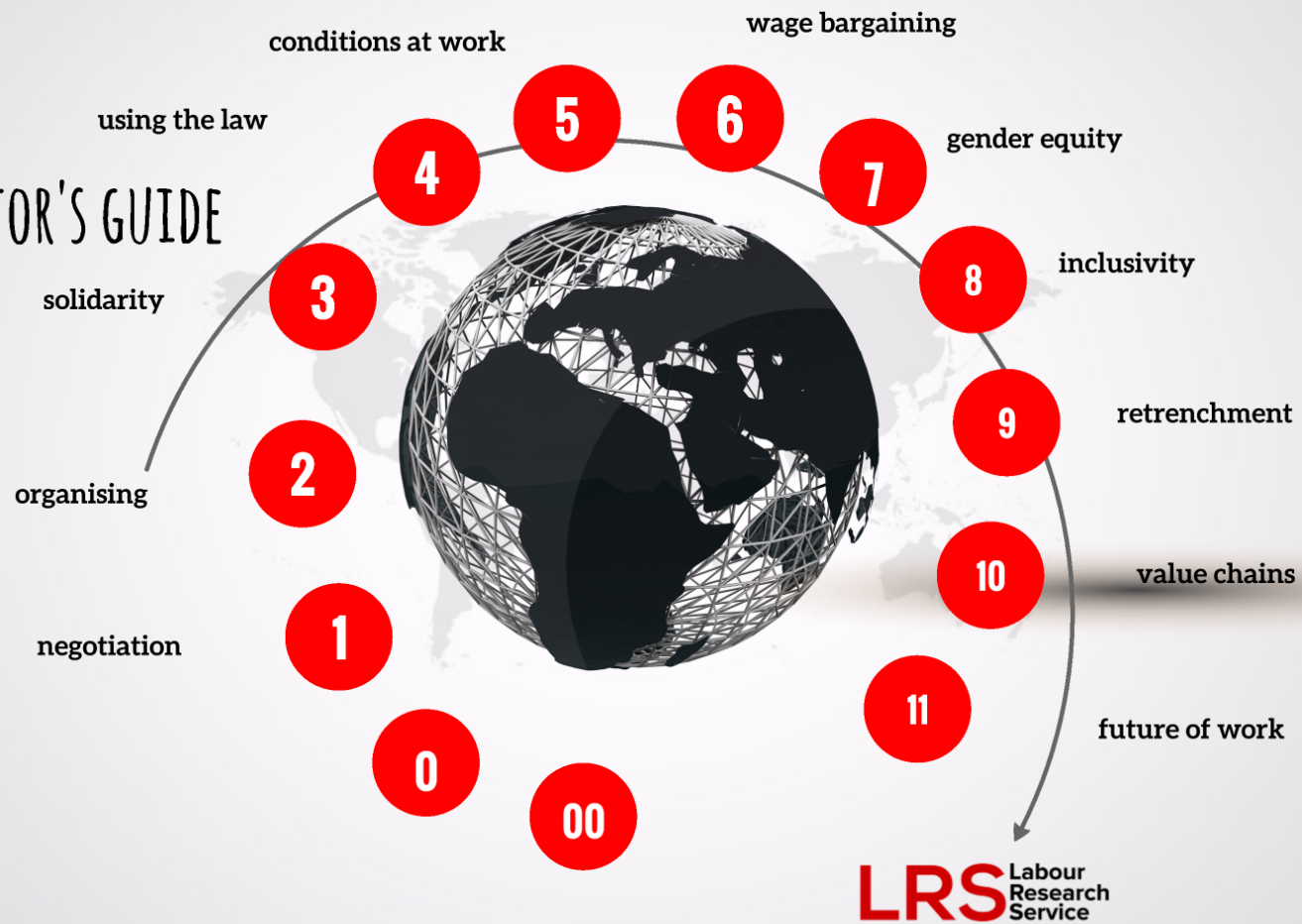


THE NEGOTIATOR'S GUIDE



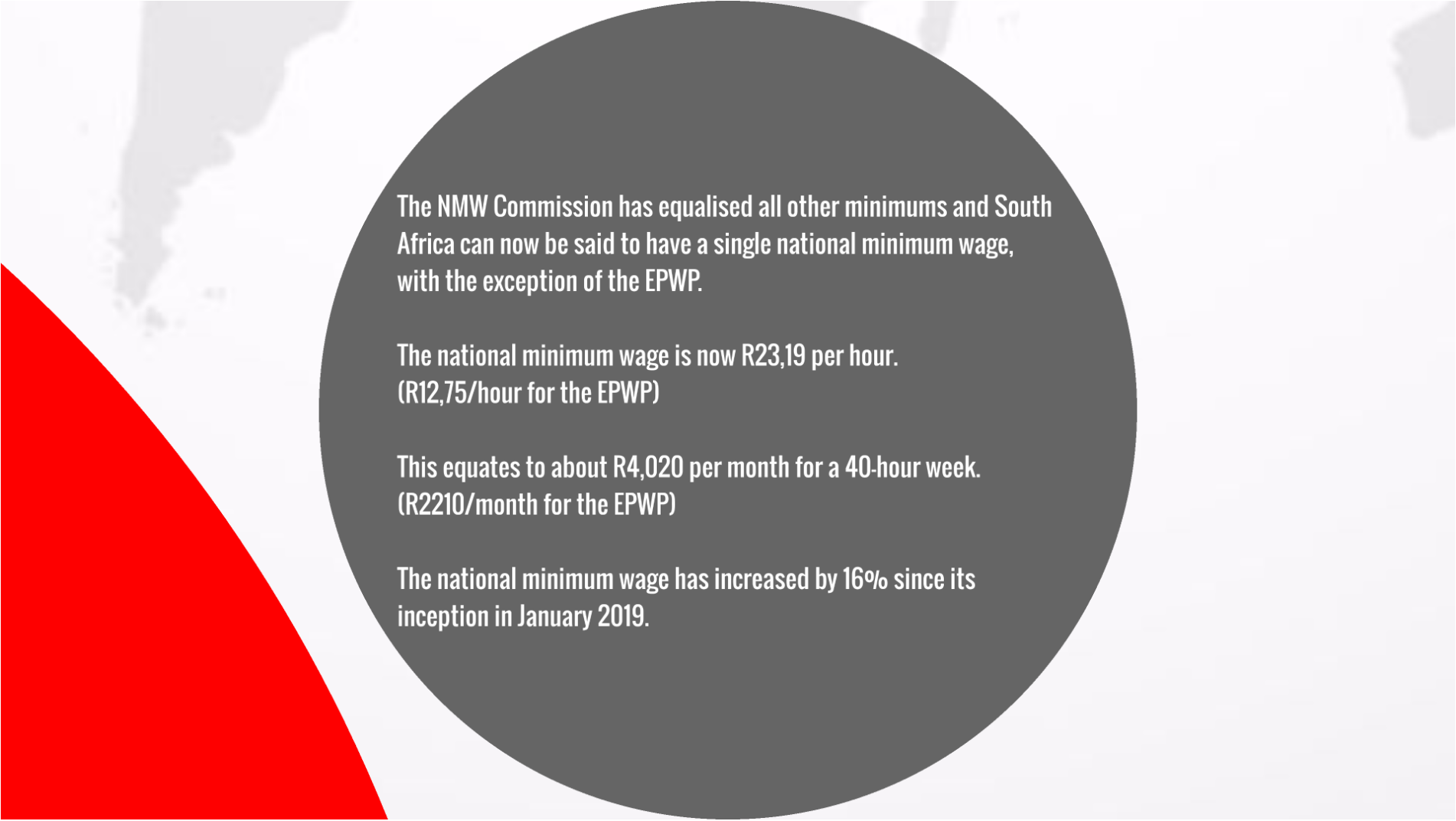
What's happening out there?

- > National minimum wage
- > Economic indicators
- > Collective bargaining indicators

NMW

Economic

**Bargaining
Indicators**



The NMW Commission has equalised all other minimums and South Africa can now be said to have a single national minimum wage, with the exception of the EPWP.

The national minimum wage is now R23,19 per hour.
(R12,75/hour for the EPWP)

This equates to about R4,020 per month for a 40-hour week.
(R2210/month for the EPWP)

The national minimum wage has increased by 16% since its inception in January 2019.

What's happening out there?

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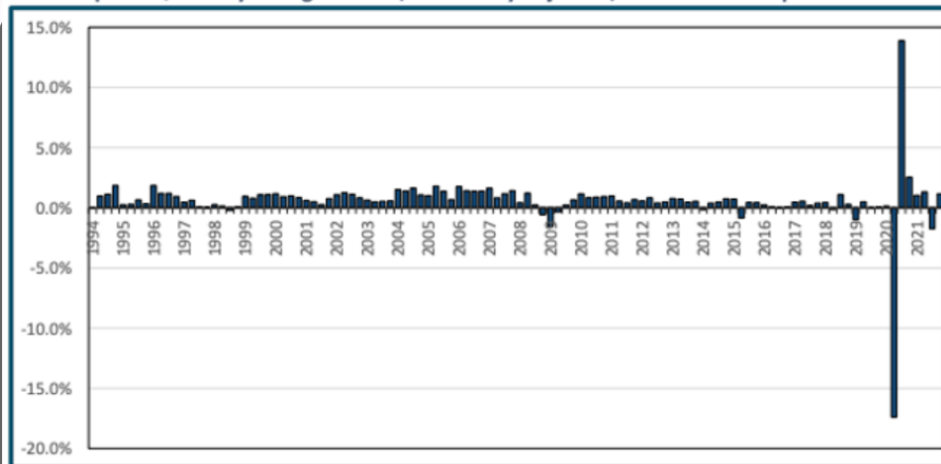
NMW

Economic

**Bargaining
Indicators**

Gross Domestic Product

Graph 1. Quarterly change in GDP, seasonally adjusted, 1994 to fourth quarter 2021

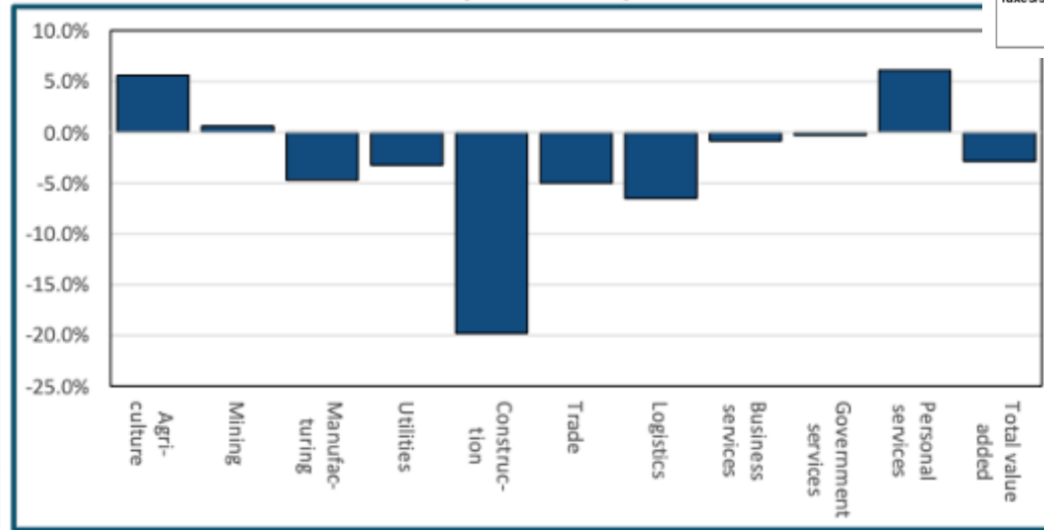


Source: Calculated from Statistics South Africa. GDP quarterly figures. GDP P0441 – 2021Q2. Excel spreadsheet downloaded from www.statssa.gov.za.

