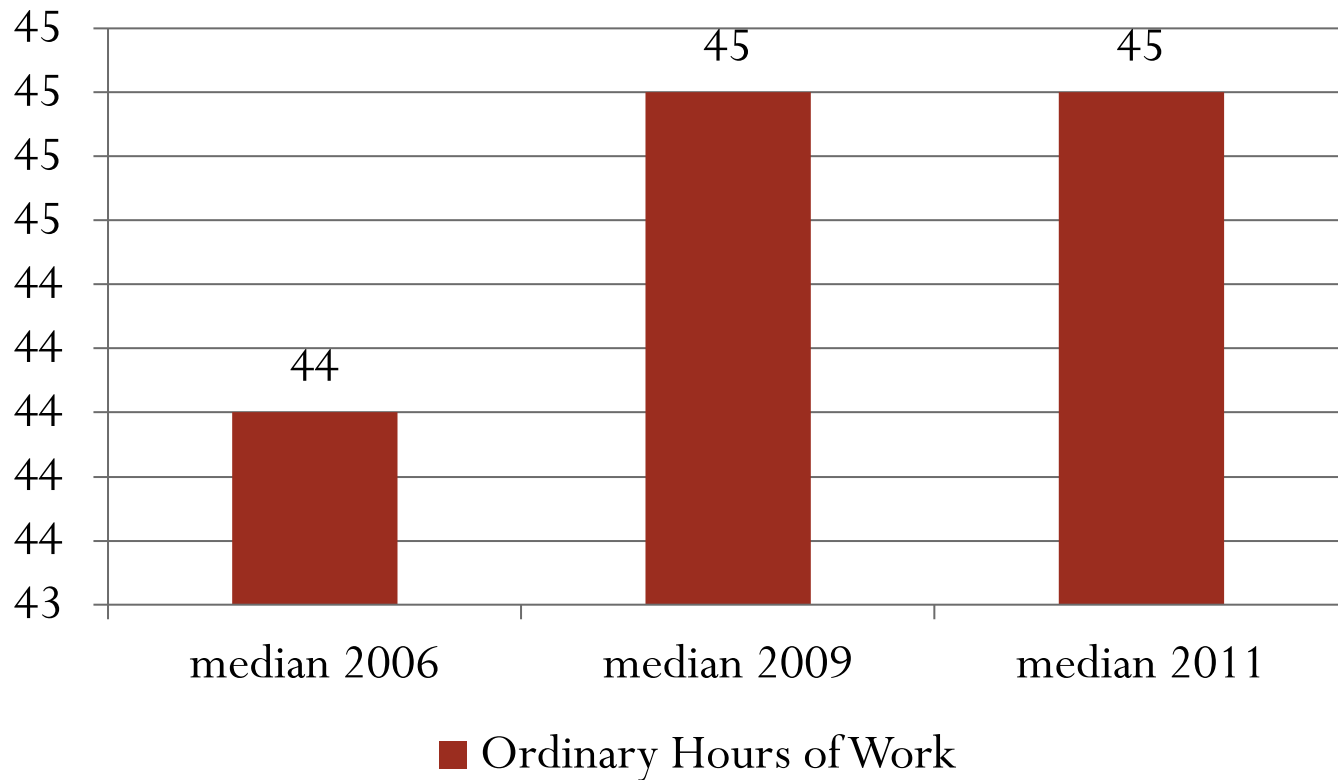


# Conditions

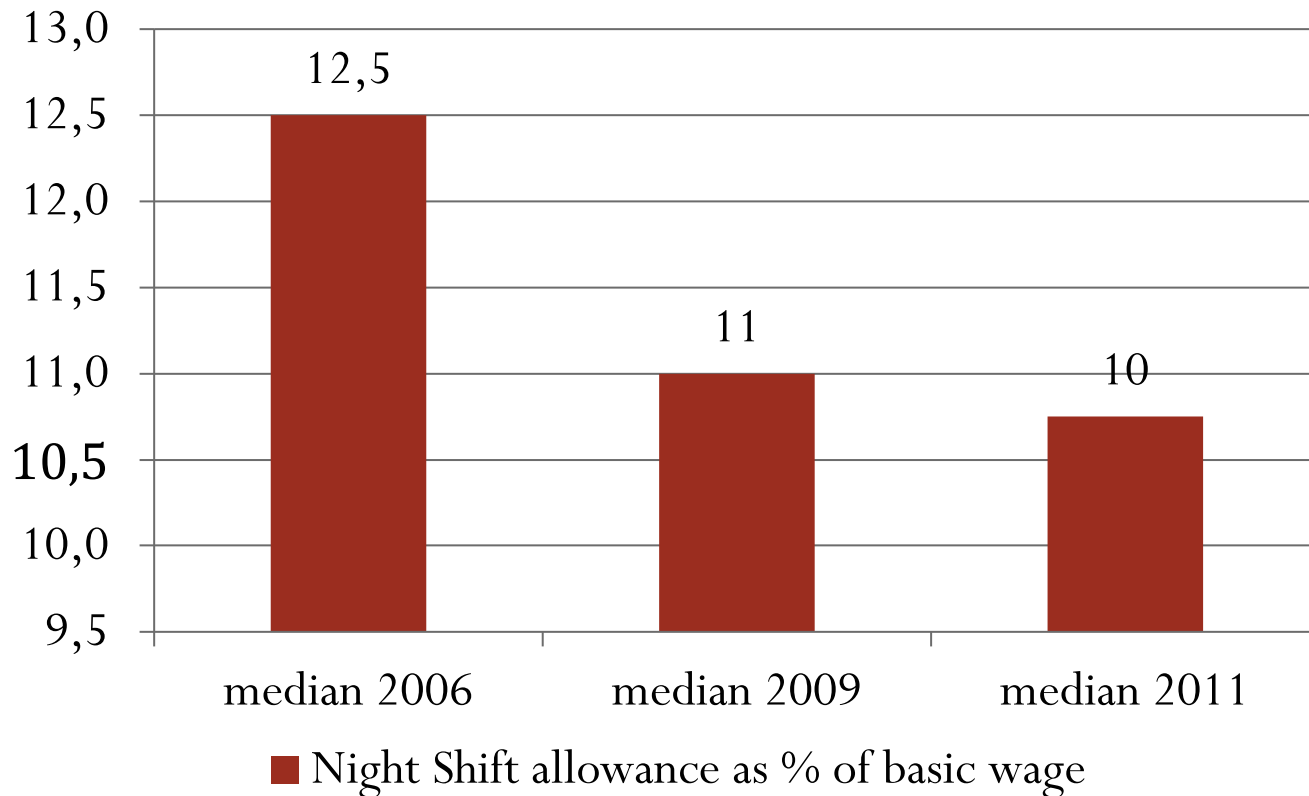
- The lasting impression one gets is that conditions of employment have remained largely static between 2006 and 2011, with evidence of marginal increases and decreases here and there.
- The BCEA looks more like a ceiling than a floor of minimum conditions. Put another way, actual conditions of employment tend to cluster around the legislated minimums. We see few significant upward variations.
- The graphs which follow either display median benefit values or the proportion (%) of agreements which contain evidence of a particular benefit.

# Hours of work

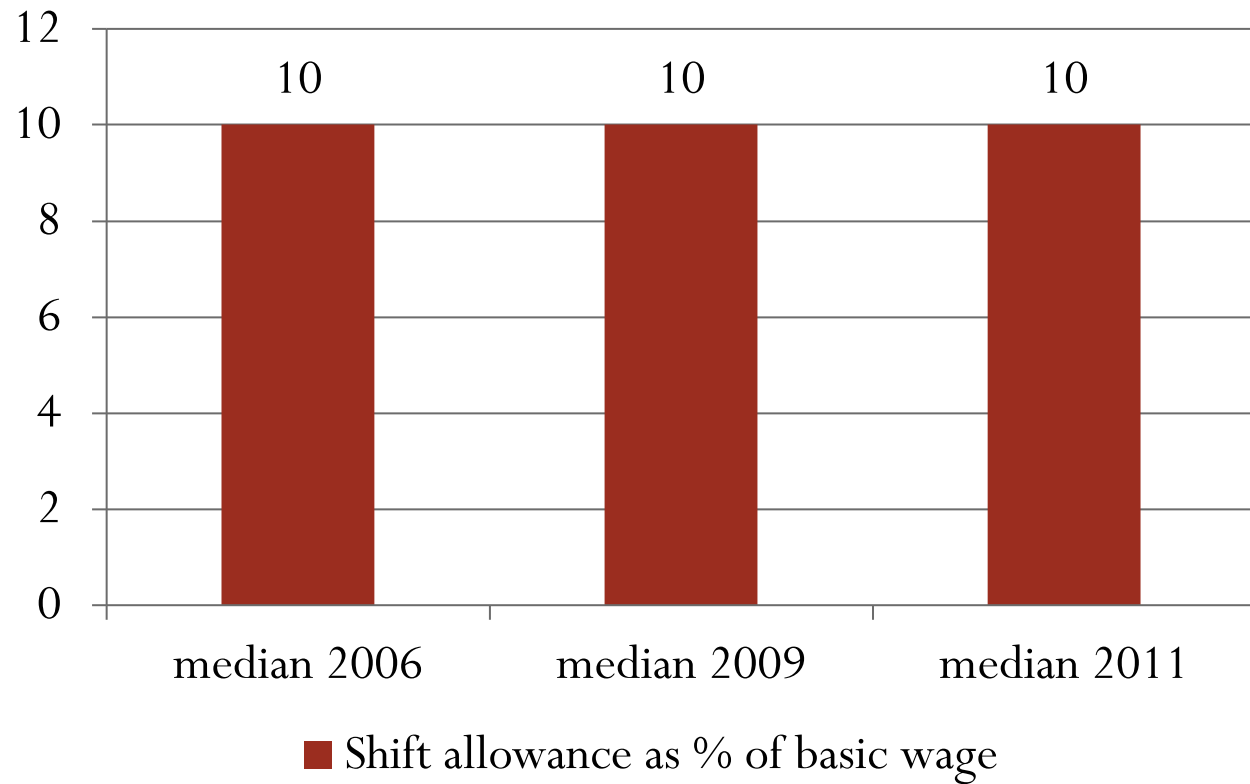
A reduction in working hours to a 40 hour week without a loss of pay would amount to a 10% increase on average for workers



