

**THE MINING INDUSTRY STRIKE WAVE:
WHAT ARE THE CAUSES AND WHAT ARE THE SOLUTIONS?**

Disclaimer

This paper is about underlying causes, social trends and possible solutions to address the causes of the mining strike wave crisis. It is an opinion piece that does not seek to detail the exact quantitative degree to which these trends have impacted on various commodity sub-sectors of the mining industry. As such the reader may find degrees of accuracy in the detail of the pattern wanting, for which we make no apology. It is, after all, about understanding the drivers and trends so that the solutions crafted post the crisis confront the root causes themselves, if they are to be solutions that are sustainable in the long term.

Background and purpose

The most visible feature of the commentary to date on the events surrounding the mining strike wave is the lack of any analysis as to the economic and socio-political drivers that created an environment where miners, first at Implats and subsequently across the platinum, chrome, diamonds and gold sectors, engaged in unprocedural strike action, left the majority union in droves - collapsing established collective bargaining institutions, agreements and norms in the process.

Early commentary by the role players and the press focussed the causes of the industrial action by fingering third parties: a minority start-up union (AMCU), disaffected NUM minorities, muti-men and sangomas all came under fire. Later commentary has focussed on the appalling housing conditions of the migrant miners and the gross inequality, poverty and unemployment that grips our country in a suffocating stranglehold. These comments, though accurate, amount to nothing but a series of catch all phrases that really tell us nothing new or insightful. In any event no-one has sought to analyse the socio-economic drivers of the crisis, the process through which these driving forces have matured post-apartheid and the institutional failures that underpinned the crisis. With regard to real, strategic solutions for the mining industry, there is to date, sadly a deafening silence.

This paper seeks to fill that chasm. It argues that the at the heart of the economic and social crisis is the migrant labour system, which has remained unaltered post apartheid; that the specific migratory and housing conditions of migrants have led to a double economic burden; that the collective bargaining processes and institutions failed dismally to hear the signs of discontent and address the causes; that the company leadership in HR and the line management functions is complicit in this failure; and that the solutions require a radical re-think of the future of migrant labour, of collective bargaining, of the manager/employee interface at shaft and mine level. And finally, this paper argues that these interventions should be at the apex of the transformation strategy of the industry if we are to ensure the viability of mining in terms of future performance, productivity, job creation and as an investment attraction destination into the future.

The migrant labour system post apartheid

The hard truth of South Africa's mining industry is that it is characterised by the stringent, inflexible economics of being global commodity price takers, critically dependent on the Rand/Dollar exchange rate, whilst simultaneously being constrained by a largely fixed and inflexible input cost structure composed of labour costs (50% plus of all costs), administered price setting in water/power supply and the manufactured equipment of the "stores" which are largely within a standard cost structures). These economics leave the industry in the narrow straight-jacket of having just one area of core competitive advantage: that of enhancing the productivity of the work team on the face to maximise the advance per blast and the number of blasts in any shift cycle. And even in this core arena, there is minimal scope for restructuring without confronting the hard trade-offs between the quantum of labour supply and work re-organisation for greater productivity in deep level mining.

It is well known historical truism that migrant labour was not only the core foundation and economic imperative for SA mining industry, but also the labour market infrastructure from which the entire Bantustan system and the apartheid order were built post 1948. It is equally well known that the phenomenon of migrant labour and resource extraction is a worldwide trend due to the simple geography and geology of the planet - resources are typically found in remote parts of the world compelling a degree of migrancy to affect extraction. Across the globe - from Australia, to Canada, to Africa, the Americas and Europe – migrant labour market forms dominate the resource extraction industry. In South Africa's mining industry, true to global migrancy patterns for resource extraction, colonial history delivered a double blow by statutorily entrenching the edifice of apartheid to enforce the migrant labour system.

In the post apartheid era the mining houses, in response to demands from the NUM to deliver decent home ownership to mineworkers, sought to address the worst features of SA's apartheid based migrancy legacy – the single-men's hostels, naked searches and the like – by introducing family accommodation for employees from near mine areas of residence. This initiative took the form of a home ownership bond subsidy offered to employees to purchase a family unit. To ensure equity in the distribution of employee benefits amongst all strata of employees, the mining houses sought to address the needs of the migrants from afar (Mozambique, Lesotho and Eastern Cape primarily) by offering an equivalent benefit in the form of a living out allowance – a cash allowance to "live out", that is to exit the migrant hostel system. Migrants took this allowance, preferring the cash reward to supplement their pay packets, and headed for the shacklands to create their homes.