GDP%

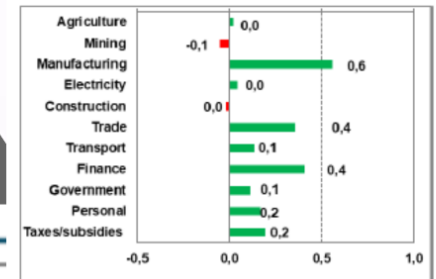
% Change in GDP Q1 2020 (pre-pandemic) to Q3 2021 by sector

to third quarter 2021 by sector



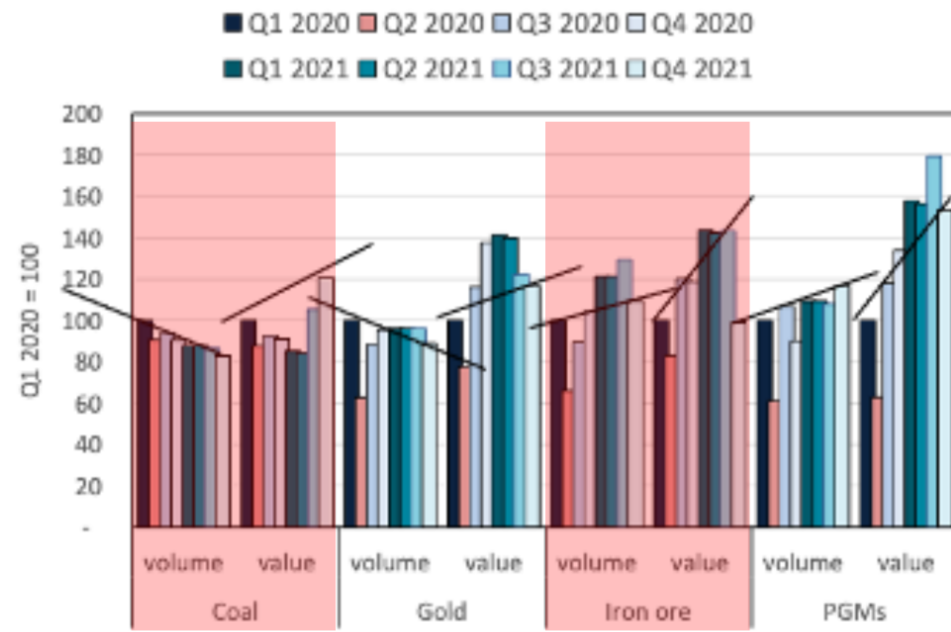
Source: Calculated from Statistics South Africa. GDP quarterly figures. GDP P0441 – 2021Q2. Excel spreadsheet downloaded from www.statssa.gov.za.

Figure 2 – Contributions to growth in GDP, Q1 2022 (% points)



Mining production & sales

Graph 7. Indices of seasonally adjusted quarterly production and sales (in constant rand) in mining (Q1 2020 = 100)(a)

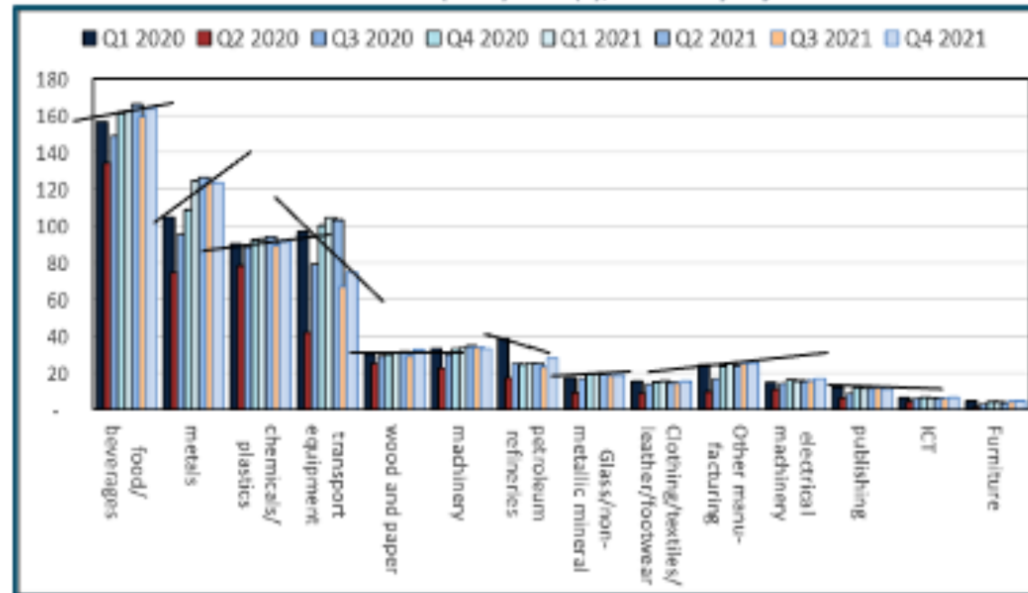


ite: (a) Production volume indices rebased to first quarter of 2020; sales are deflated with CPI. Source: Calculated in Statistics South Africa. Mining Production and Sales. Excel spreadsheet downloaded from www.statssa.gov.za.

Manufacturing

Manufacturing sales

Graph 6. Quarterly sales by manufacturing industry in billions of constant (2021) rand (a), seasonally adjusted



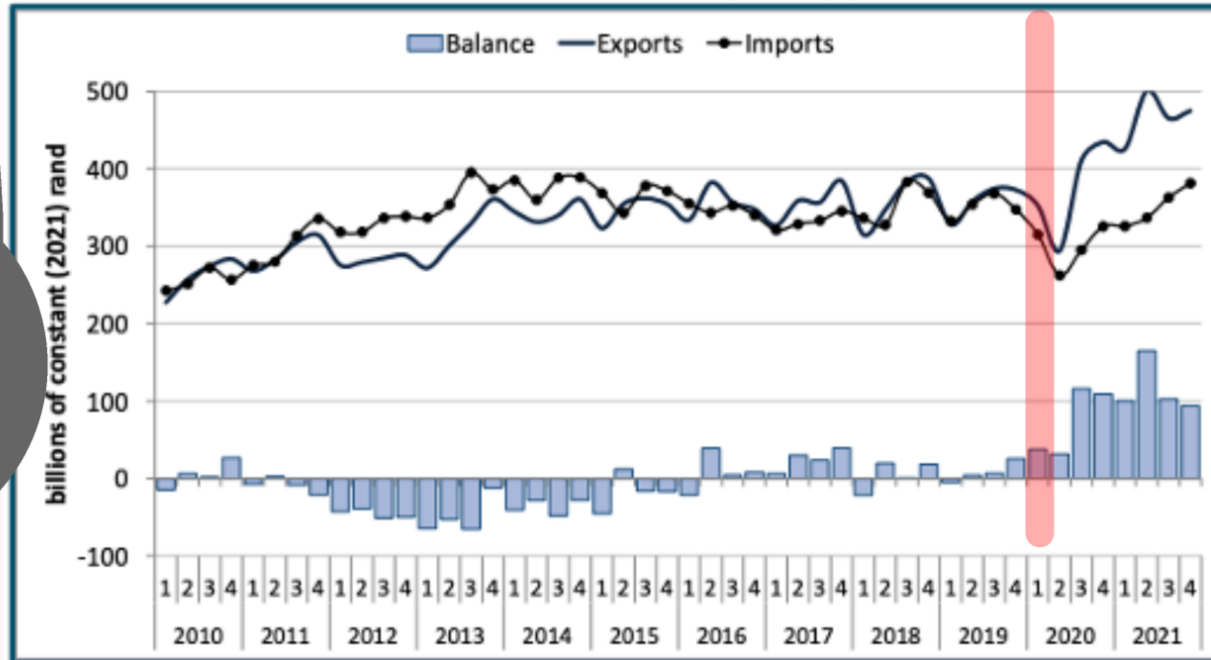
Note: Rebased with CPI. Source: Calculated from Statistics South Africa. Manufacturing: Production and Sales. Excel spreadsheet downloaded from www.statssa.gov.za.

Trade
exports & imports

Trade

Graph 14. Fourth quarter exports, imports and balance of trade in billions of constant rand and current US dollars

A. Billions of constant (2021) rand (a)



The problem of unemployment

“While both the QLFS and QES report disappointing results for formal manufacturing over the past decade, they differ strongly on the details. (Graph 12) The QLFS shows a long-run 6% decline in manufacturing employment from 2010 to 2019, followed by an almost 20% crash during the pandemic. In contrast, the QES found the formal manufacturing jobs grew 2% through the 2010s, with most of the improvement toward the end of the decade. For the pandemic, it reported a 9% fall – still a depression-level fall. Again, the indices underscore the **very different growth rates the two surveys give for formal manufacturing** jobs in the third quarter of 2021.” – TIPS, Real Economy Bulletin, 4th Quarter 2021

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Trade Unions support Stats SA

“The 2022 budget cuts Statistics South Africa’s budget for labour surveys by around 25% compared to its pre-pandemic level (measured as an average from 2014 to 2018).

But the amounts required to maintain Statistics South Africa’s critical work, and specifically the QLFS, are trivial compared to the benefits this rich resource brings by helping policymakers and economic stakeholders make better decisions.”

TIPS The Real Economy Bulletin, South Africa, 4th Quarter 2022

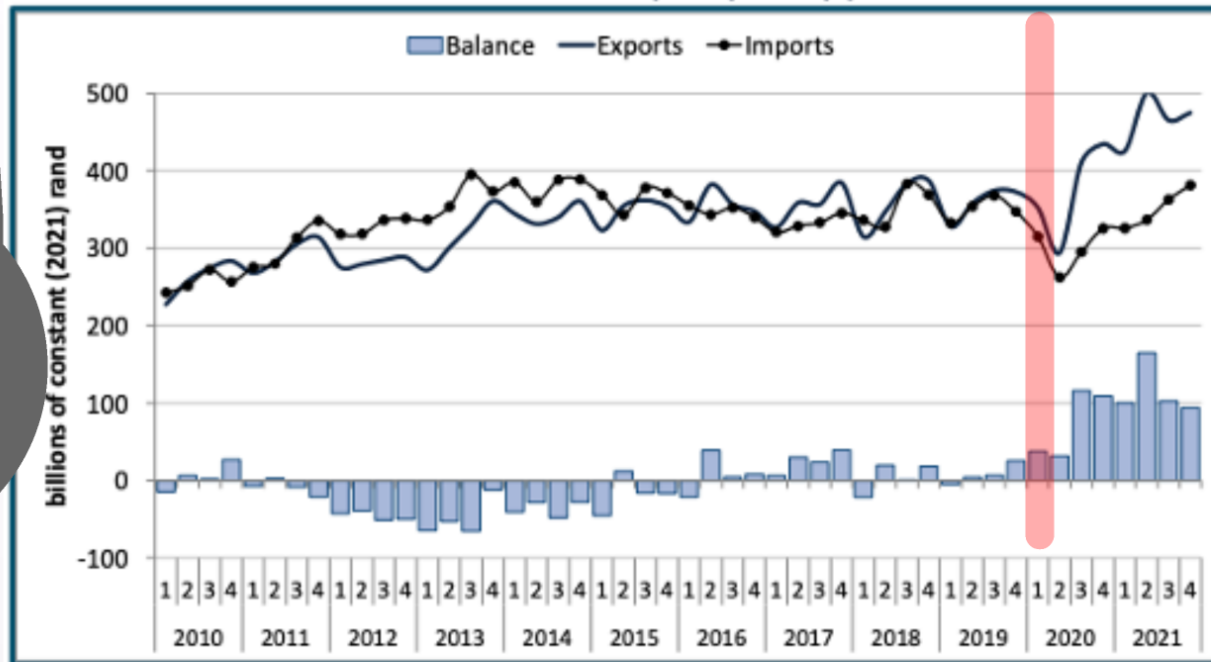
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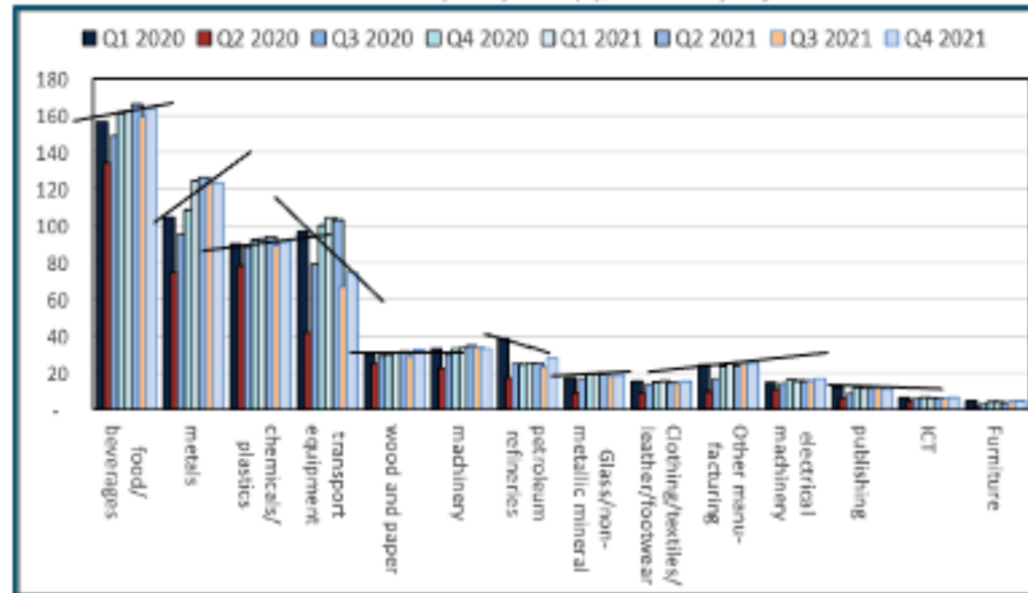
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Manufacturing sales