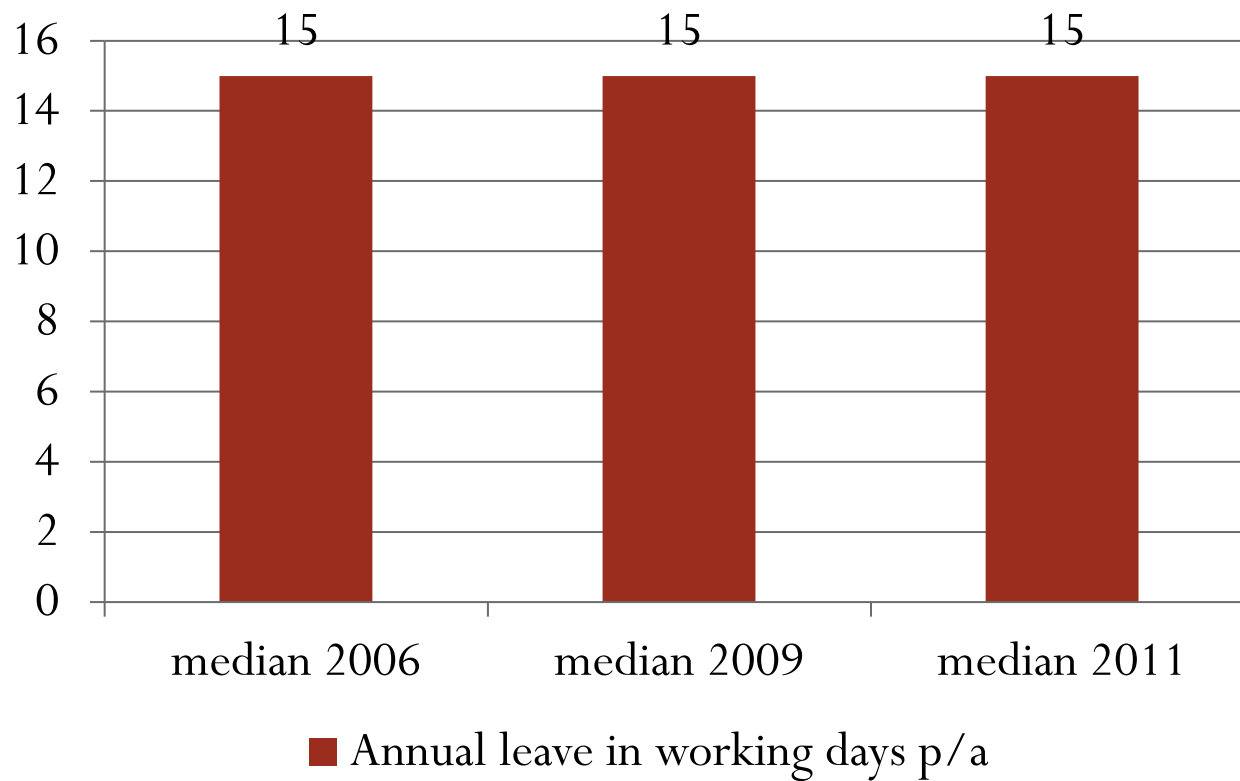
## Night shift allowance <sup>(9)</sup>



## Shift allowance <sup>(6)</sup>

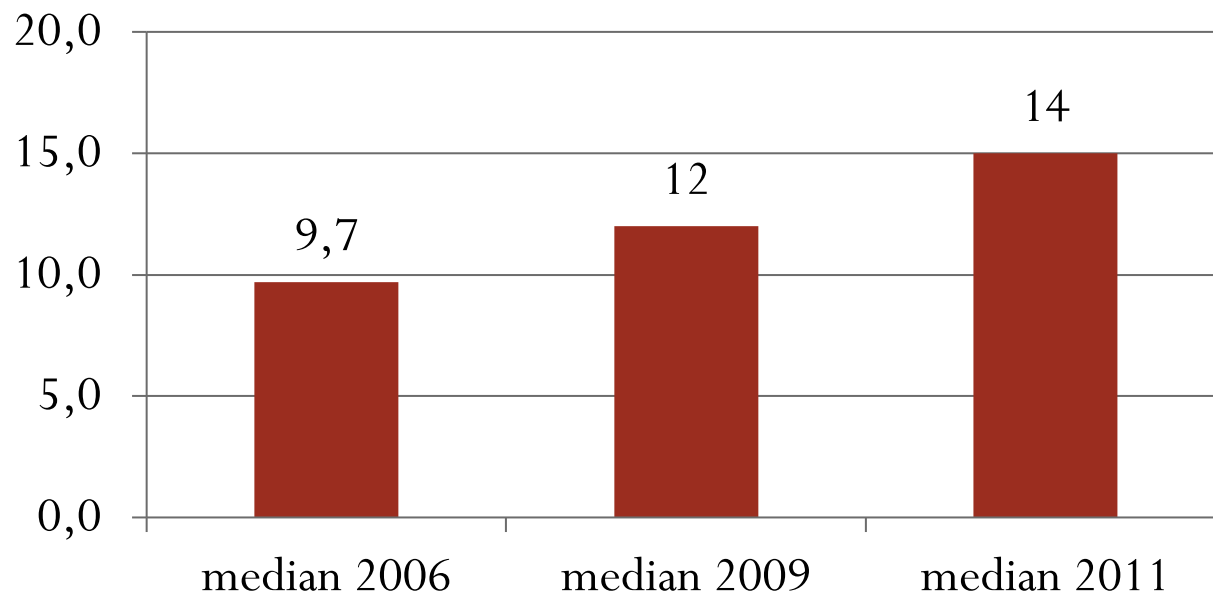


# Annual leave <sup>(22)</sup>



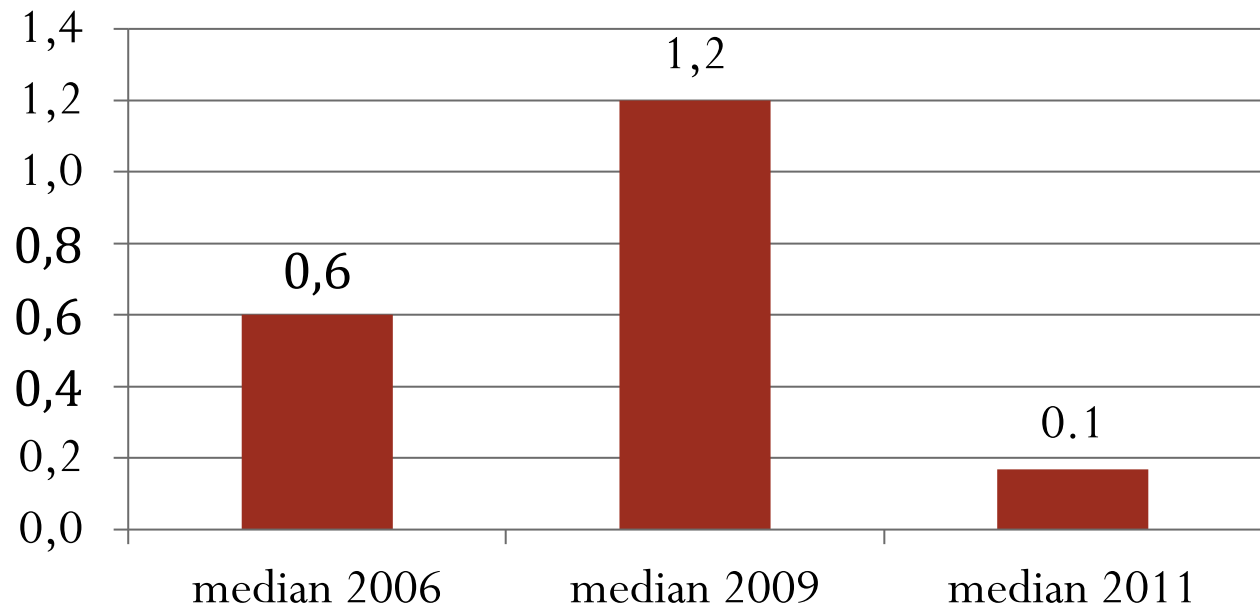


# Evidence of Provident in what % of agreements?



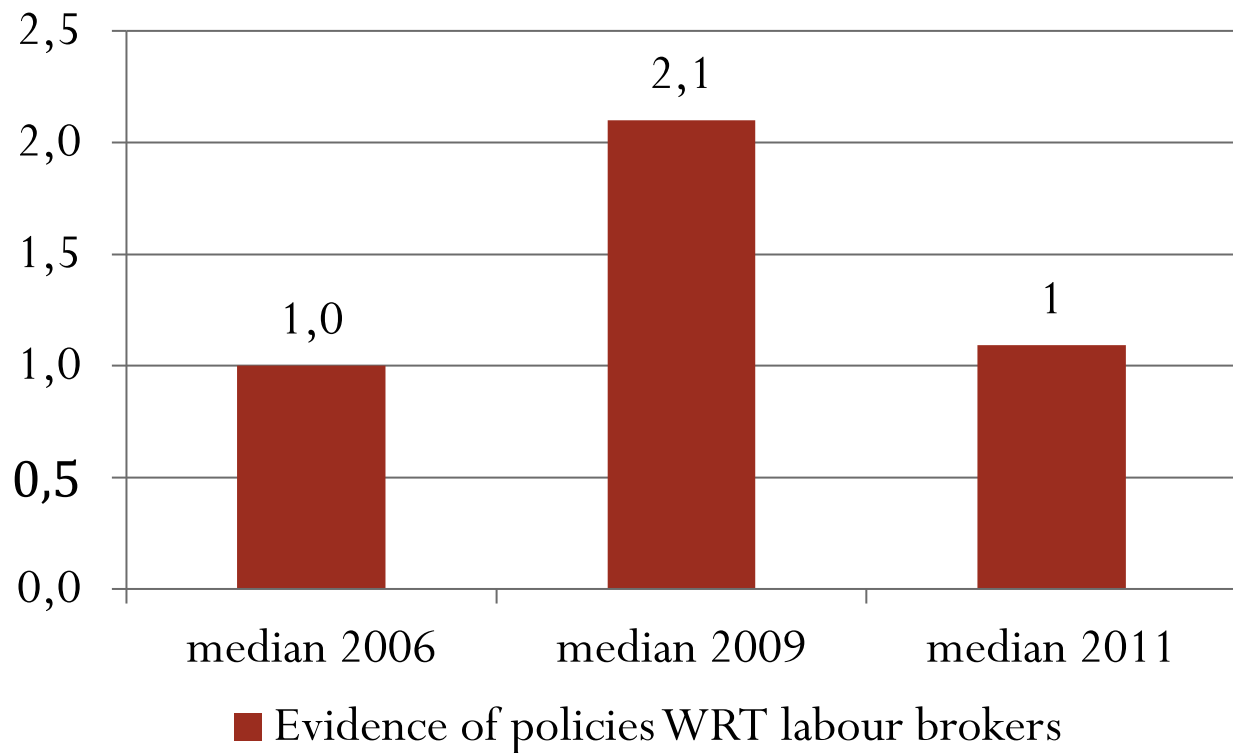
■ Evidence of Provident Fund - employer contribution as % of basic