The unintended consequence of the living out allowance was that migrants headed into the shacklands of the platinum and (to a lesser degree gold) belt, so that today the bulk of migrant in platinum employees live in newly constructed, zinc shacks in areas adjacent to the platinum mining operations. With this migration, the migrants took on not only the shack, but also all that a human being needs for their material comfort to support their work. In a word, the migrants took on a *secondary home* which was typically characterised by the acquisition of a *dinyatsi* (the second or third wives who live and care for migrants in the shack lands), the bed, the stove, the fridge, the ablutions and the new transport costs associated with "living out".

This new socio-economic condition added significantly to the wage pressure on the migrant. Notwithstanding annualised real wage adjustments, the migrant became significantly worse off in respect of the actual amount of remittances to their rural homes post apartheid. For the first time in

the history of migrancy, the migrant worker of today now supports two families and households: the first in the shacklands with their dinyatsi's and the second in their traditional homesteads in the Pondoland villages of Lusikisiki and Flagstaff. It is not surprising therefore that we have witnessed the proletarianised urban community of the shacklands declaring the miners' strike action "a service delivery protest", since these communities have a primary and direct beneficiary interest in the wage settlement outcome.

The hard reality is that the pattern of migrant labour super-exploitation – characterised by 12 long months with only a Christmas and Easter break - has remained unaltered in the 18 years of democracy. There has been no overhaul and investment in the migrant labour system at all. There has been no attempt to find new ways to effect a more humane (shorter migration cycle and better paid) system of migrancy akin to the best migrant labour systems of the world. There has been no effort to create a system that rebuilds the migrant miners nuclear family through short (3 -4 month) work cycles; that would ensure a re-instatement of maximum remittances home to increase cash flow to the rural poor; that would significantly reduce the propensity for HIV infections; that would enhance attendance and reduce absenteeism driving up both productivity and ensuring that mining becomes a more attractive industry to work in and invest in. Sadly, the mining industry has remained a prisoner of its apartheid past in this core element of cheap labour sourced through a migrants punishing annual work cycle and all the social evils associated with that cycle. No amount of employment equity plans and empowerment transactions have ventured to tamper with this spinal essence of the industry. And it is this essence that is the Achilles heel that inflamed and propelled the migrants, and the RDO's (rock drill operators) in particular, onto the street in strike action.

The RDOs experience

The RDOs conditions of employment are characterised by the following features: the RDO's are doing the toughest, most dangerous, most production critical, core mining function; they have long standing perceptions of under payment relative to their colleagues in the industry; there are typically no serious service increment differential in platinum (gold sector has some incentives) or other significant allowance in their pay and as such few real cash incentives to do RDO work. In addition there is no prospect of any career progression for RDO's given their functionally illiterate status and the structure of the mining work team in respect of job categories – a structure which requires basic academic training for advancement to blasting certificate status.

The RDO's have a specific demographic pattern that is an industry-wide feature for all commodity classes and sets them apart from the rest of their colleagues: they are almost entirely migrant and functionally illiterate; the 80% majority of the migrants are South Africans from the Eastern Cape; the Eastern Cape majority are almost entirely Amapondo people (from Lusikisiki/Flagstaff area primarily, but including most of Pondoland - from the Mthatha River in the south to the Msikaba river in the north); they have long service of 25 to 35 years and are typically 45 to 55 years of age. In a word: the RDO's represent the personification of all the worst features of low literacy skills, poverty driven migratory labour, which apartheid was founded upon. As such they are a class of people who have gained the least from post apartheid South Africa – a recipe for social alienation.

The Implats trigger strike

The strike wave which at the time of writing has now engulfed large parts of the platinum, gold, diamonds and chrome industries commenced with a migrant RDO led strike at Implats on the 12th of January this year. The events that led to the Implats strike and its resolution are instructive for distilling the underlying trends and drivers for the industrial action sweeping the industry. How did this strike come about?