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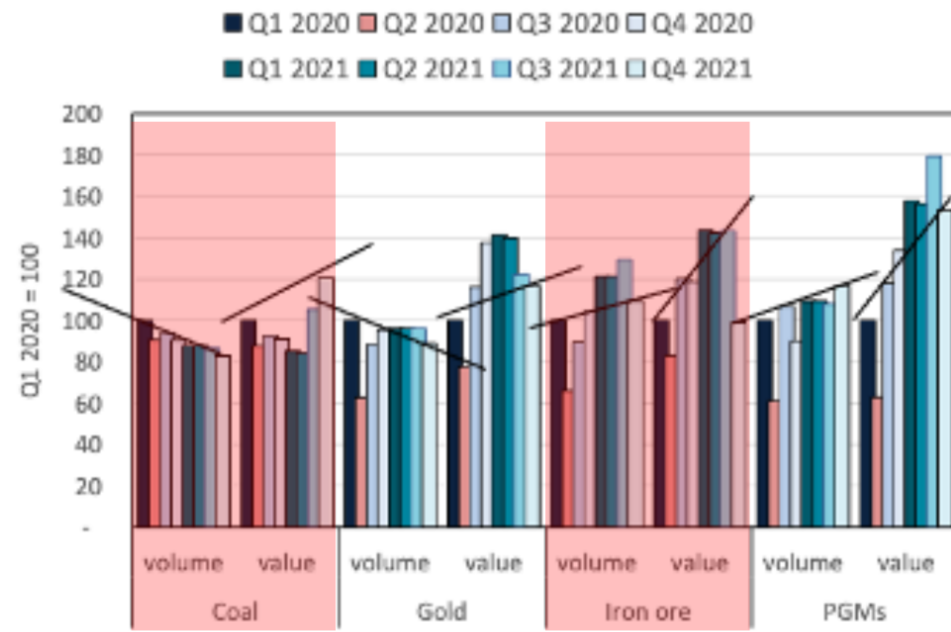


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Trade
exports & imports

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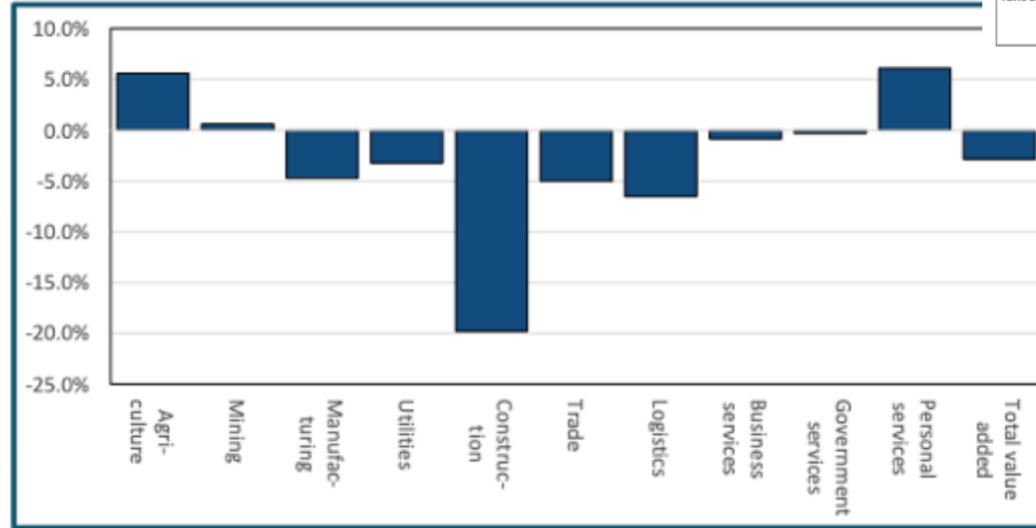


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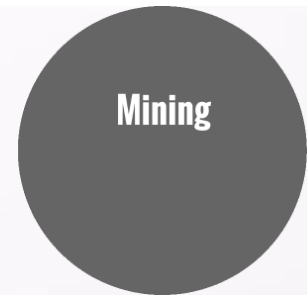
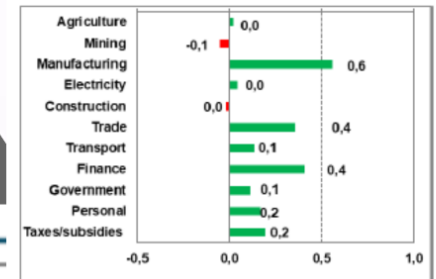
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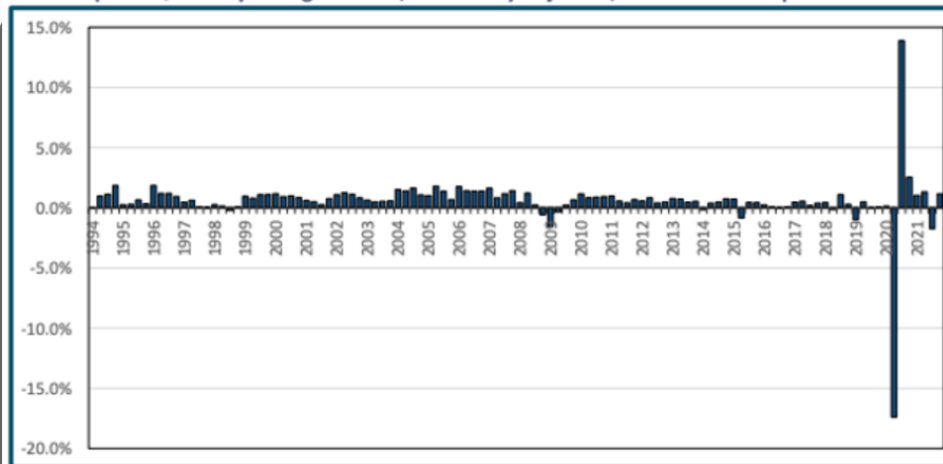
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GDP%



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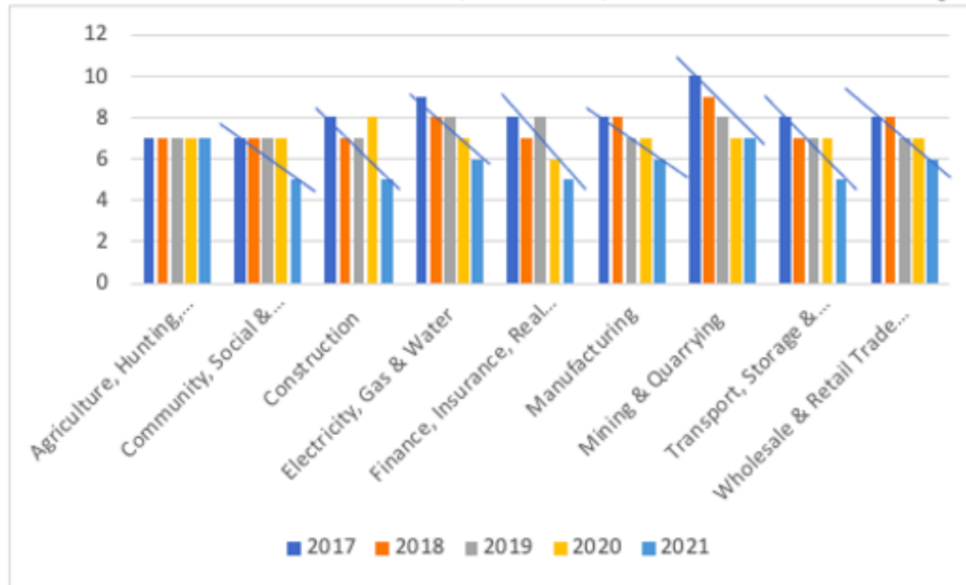
NMW

Economic

**Bargaining
Indicators**

Settlement levels

Median settlement levels (%) by industry, 2017-2021, South Africa

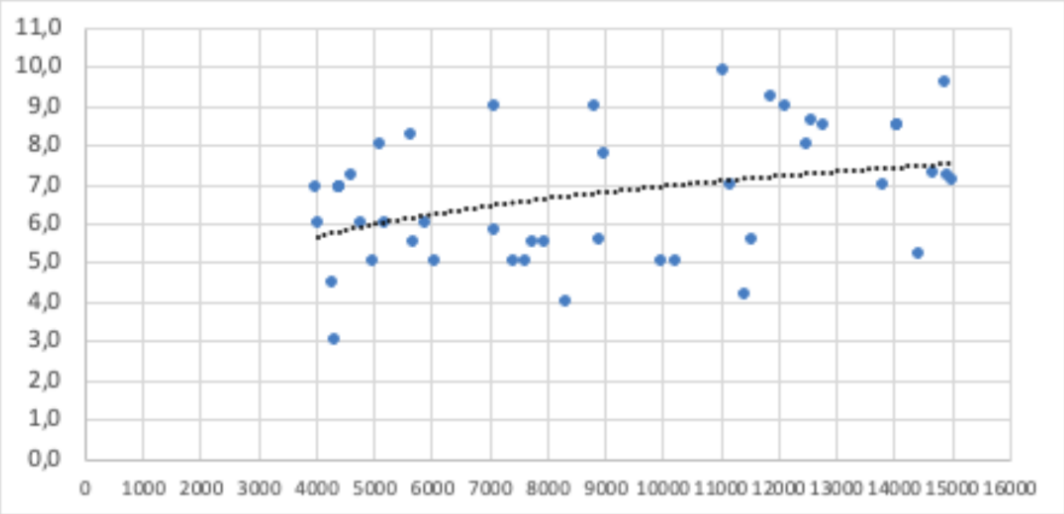


Source: Labour Research Service, 2021 Wage Bargaining Review

2022

Inflation

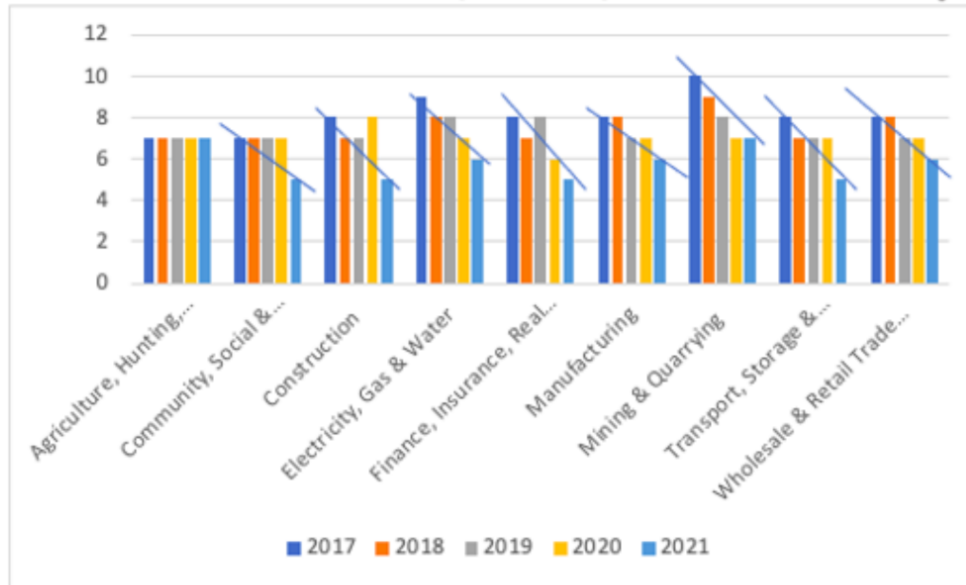
Settlement Levels (%) & the Wage Floor (Rands), South Africa, 2022