# Evidence of Extension of benefits in what % of agreements?

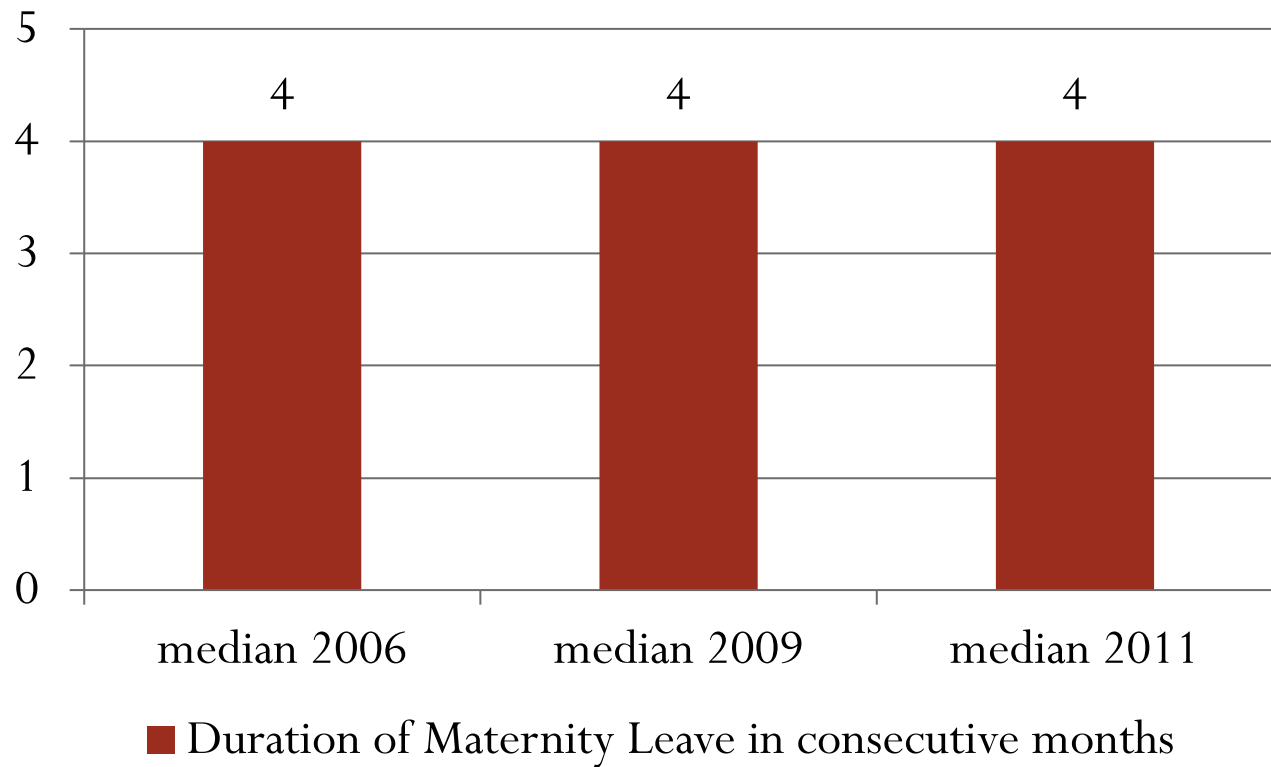


■ Evidence of extension of normal benefits to fixed and short term employees

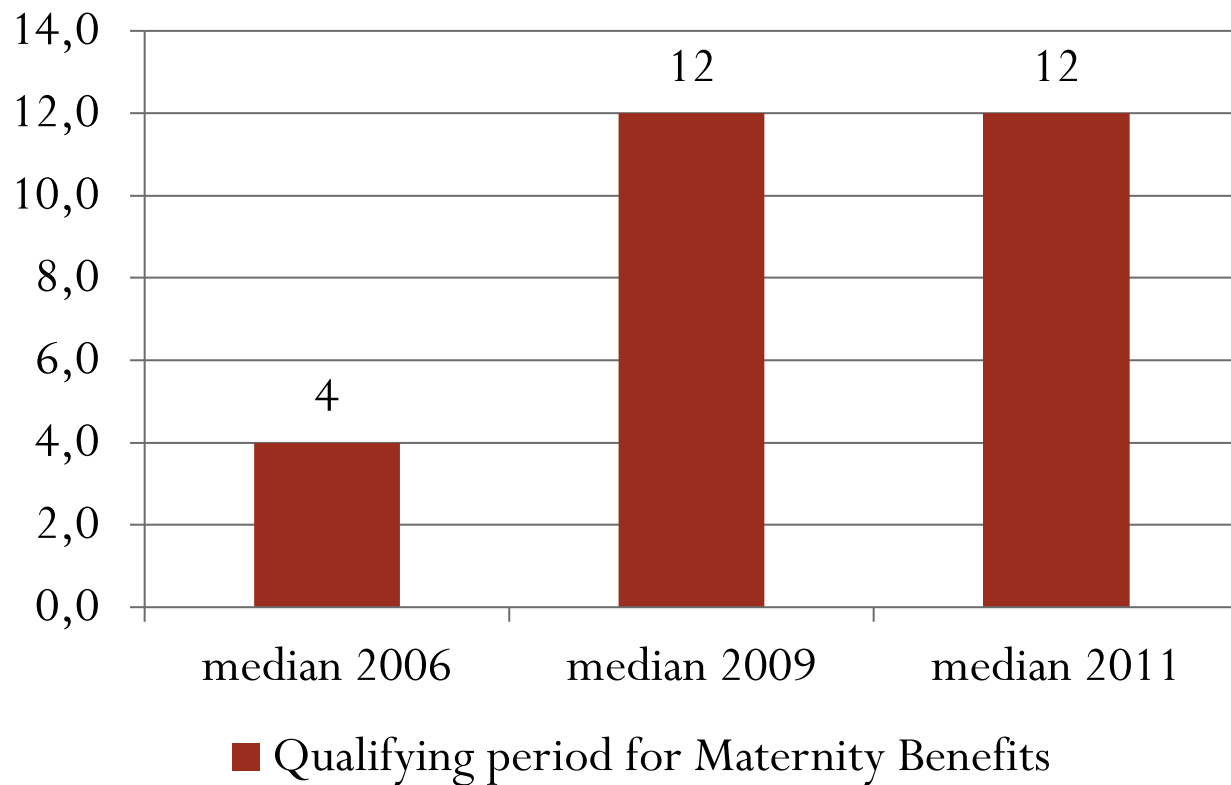
# Evidence of Labour broking in what % of agreements?