Bargaining wages at Implats in 2011 was protracted – commencing in late April and finally being concluded in October last year when a two year collective agreement was signed. During the 2011 negotiations, Implats management had recommended additional adjustments to RDO's, but this was rejected by NUM negotiators who preferred uniform increases across all employee bands irrespective of job function. After the conclusion of the wage negotiation, within a month of signing the collective agreement the management decided, after a consultation with NUM, to unilaterally adjust miner's (miners are first line supervision of mining work teams, allocated to every face panel, and are typically NUM members within the bargaining unit) wages by a total of 18% to stem a high labour turnover of miners in particular to competitor companies. This adjustment was implemented in January 2012, midway into the currency of the first year of the newly signed collective agreement.

This unilateral adjustment to miner's pay packets after consultation with the NUM, during the currency of a collective agreement, was a highly unusual and ill-considered act that sent a very clear message to every mining work team that the company, notwithstanding the settlement of the wage agreement, had additional cash to spare for certain categories of workers within the bargaining unit.

It is not at all unlikely that the RDO's would have heard that the NUM negotiators were resistant to any differentiated increase that benefitted RDO's directly during the wage negotiations. In any event they would have known full well that the NUM negotiators were almost to a person the most skilled employees (C band and upper) and that the NUM Chairpersons of both North and South branch of the NUM are both miners and as such, direct beneficiaries of this additional increase. The RDO's would have felt the wage settlement of just 10% in their pay packets after the October settlement. And they work in teams on every panel with the very miners who benefitted from the additional 18% adjustment within a month of the wage agreement being settled. There is no doubt that they would have left the mine for the Christmas shut down deeply aggrieved by a perception of unfair treatment they had suffered at the hands of the management and the NUM leadership. On the hills of Lusikisiki and Flagstaff they planned to take the law into their own hands when they returned to work in January. Not unsurprisingly, the strike committee, elected by the workers at the commencement of the industrial action, was composed entirely of Amapondo, with the exception of one woman. And equally unsurprisingly, management reported that commencing at 14th shaft, and all the shafts thereafter, the industrial action of 12th January had only two demands: R9, 000 net pay (equivalent to the miners net pay after the 18% adjustment) and no negotiations with the NUM.

It is now a matter of history that Implats management buckled under the strike pressure and adjusted earnings to bring an end to the strike. It is also a matter of history that over 10,000 employees resigned from the NUM and joined the new union AMCU post the strike. The end result, after billions of rand of lost production, 3 deaths and many injuries, the management is still battling to finalise a verification process before instituting procedures to de-recognise the NUM and restructure their relationship with organised labour in general.

The Lonmin strike and its escalation to Angloplat and the Gold Sector

Much of the underlying trends that emerged in the Implats strike rolled out into the Lonmin strike: the Lonmin strike was also unprocedural and occurred during the currency of a collective agreement; it was also led by RDO's and migrants from Pondoland and Mozambique/Lesotho; the demands were inspired by Implats successes and escalated to even greater increases; it was characterised by general dissatisfaction with the NUM leadership who failed to even secure an audience with the strikers; it was finally resolved after 6 weeks by direct negotiation with the strike committee with the endorsement of the unions parties; it was deeply violent resulting in the deaths of over 50 people; and finally, it inspired still other miners at Royal Bafokeng Platinum, Angloplats and then the gold sector to follow suite and join the industrial action. Whilst the triggers in the gold sector may vary to that of platinum, many of the underlying trends are identical: hostility to the NUM; disrespect for collective agreement; unprocedural industrial action and the Lonmin initiated R12, 500 wage demand being the most obvious.

Third party intervention

Notwithstanding all we hear in the press, there is no clear evidence of AMCU or any third party *planning and initiating* the unprocedural industrial action. In fact the key characteristic of the action is that it is driven by workers for workers and against their union advice and without any union endorsement or support.