median 6.5% and range 3%-9.9%

Settlement levels

Median settlement levels (%) by industry, 2017-2021, South Africa



Source: Labour Research Service, 2021 Wage Bargaining Review

2022

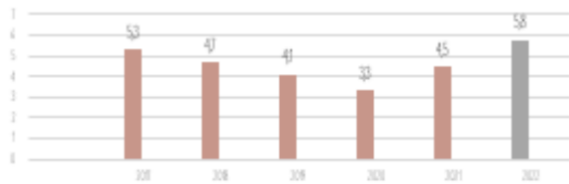
Inflation

Price inflation

Consumer Price Index, Annual average percentage change, South Africa

2017	5,3
2018	4,7
2019	4,1
2020	3,3
2021	4,5
2022	5,77 estimate to date

Consumer price inflation, South Africa (%)



outlook

Where are we headed?

Inflation is an entrenched benchmark for negotiators in South Africa. Average inflation has been under 6 percent for some years now and was as low as 3,3% in 2020.

Inflation has been accelerating more recently and looks like it may breach 6% during the course of 2022. Inflation was at 5,9% in March 2022.

Much of the pain, specifically in the form of job losses, should be behind us now. Industries and sectors are recovering off a low base and, in many instances, they have shed a significant amount of labour.

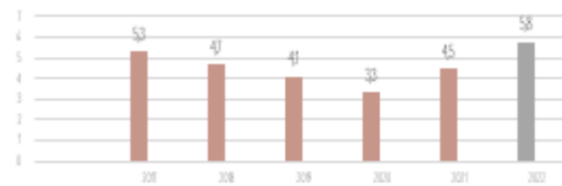
Employer sentiment is weak and expectations set low. Public sector is role-modeling settlements below 5%.

Price inflation

Consumer Price Index, Annual average percentage change, South Africa

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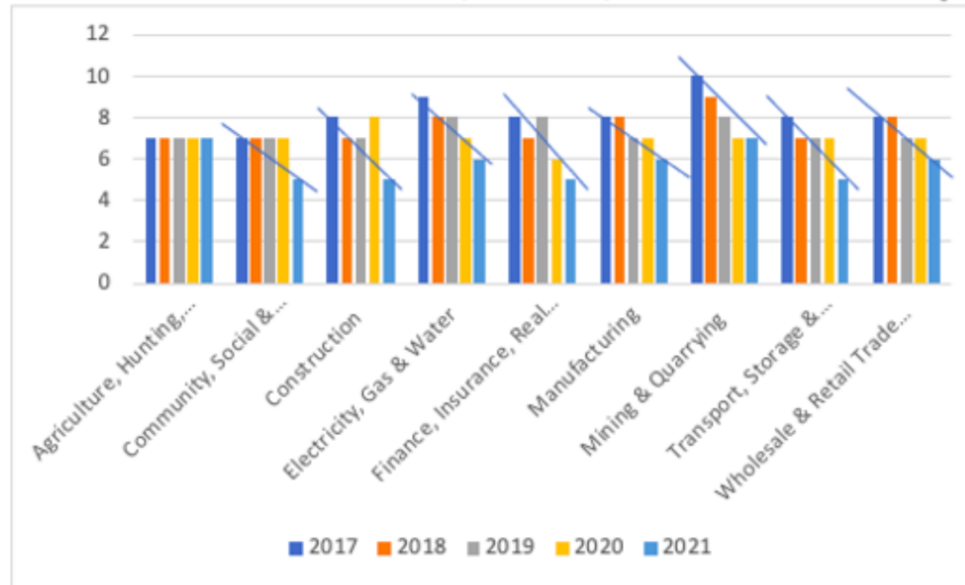
Consumer price inflation, South Africa (%)



outlook

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Median settlement levels (%) by industry, 2017-2021, South Africa



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2022

Inflation

What's happening out there?

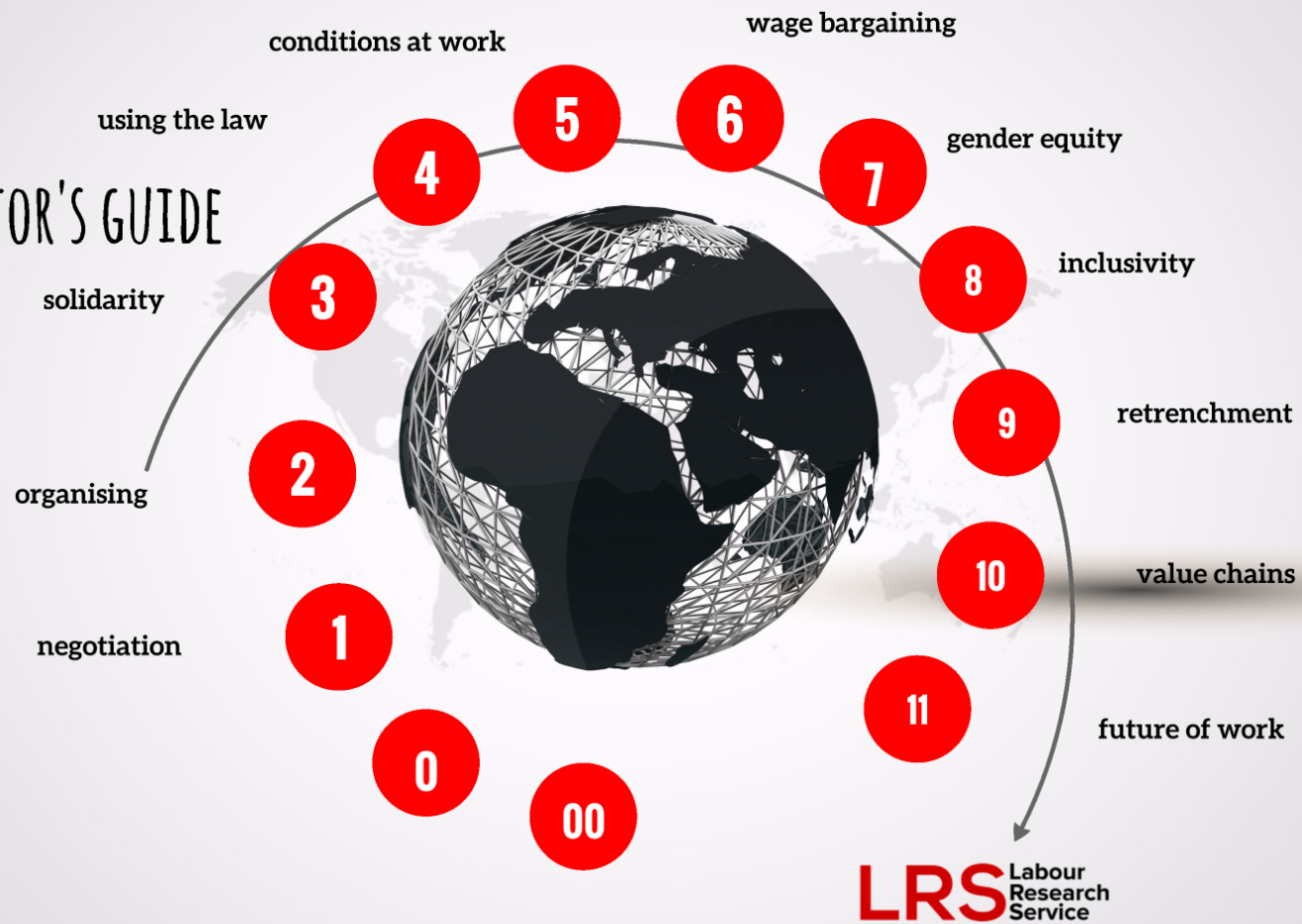
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**Bargaining
Indicators**

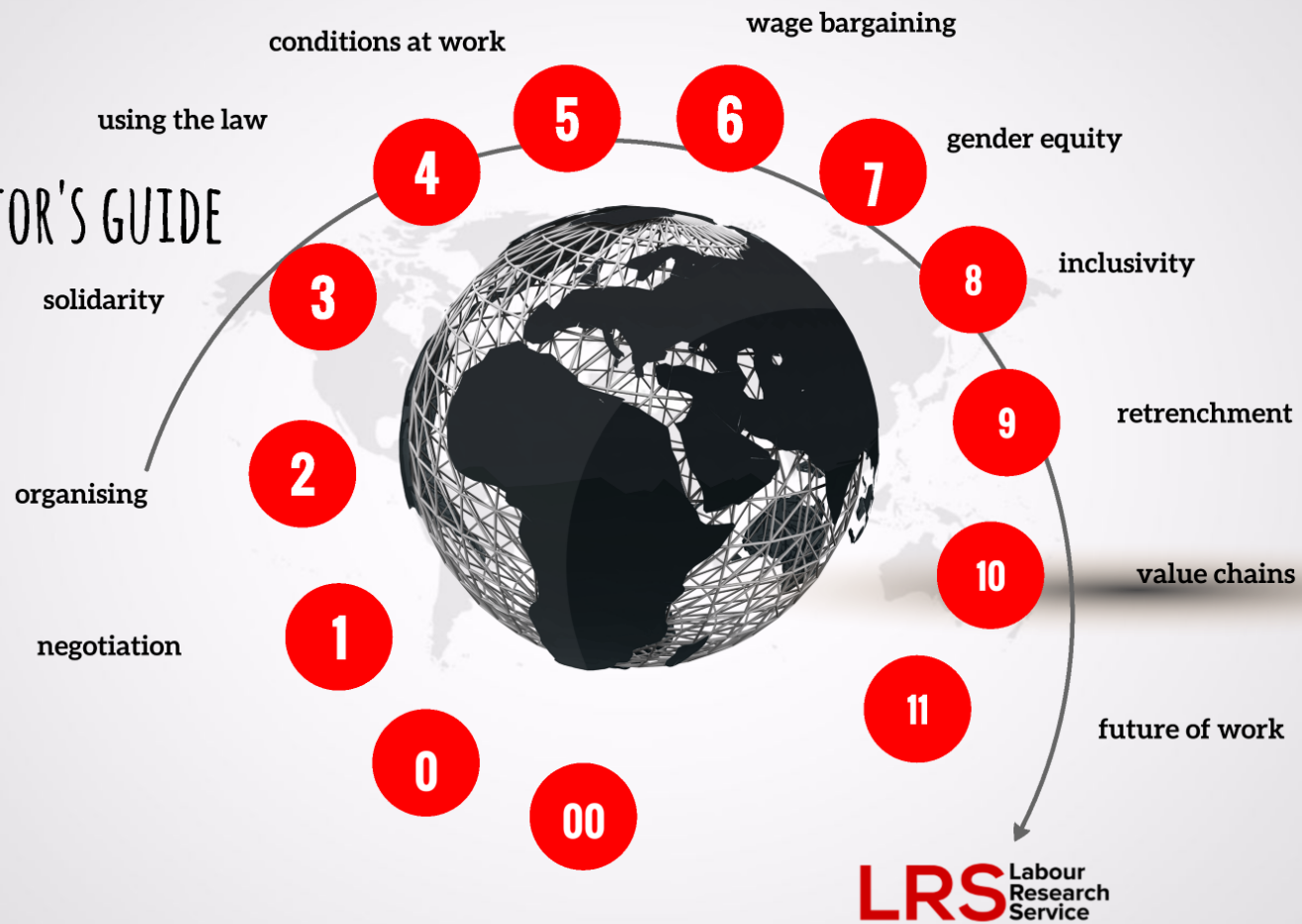
THE NEGOTIATOR'S GUIDE



A guide for who and for what?