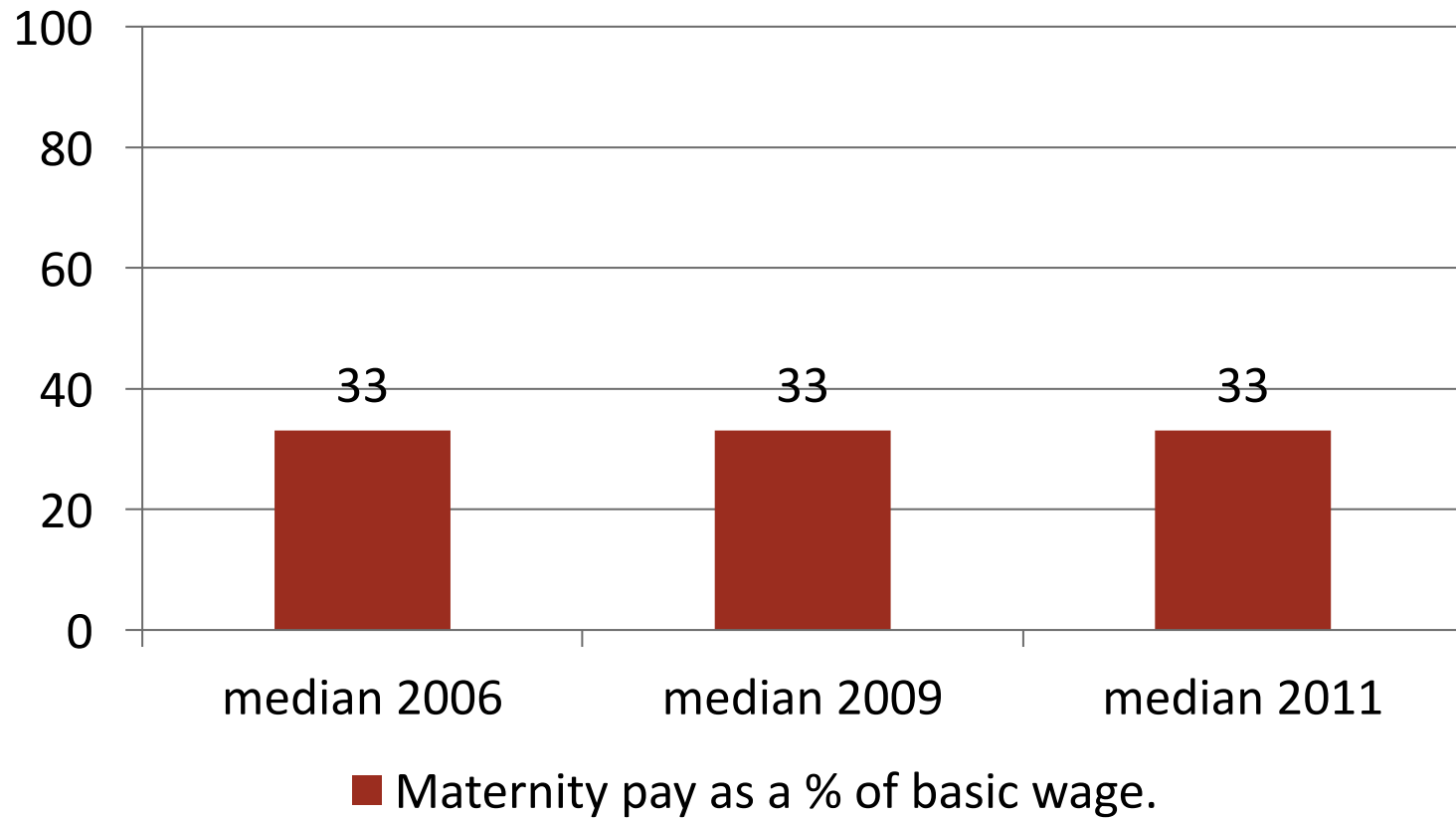
# Maternity benefits <sup>(15)</sup>



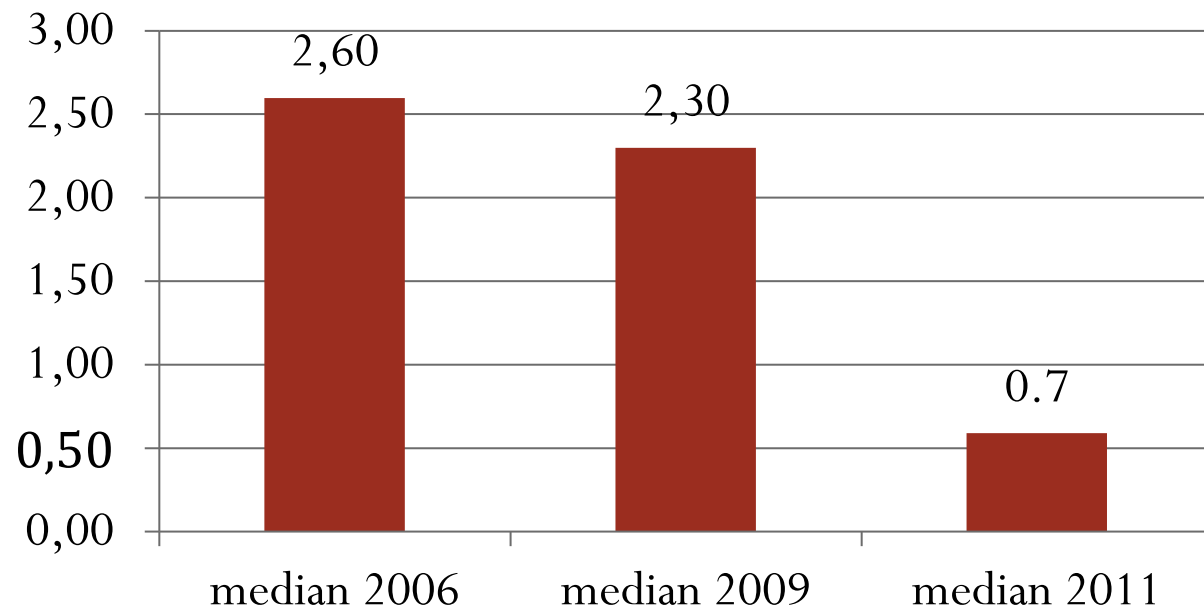
# Evidence of Maternity benefits in what % of agreements?



## Maternity benefits <sup>(6)</sup>

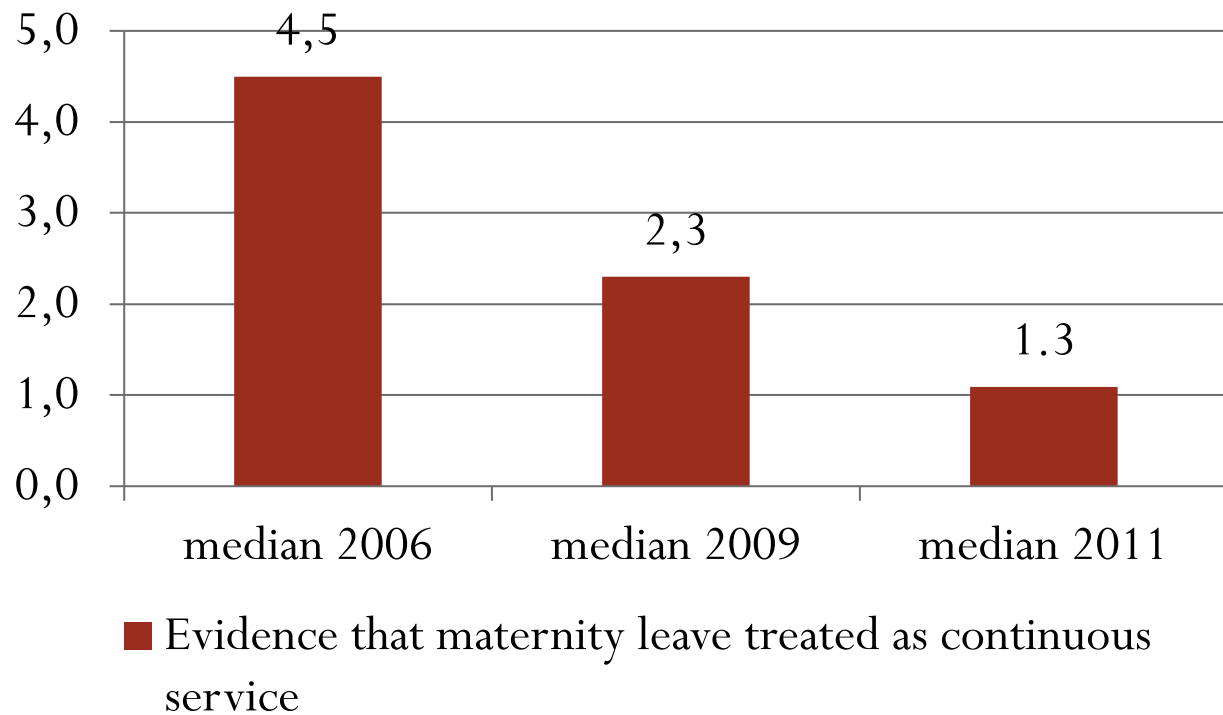


# Evidence of Maternity benefits in what % of agreements?



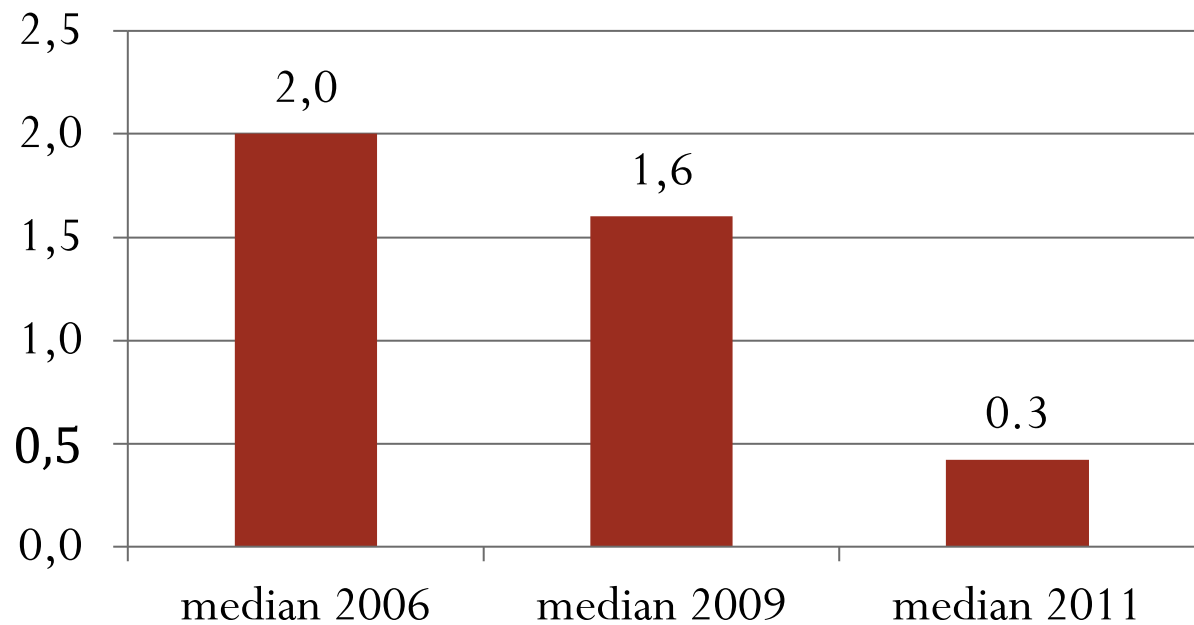
■ Evidence of commitment by employer to assist employee in claiming maternity pay from UIF.

# Evidence of Maternity benefits in what % of agreements?



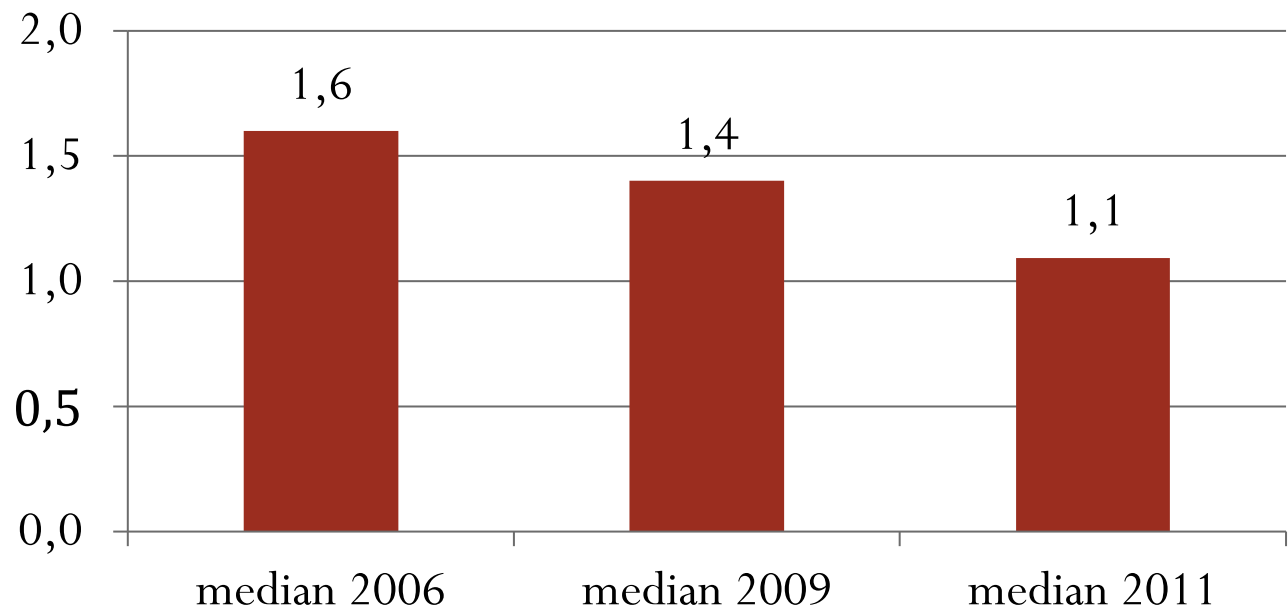


# Evidence of Maternity benefits in what % of agreements?



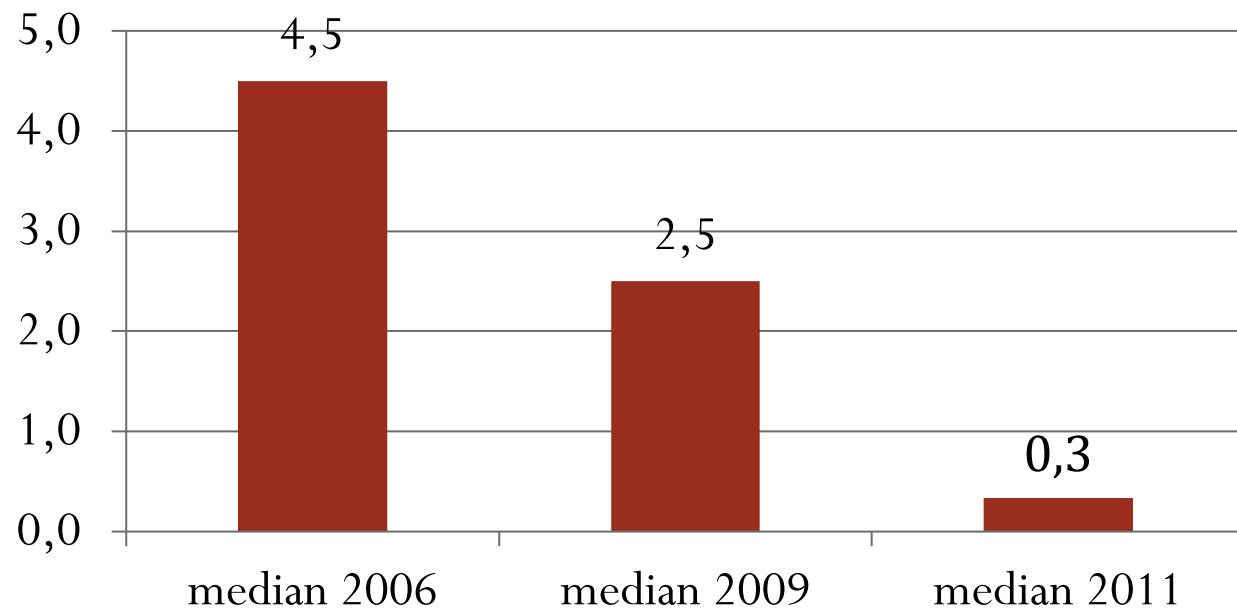
■ Evidence of employer maintaining benefit contributions during maternity leave.

# Maternity benefits



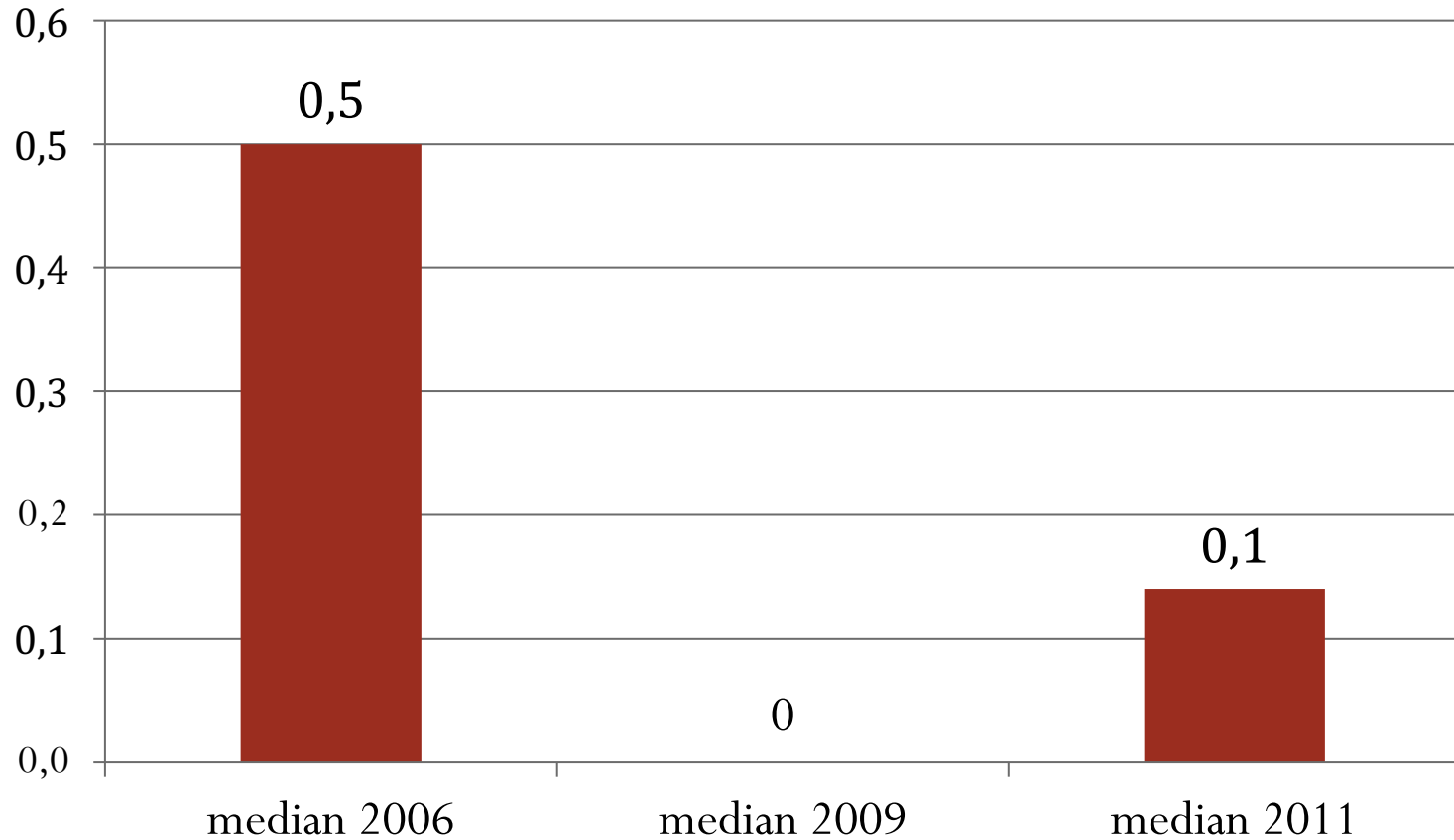
■ Evidence of leave (other than sick leave) for the purposes of antenatal and post-natal checkups.

Evidence of **Maternity benefits** in what % of agreements?



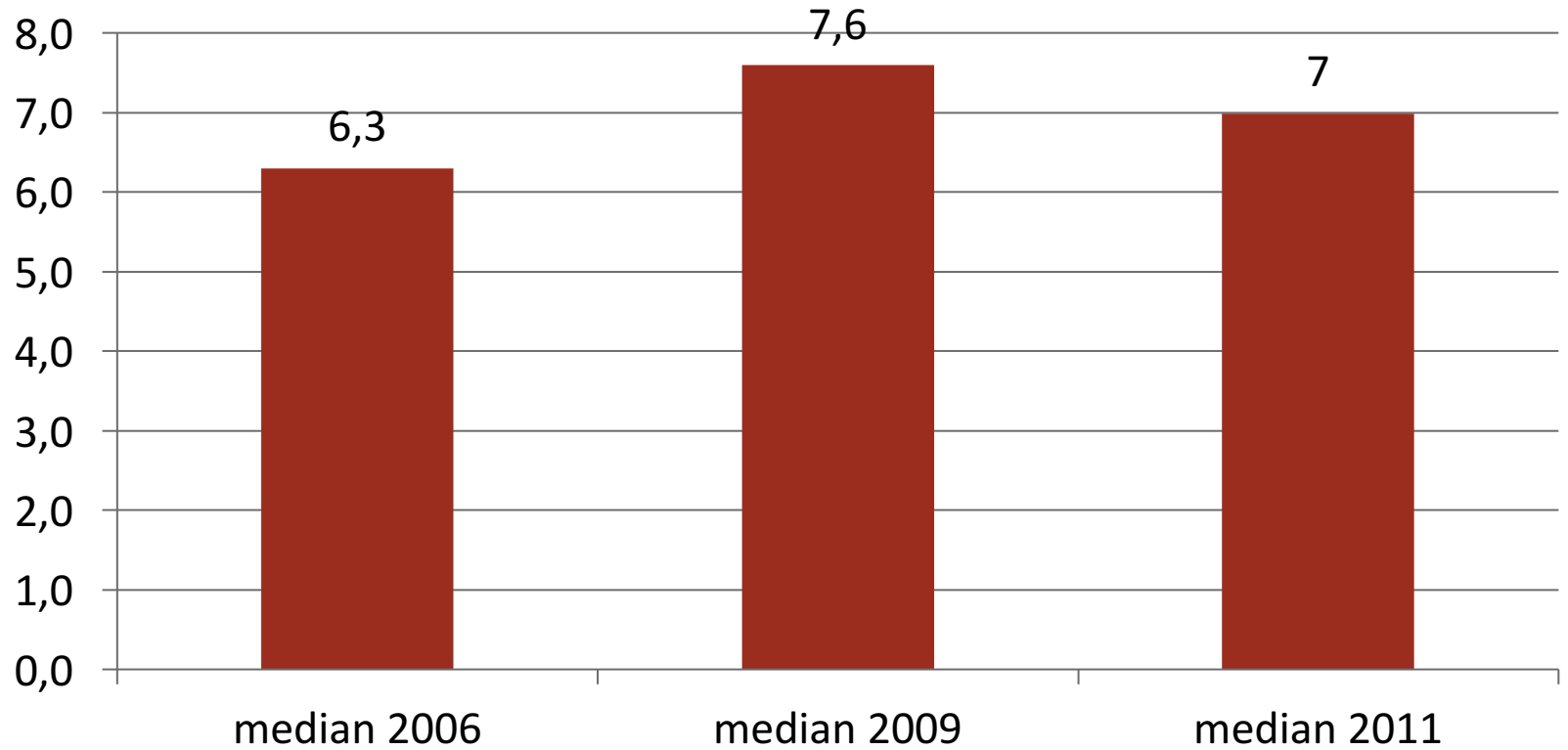
■ Evidence of job security for women wishing to return to work after maternity leave.