THIS GUIDE IS FOR WORKING CLASS LEADERS – FOR THE SHOP STEWARD, ORGANISER AND NEGOTIATOR WHO WISH TO ORGANISE AND REPRESENT WORKERS IN A WORLD OF WORK THAT HAS CHANGED PROFOUNDLY OVER TIME, AND WHICH CONTINUES TO CHANGE.

THE NEGOTIATOR'S GUIDE

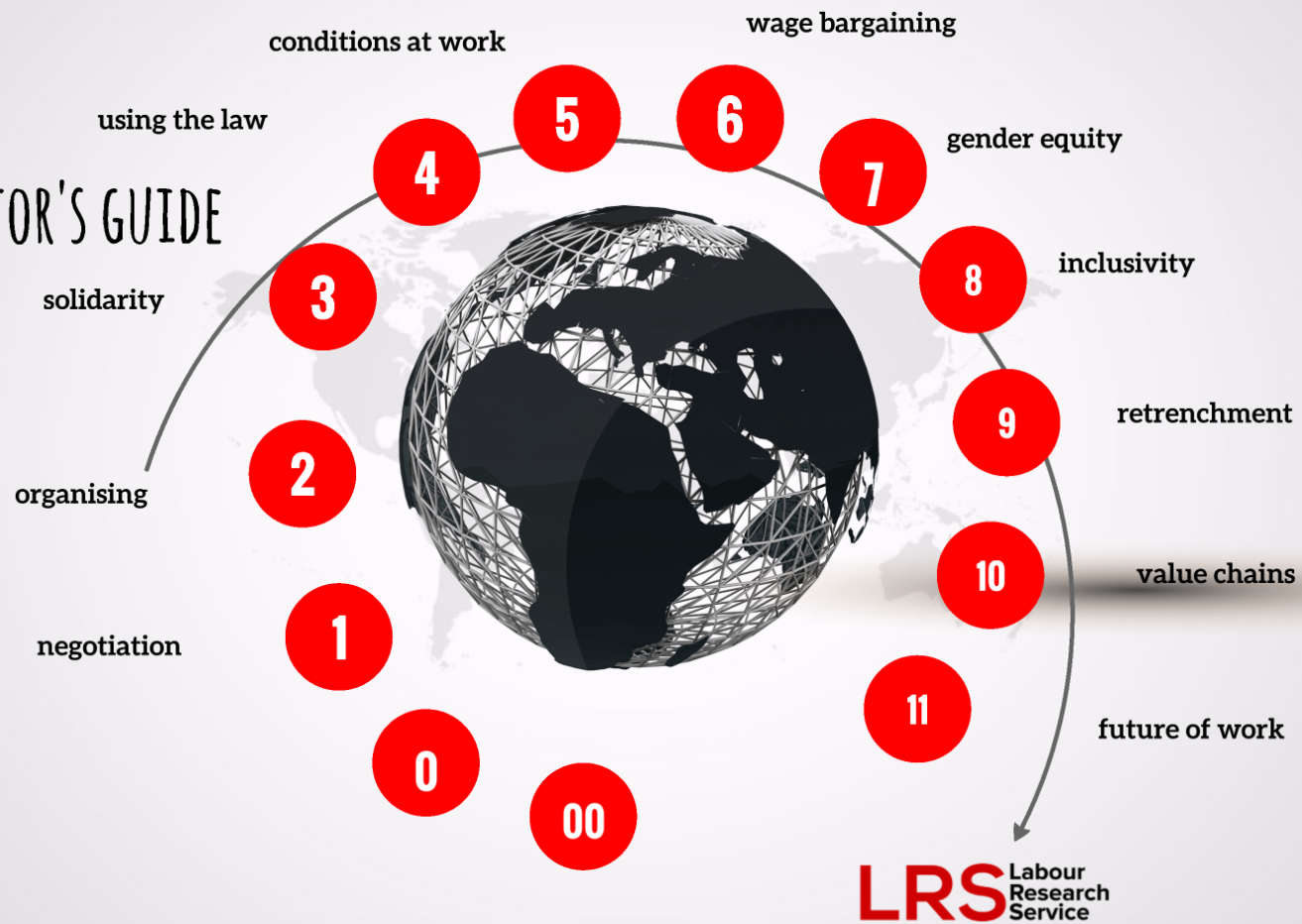




Intro to negotiations

BREAKS DOWN THE BARGAINING PROCESS INTO FOUR PARTS: PREPARATION, NEGOTIATION, AGREEMENT AND IMPLEMENTATION. THIS CHAPTER OFFERS A SERIES OF GUIDING STEPS THAT A NEGOTIATOR CAN FOLLOW IN EACH PART OF THE PROCESS.

THE NEGOTIATOR'S GUIDE



Recruitment & organising

THINKING ABOUT RECRUITMENT AND ORGANISING

links

difference

- the link between bargaining and organising -

Organising has little meaning if it does not find expression in bargaining, and bargaining will have limited influence if it does not consolidate and expand opportunities for organising.

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Recruitment & organising

THINKING ABOUT RECRUITMENT AND ORGANISING

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difference

This chapter distinguishes between a worker that has been recruited and a worker that is organised,

by describing what each of these workers are thinking about, what feelings they might experience and how they might act.

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A worker that has been recruited



Head level - Thinking

- Understands the story of the union and the rights the union has won in her workplace
- Understands what the union is able to offer her
- Understands what her rights and responsibilities are as a union member



Heart level - Feeling

- Has shared her fears, needs and aspirations with the union
- Feels valued as a person and worker
- Feels she has been giving the opportunity to exercise choice
- Feels that she will be able to learn and grow
- Feels that she is joining a collective that she can actively participate in and that will protect her



Feet level - Doing

- Is willing to participate in democratic processes
- Is willing to articulate her needs
- Is willing to support fellow workers
- Is willing to contribute financially to sustain the union



A worker that has been organised into a trade union



Head level - Thinking

- Know her rights and the responsibilities of the employer
- Knows the contents of the most recent collective agreement
- Knows the power and responsibility of the trade union



Heart level - Feeling

- Feels a sense of belonging
- Feels protected from being exploited by the employer
- Feels confident to engage in discussion
- Feels part of a collective voice



Feet level - Doing

- Participates in union activities
- Initiates discussions when necessary with the union
- Participates in the collecting of demands and the organising and mobilising around collective bargaining

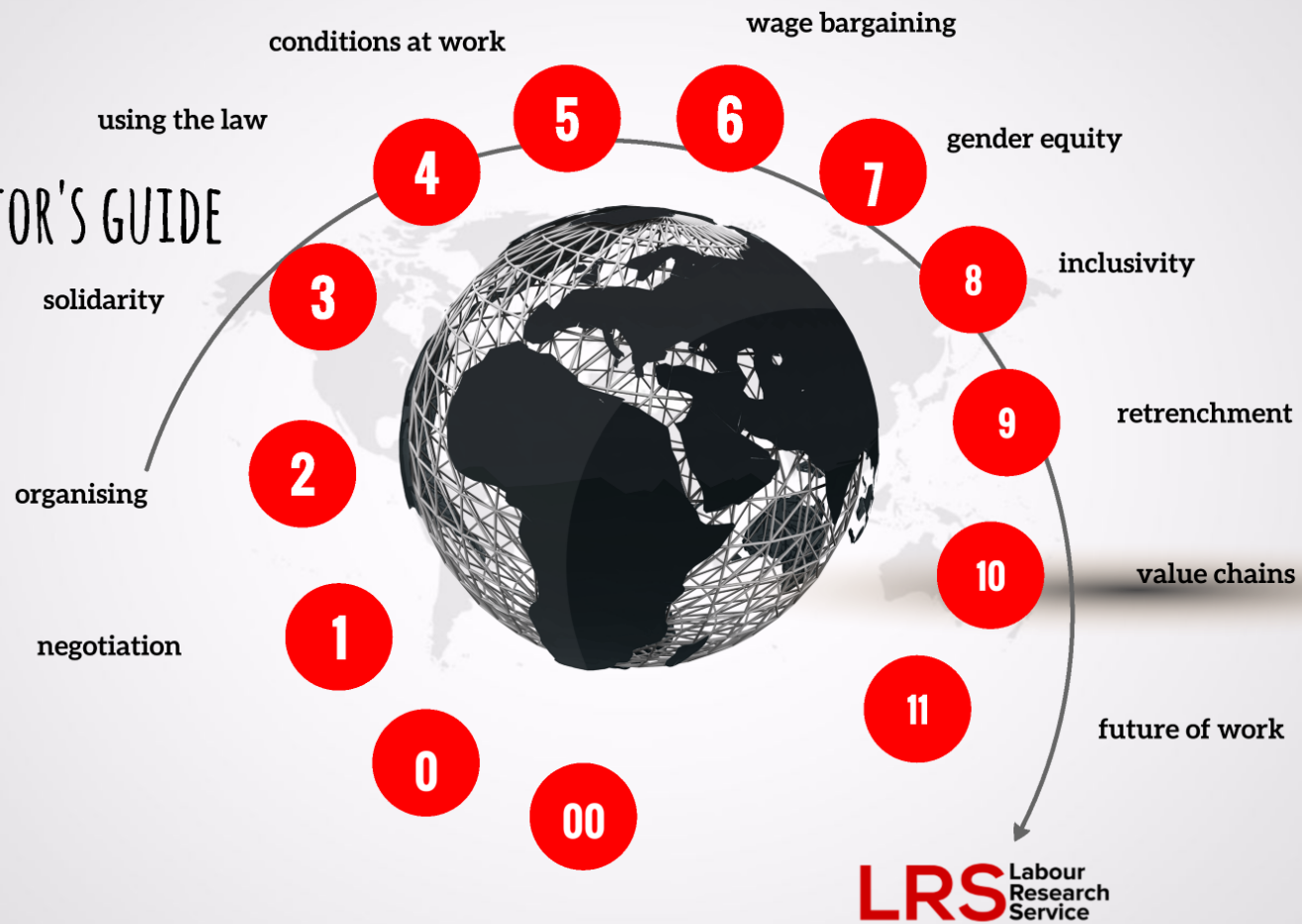
Recruitment & organising

THINKING ABOUT RECRUITMENT AND ORGANISING

links

difference

THE NEGOTIATOR'S GUIDE





Solidarity & Coalitions

LOOKS AT BUILDING ALLIANCES THAT CAN FURTHER COLLECTIVE BARGAINING BY DESCRIBING EIGHT LEADING IDEAS FOR BUILDING SOLIDARITY IN AND THROUGH COALITION BUILDING.

sharing power



Share the power and decision-making

For unions, sitting around a table is more likely to be associated with bargaining; a give and take with a focus on who holds power.

Solidarity is about shared power – this is an important starting point for solidarity and coalition building.