# Evidence of **Childcare** in what % of agreements?



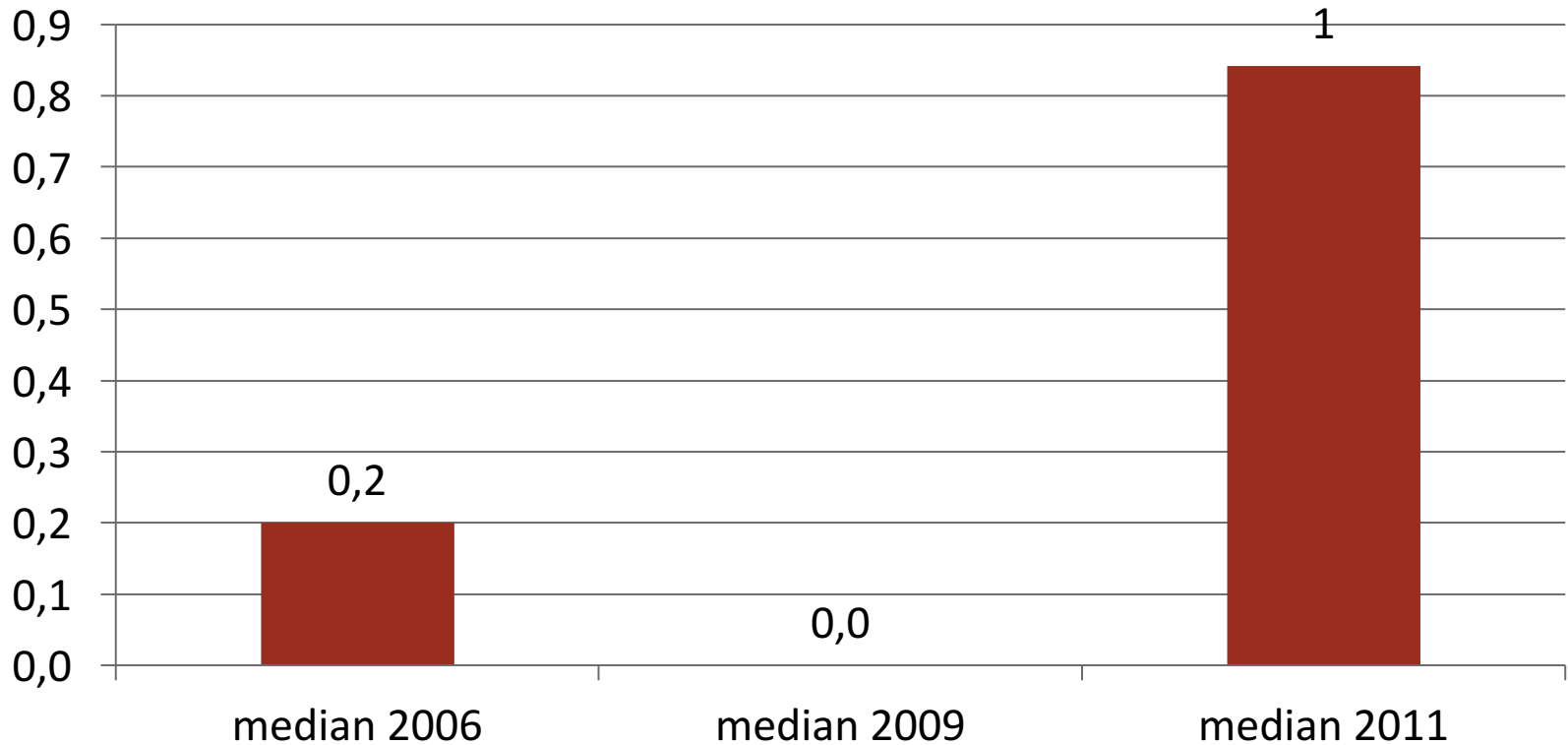
■ Evidence of provision of childcare facilities.

Evidence of **Medical cover** in what % of agreements?



■ Evidence of employer provision of- or contribution to- medical/health cover.