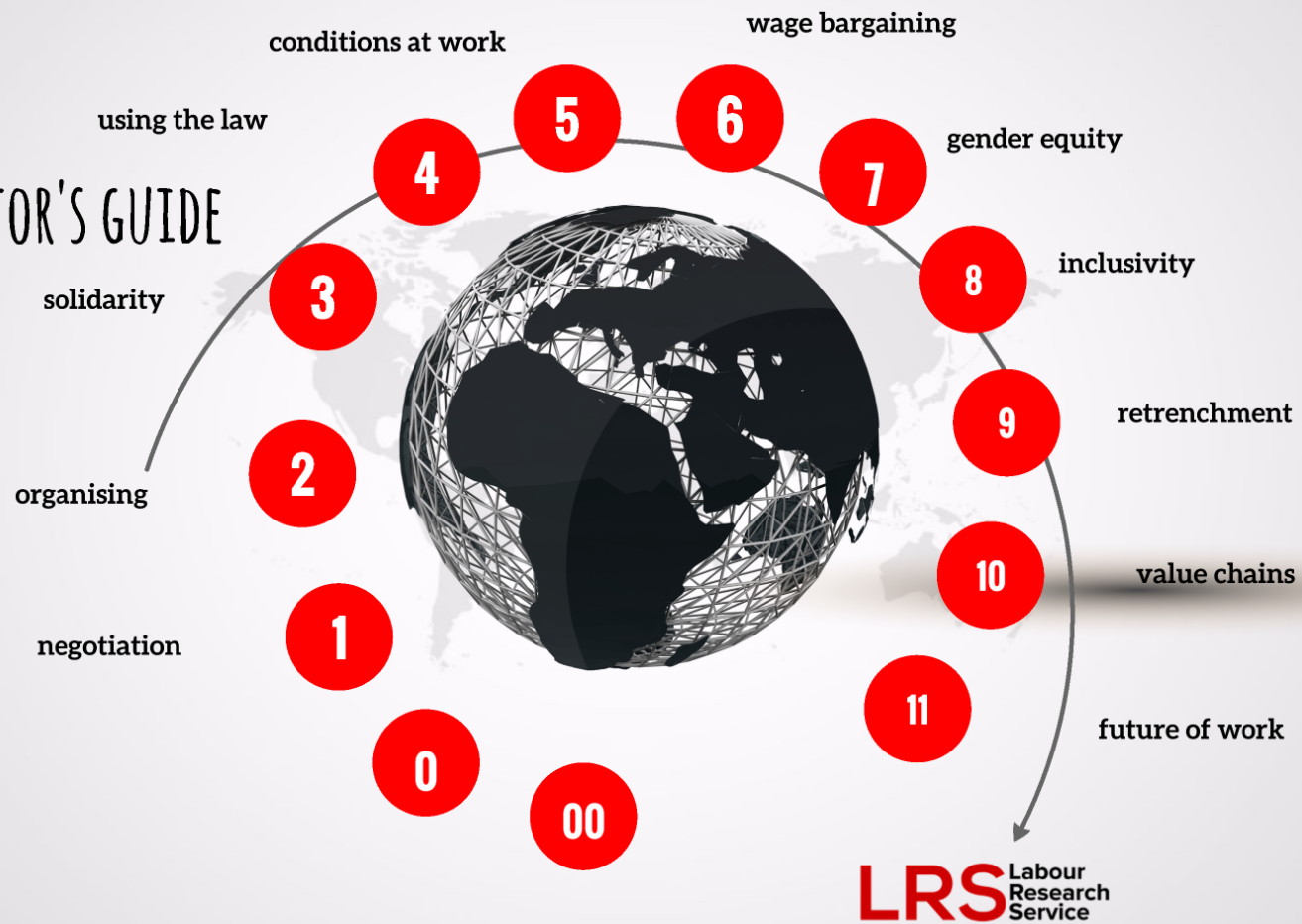


Solidarity & Coalitions

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sharing power

THE NEGOTIATOR'S GUIDE






**Using the law to
support
bargaining
strategies**



16



WALKS THE NEGOTIATOR
THROUGH 16 COMMON WORKPLACE
CHALLENGES AND THE LABOUR
LAWS THAT COULD HELP DEAL WITH
THESE SITUATIONS.

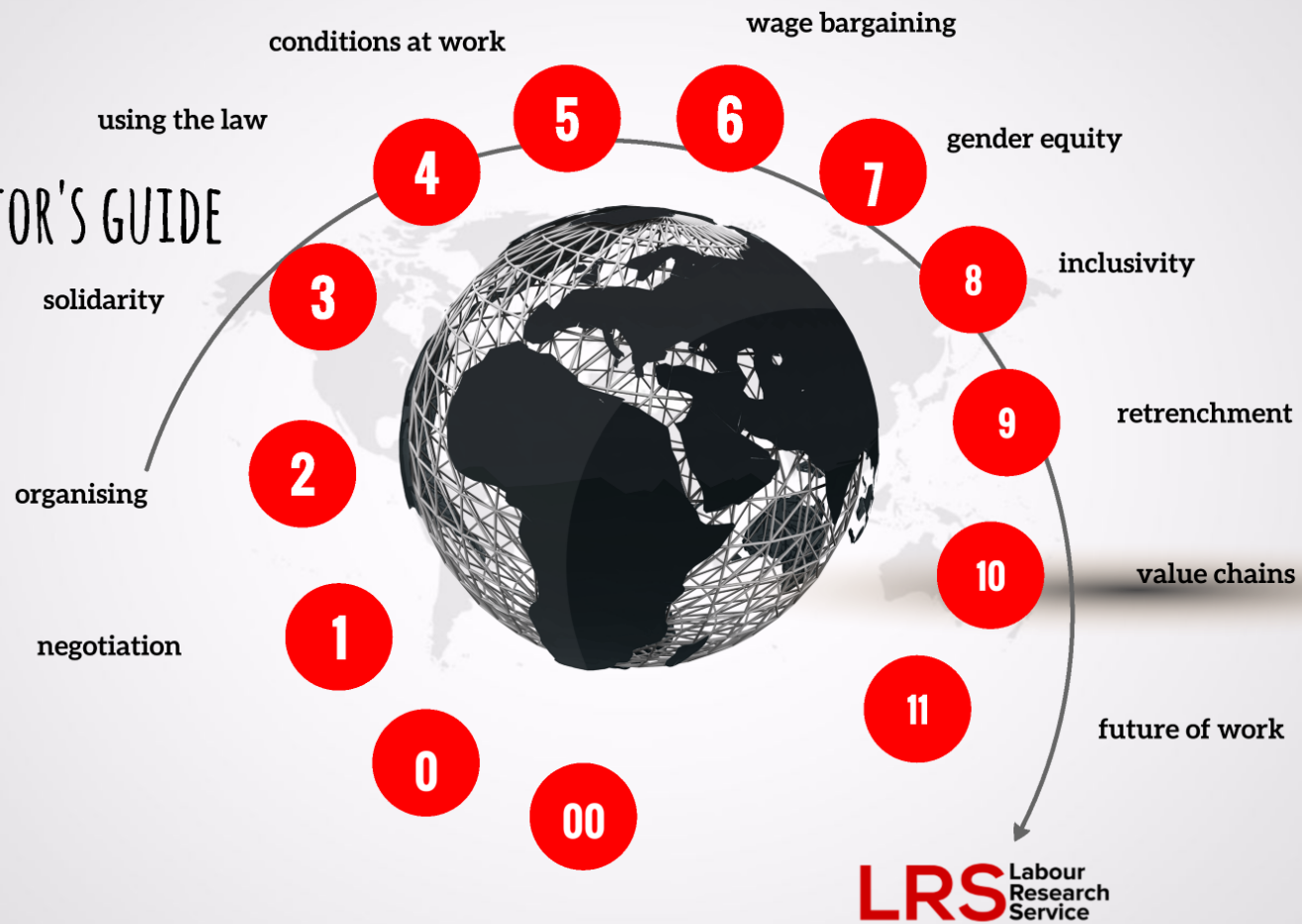


**Using the law to
support
bargaining
strategies**



16


THE NEGOTIATOR'S GUIDE



Negotiating conditions at work



FRAMEWORK



GIVES THE TRADE UNION
NEGOTIATOR A WAY OF THINKING
ABOUT CONDITIONS AT WORK.


MORE



HELP NEGOTIATORS AND OTHER ACTORS THINK ABOUT WHAT IS
IN A COLLECTIVE AGREEMENT AND WHAT THEY CAN STILL
NEGOTIATE.

THE MAIN TYPES OF CONDITIONS AT WORK AND THE
VALUE OR UNDERLYING PRINCIPLES OF THESE CONDITIONS

EXAMPLES OF THE MAIN TYPES OF CONDITIONS AT WORK AND
BENCHMARKS IN LAW.



GIVES THE TRADE UNION
NEGOTIATOR A WAY OF THINKING
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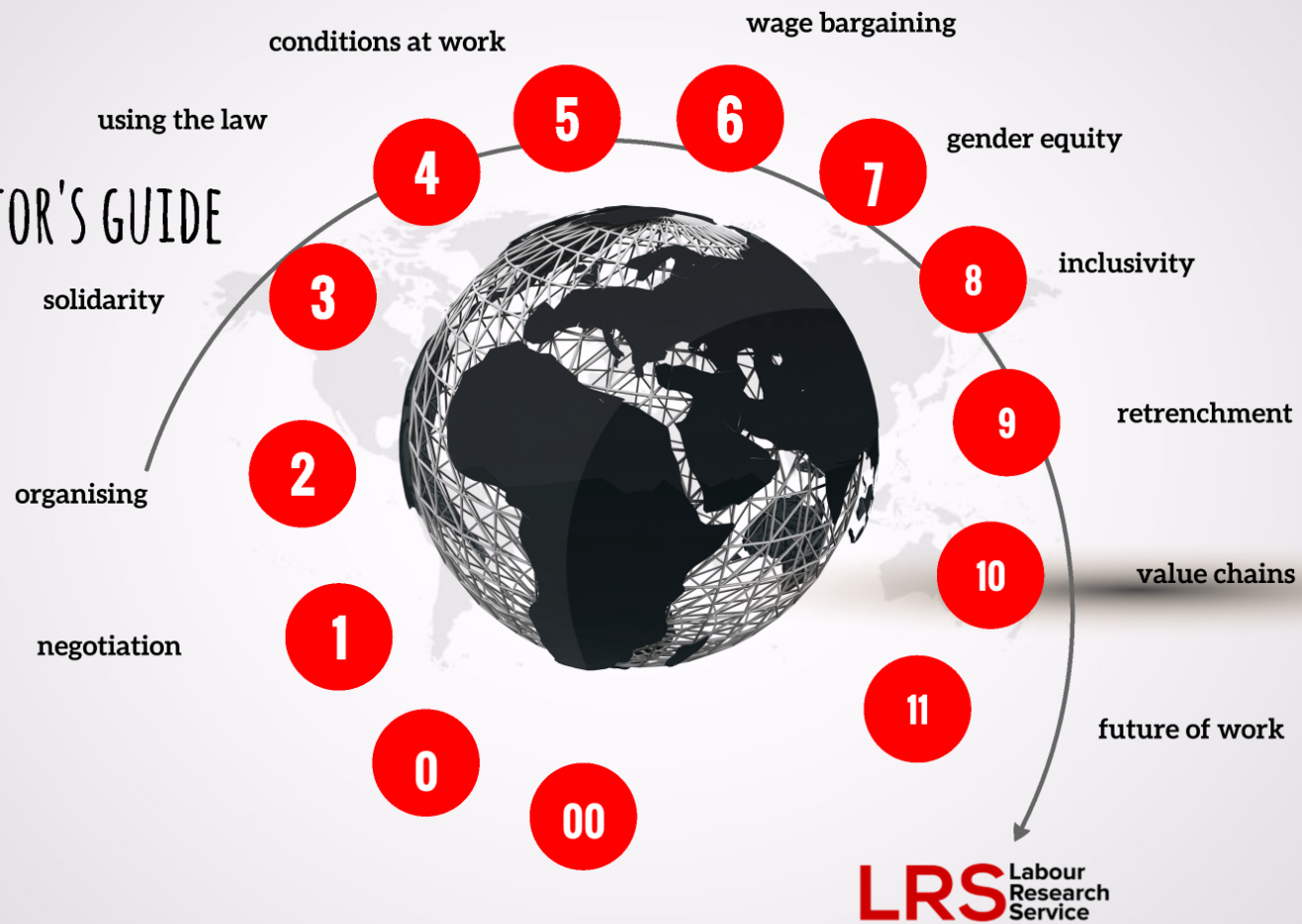
MORE

Negotiating conditions at work



FRAMEWORK

THE NEGOTIATOR'S GUIDE



Introduction to wage bargaining

provides a set of steps for **building a wage demand** and it outlines different approaches to **dealing with inflation**.