# Evidence of Sexual & reproductive health in what % of agreements?

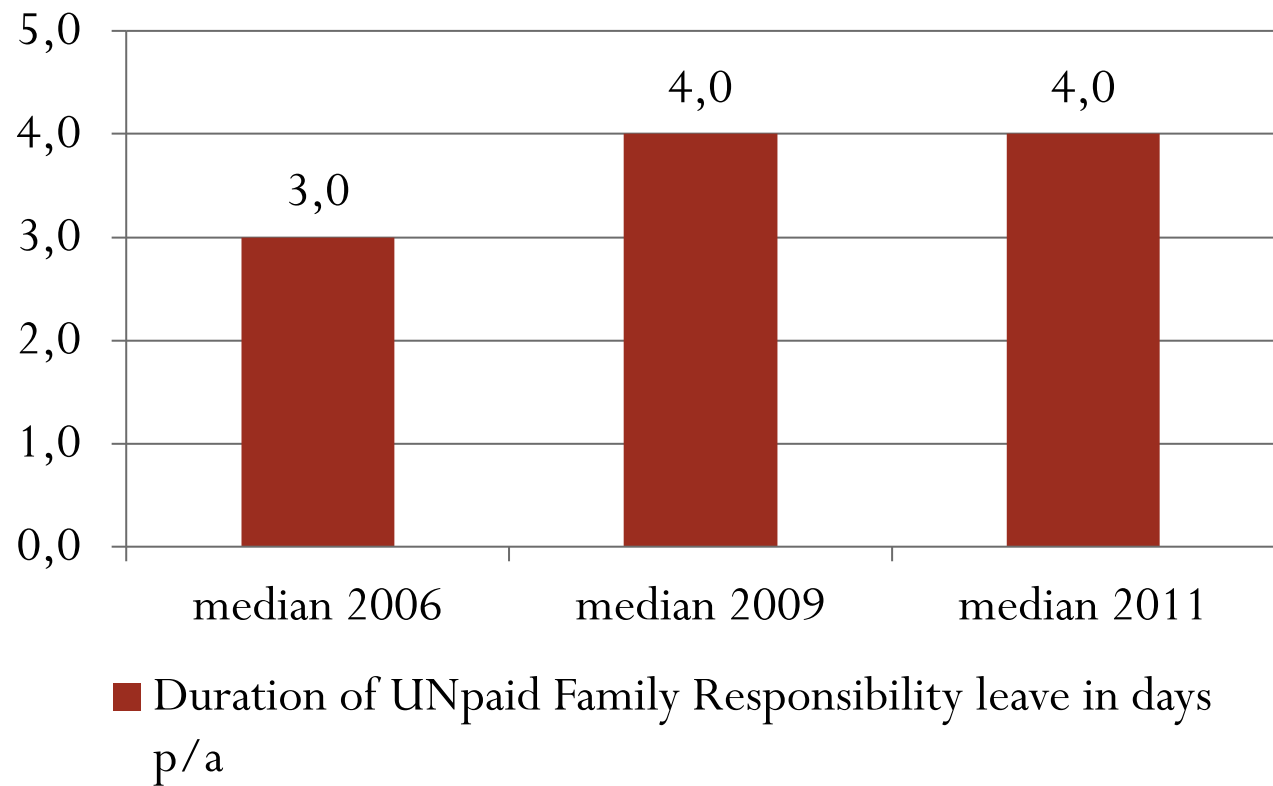


■ Evidence of practical measures that promote reproductive and/or sexual health

## Family responsibility <sup>(17)</sup>

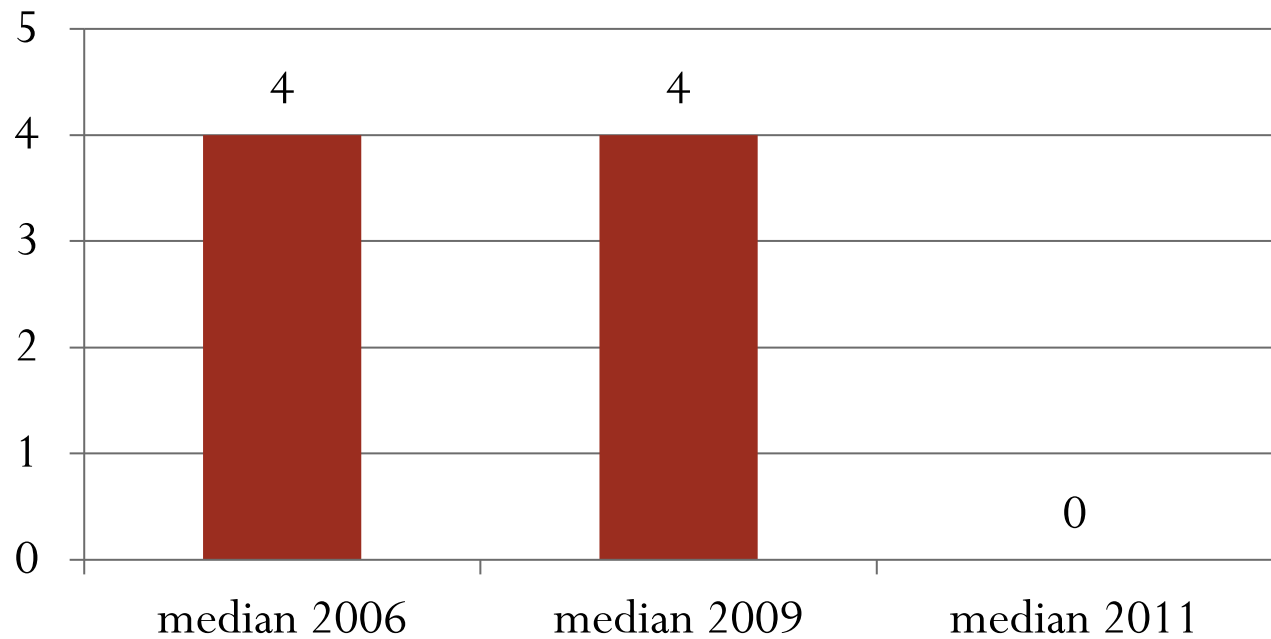


# Family responsibility <sup>(1)</sup>



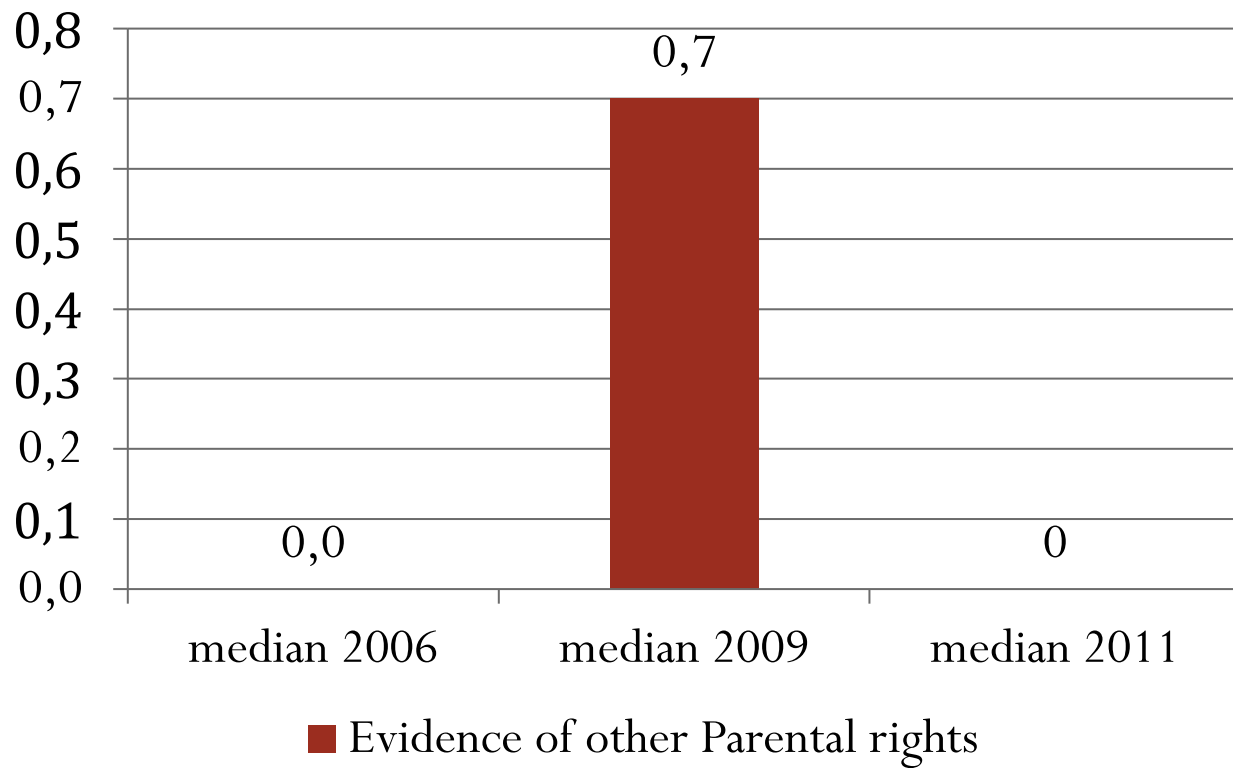


# Family responsibility <sup>(0)</sup>

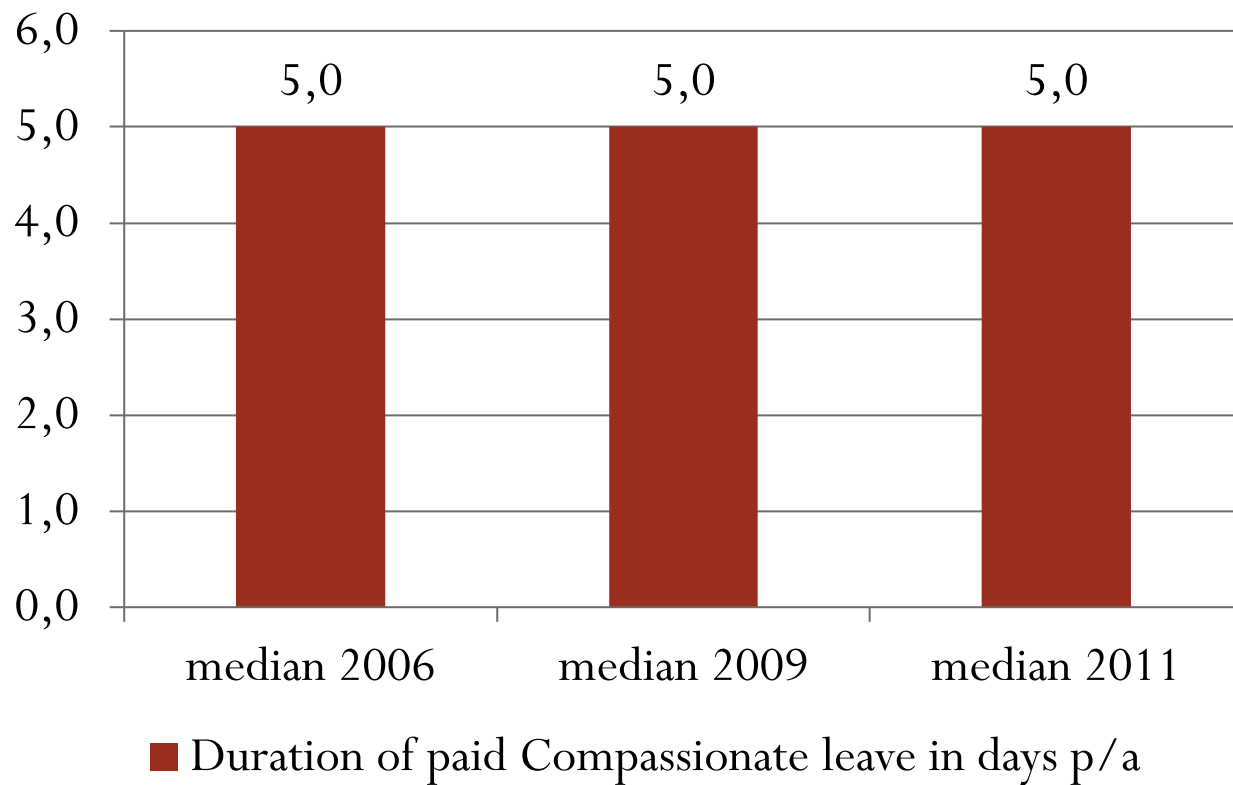


■ Length of service/other exclusions from Family responsibility leave - in months

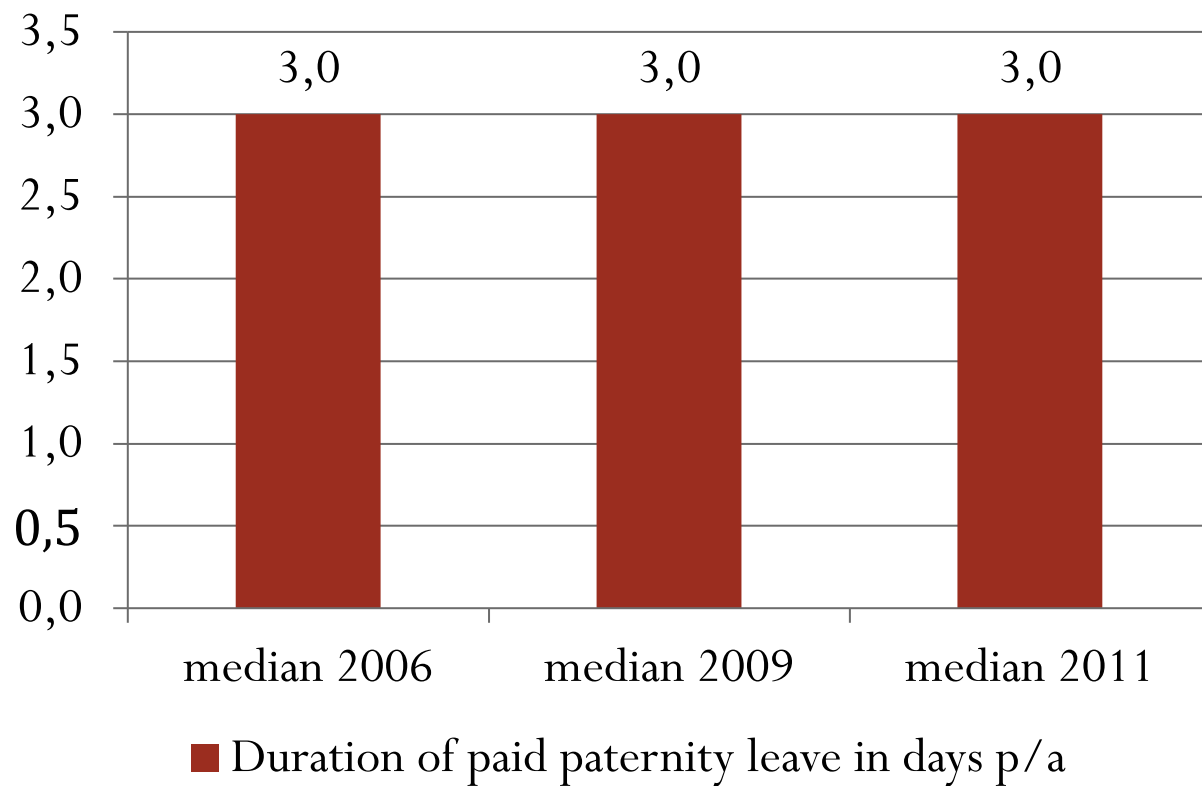
# Evidence of Parental rights in what % of agreements?