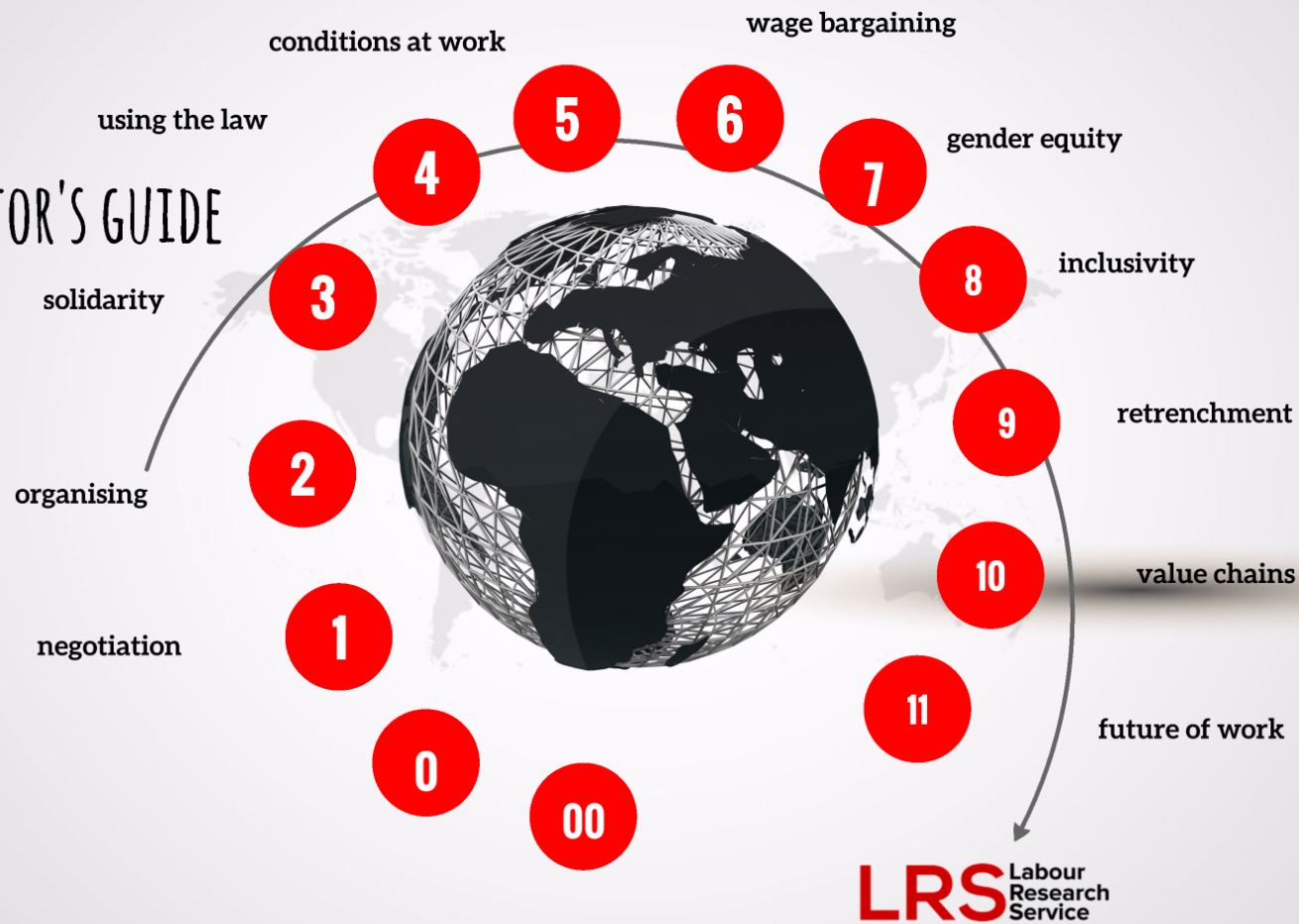
It also includes simple formulas which the negotiator can use to **calculate percentages and money amounts**, and communicate these to workers.

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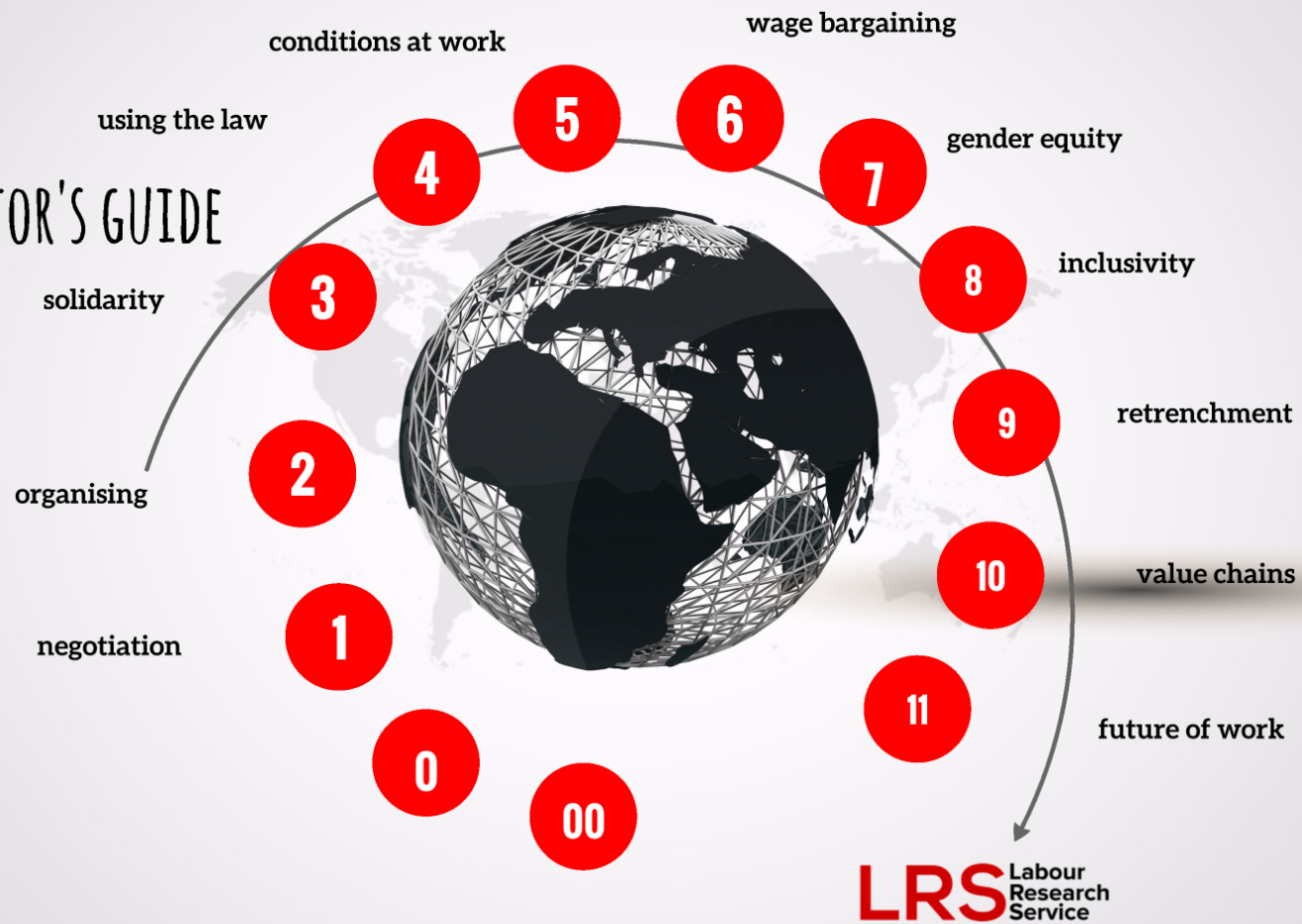
THE NEGOTIATOR'S GUIDE



Bargaining for gender equity

THE STRUGGLE FOR GENDER EQUITY IS NOT ONLY ABOUT TREATING MEN AND WOMEN EQUALLY, BUT ALSO INVOLVES TREATING THE GENDERS DIFFERENTLY WHEN NECESSARY. THIS CHAPTER EXPLAINS IMPORTANT TERMS TO KNOW, DESCRIBES SPECIFIC BARGAINING DEMANDS FOR GENDER EQUITY AND PROVIDES THE NEGOTIATOR WITH A GUIDE TO THE BARGAINING PROCESS.

THE NEGOTIATOR'S GUIDE


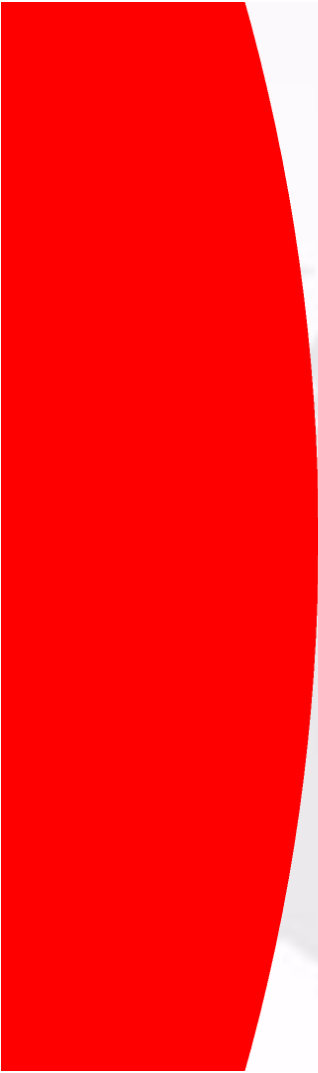




WORKPLACE RIGHTS BELONG TO EVERYONE

EXPLAINS HOW TRADE UNION NEGOTIATORS CAN HELP PROTECT WORKERS FROM THE EXPERIENCE OF OPPRESSION AND DISCRIMINATION BASED ON THEIR SEXUAL ORIENTATION AND GENDER IDENTITY.

discrimination



THIS CHAPTER EXPLAINS IMPORTANT WORDS AND TERMS THAT WE CAN USE WHEN TALKING ABOUT EQUALITY, AS WELL AS AN OVERVIEW OF THE LEGISLATION THAT IS INTENDED TO PROTECT WORKERS FROM DISCRIMINATION.

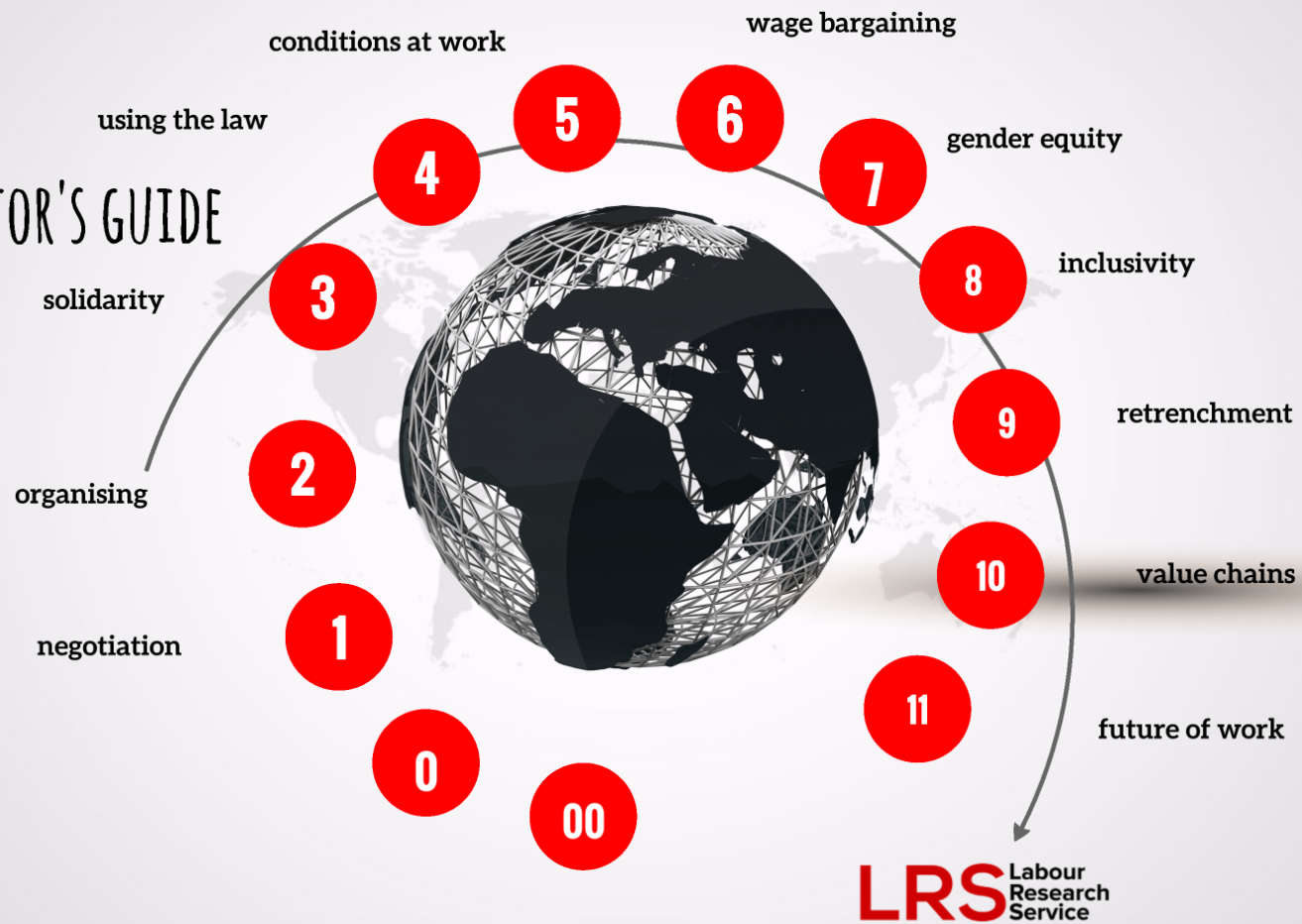


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discrimination

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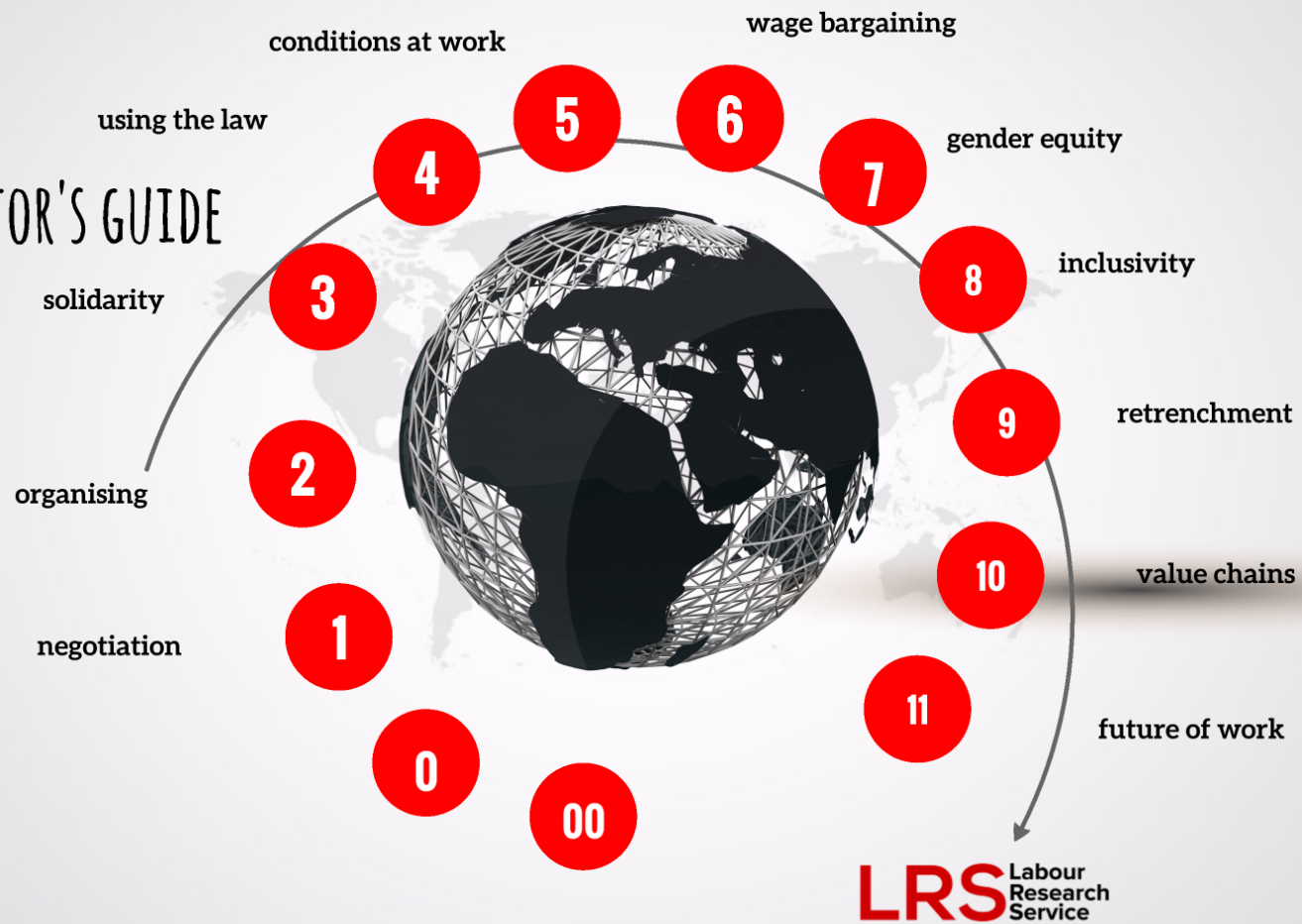


Negotiating retrenchment

THIS CHAPTER WILL HELP TRADE UNION NEGOTIATORS THINK THROUGH A PLAN TO SAVE JOBS AT COMPANIES. THE GUIDELINES IN THIS CHAPTER DESCRIBE AN EARLY WARNING SYSTEM FOR COMPANIES IN DISTRESS, PROVIDING HELP WITH UNDERSTANDING WHAT IS WRONG WITH THE BUSINESS AND DECIDING ON THE MOST IMPORTANT INTERVENTIONS.

THE CHAPTER ALSO DESCRIBES STRATEGIES FOR MINIMISING THE IMPACT OF RETRENCHMENTS WHEN THEY ARE UNAVOIDABLE.

THE NEGOTIATOR'S GUIDE

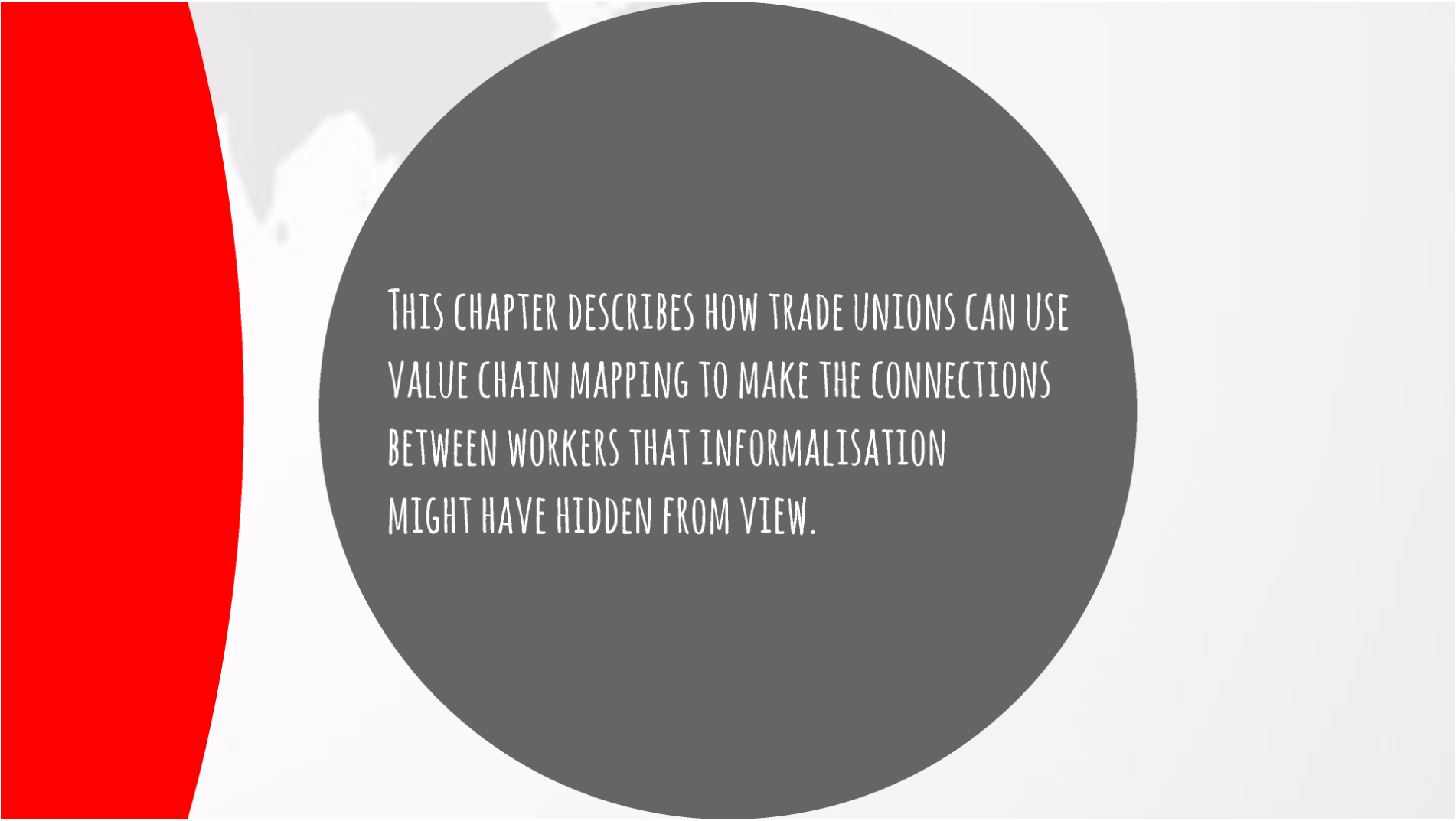




Trade unions negotiating in value chains

introduces the negotiator to the concept of value chains and explains that almost all negotiations take place within a part of a larger value chain.

chains



THIS CHAPTER DESCRIBES HOW TRADE UNIONS CAN USE
VALUE CHAIN MAPPING TO MAKE THE CONNECTIONS
BETWEEN WORKERS THAT INFORMALISATION
MIGHT HAVE HIDDEN FROM VIEW.



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chains

THE NEGOTIATOR'S GUIDE