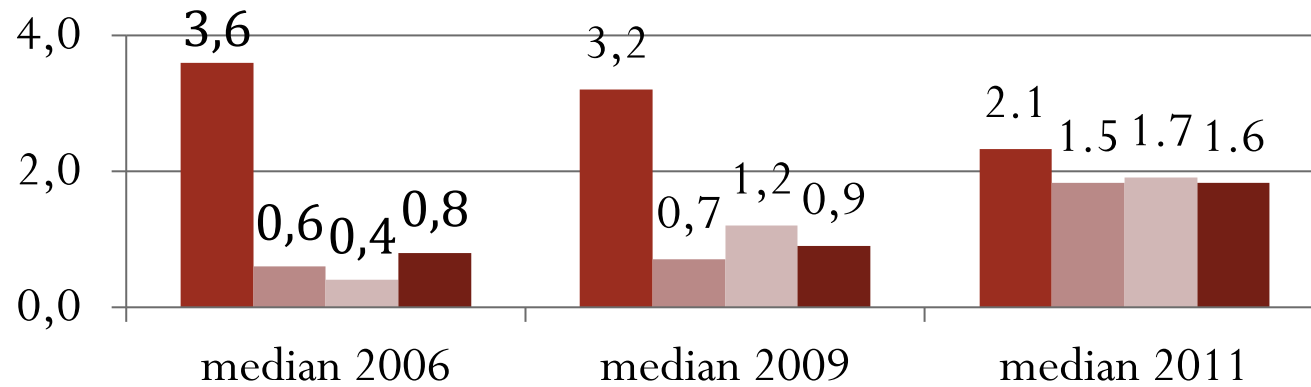
## Compassionate leave <sup>(6)</sup>



## Paternity leave <sup>(5)</sup>

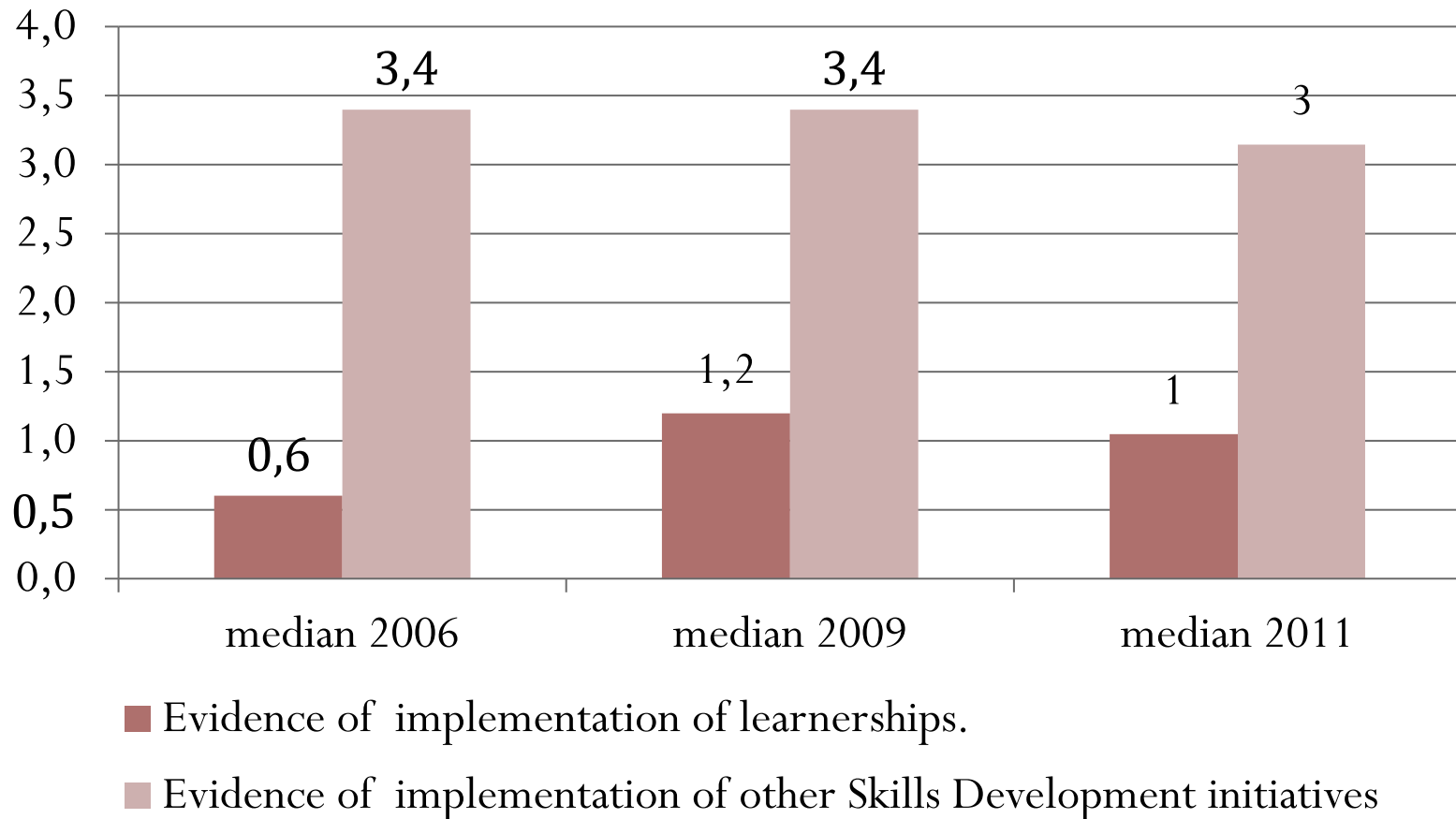


Evidence of **Workplace responses to HIV & AIDS** in what % of agreements?

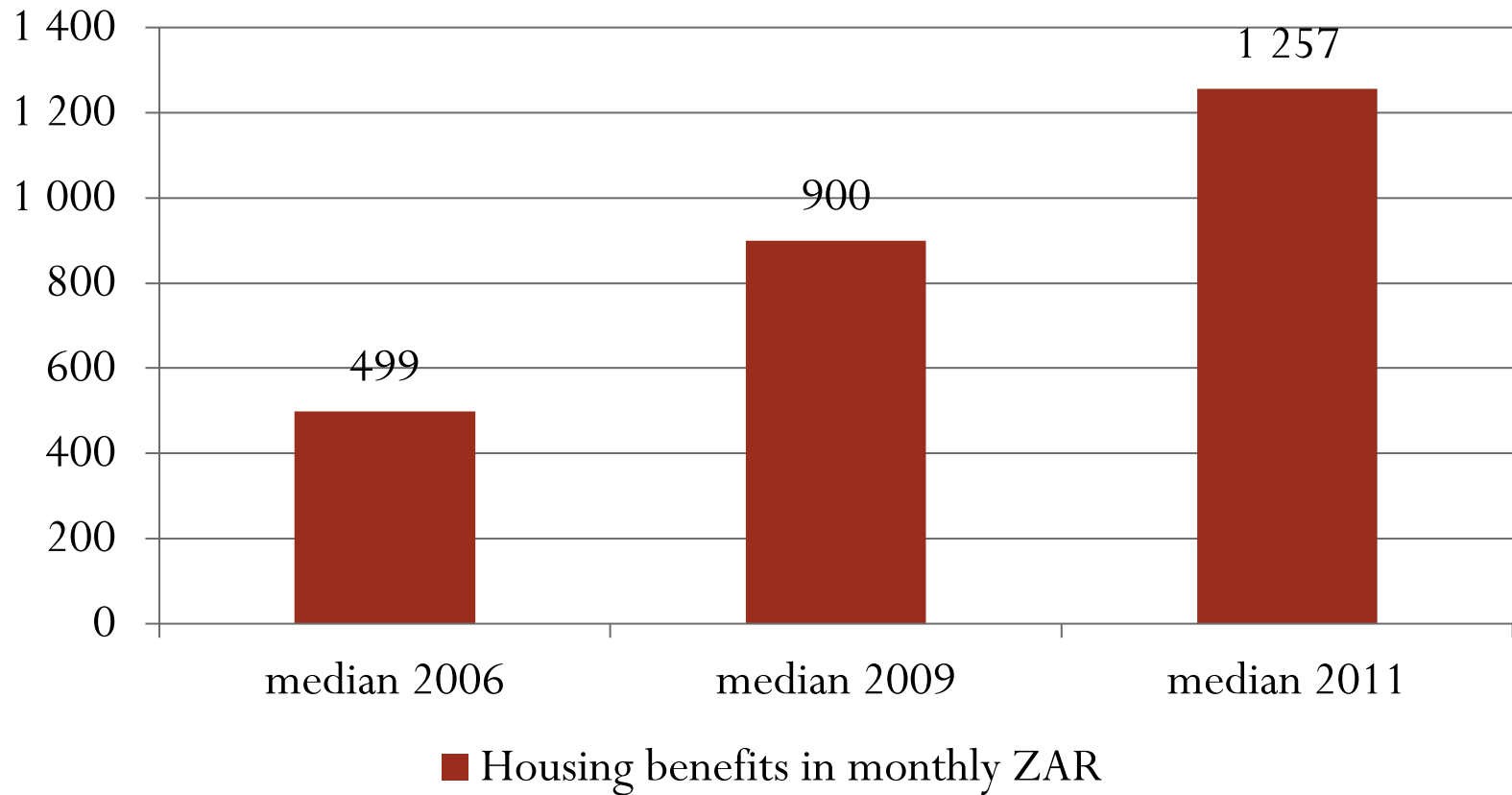


- Evidence of practical measures to raise awareness.
- Evidence of practical measures to provide VCT. (Voluntary Counselling and Testing)
- Evidence of practical measures to promote confidentiality.
- Evidence of practical measures to provide access to treatment.

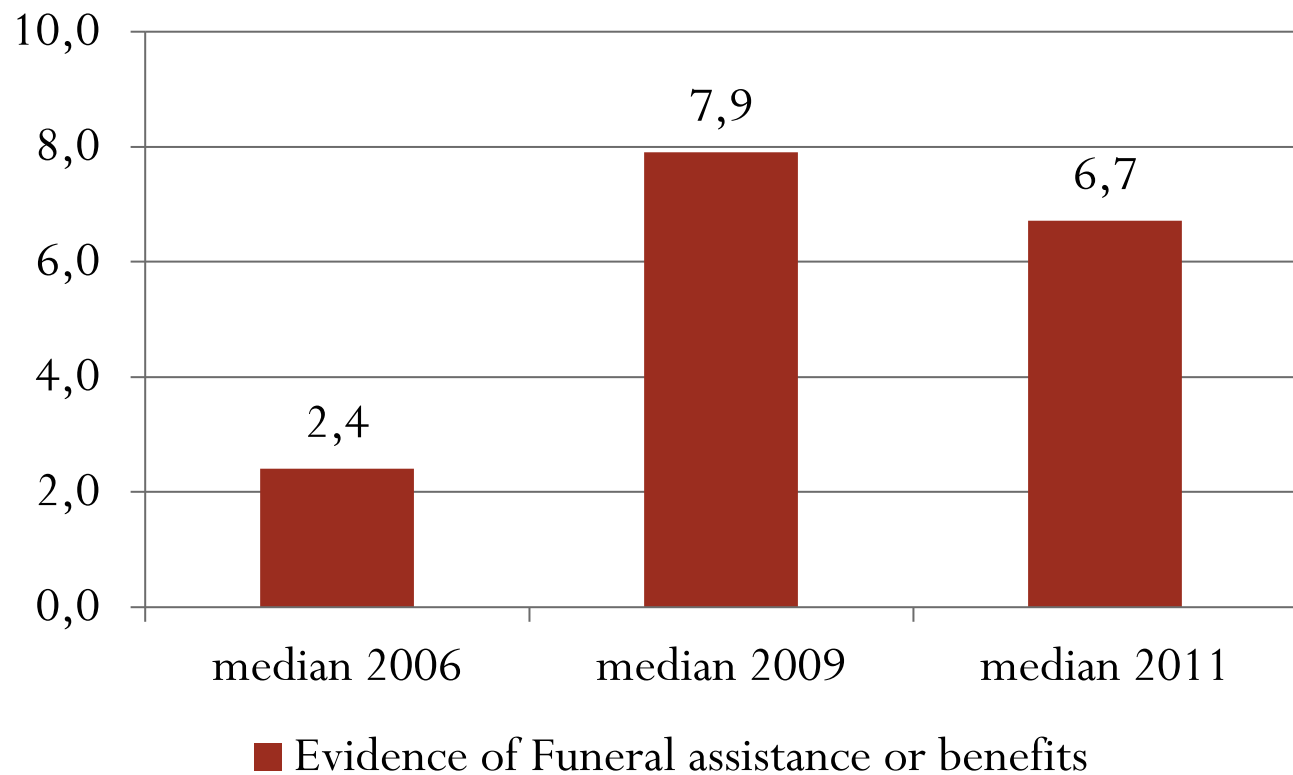
# Evidence of Skills development in what % of agreements?



# Housing <sup>(3)</sup>



# Evidence of Funeral benefits in what % of agreements?





The time between negotiations is as important as the time spent in negotiations...

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