Whilst AMCU has an established membership base in Karee mine (Lonmin), there is no evidence of it having any stop order based membership representation at all prior to the strike action at Implats, Angloplats, AngloGold or Gold Fields. This is not to say that AMCU played no role at all, but simply to situate their role as one of tail-ending the mass action, rather than initiating it. It has been widely reported that soon after the strike action commenced at Implats and Lonmin, AMCU campaigned to support the strike and may have inflamed workers with high wage expectations and blamed the NUM for its failure to deliver to RDO's (and all employees). However there is no evidence yet that AMCU was responsible for initiating industrial action. They simply rode on the back of the discontent and anger of the already mobilised strikers, as did the Julius Malema and other political opportunists, who sought instant popularity in the face of the pain of the strikers.

The balance sheet and the key questions

Whatever the exact role, if any, of third party intervention may have been, the current balance sheet from the strike wave looks disastrous: massive unprocedural industrial action mounting; billions of Rand of lost production; growing negative mining investor sentiment; in excess of 50 deaths and hundreds of injuries; total collapse of collective bargaining structures and agreements; destruction of the majority union and emergence of often uncoordinated strike and interim committees to represent workers; emergence of a new minority union; loss of union legitimacy in general as many workers have not joined any union; extreme violence and intimidation; deep anger and distrust between employees ; further anger and distrust between employees and managers and between employees and state law enforcement authorities. In a word: an industrial relations meltdown that mining company managements are battling daily to bring back to the stability and normality of everyday work life.

The key question is how can this occur to the some of the world's largest platinum and gold producers and amongst the members of Africa's largest, most established mine union – the NUM? How can it happen 18 years into the democracy with the sophisticated and negotiated LRA and all the long established institutions of collective bargaining and their collective agreements that are concluded through collective bargaining processes? It surely is not enough to simply identify the socio-economic conditions, associated with the migrant labour system and the deep poverty and inequality mentioned above, together with the experience of the RDO's, to explain this collapse?

Whilst explanation of poverty and inequality provide context for understanding the crisis, they do not adequately explain the actual underlying cause of the crisis. If we are to understand and fix this problem, we need address the cause of the collapse, not just the symptoms. To repair the system for the future, we need to dig deep to find *the institutional and socio economic drivers* that led to the collapse. And those drivers are to be found in the union and management structures as the core employee engagement; the relationship at mine level between management and employees; and the specifics of the poverty and inequality associated with the migratory labour system itself.

The socio economic conditions and the failures of collective bargaining

There is no doubt that the gross poverty and inequality in SA (amongst the worst in world in respect of Gini co-efficient measures) provides the social and economic context to heightened expectations of wage increases. There is equally no doubt that in this specific context of inequality and poverty, the visible display of crass accumulation by union and political leadership fuels the fire of greater expectation of rewards for the rank and file members. And there is no doubt that opulent, visible spending by newly empowered black entrepreneurs and/or their colleagues in the white owner/director class, has deeply angered the ordinary mineworker and fuelled their demands to secure a more reasonable their slice of the economic cake. The vast inequity in remuneration structuring, where CEO's and owners earn ratios of thousands of times more than the entry level miner, is not only morally untenable, but also deeply insensitive to the conditions under which miners labour every day. Combined with this landscape of poverty and inequity, the harsh reality of the migrant labour system - the double family burden carried by many migrant workers - together with their working conditions being of the most physically demanding and dangerous, has further inspired migrants to go to the forefront of the strike wave.

All of these socio-economic features provide a contextual tinder box to fuel the fire of the mine workers anger. But it does not explain why the institutions and processes of collective bargaining have failed so dismally to pro-actively address this socio-economic context, let alone arrest the strike action itself. To find answers to that failure, we need to look at what exactly it is in the institutional arrangements of collective bargaining that have failed the parties in the industry so dismally.

Union recognition and bargaining arrangements have, over the years, been heavily dependent upon a de facto practice of union majoritarianism, whereby the majority union bargains on behalf of all as is regarded as the sole representative of employee views in this highly unionised industry. This practice is underpinned by the following core characteristics: a high degree of centralisation of bargaining at commodity sector or company level; a heavy unspoken reliance by companies on the majority union to manage employee expectations; a merging of bargaining units in some instances to support the majoritarian practice and create a semi-closed shop environment for the majority union; a raising of thresholds for entry of minority unions to gain recognition making the majority

union stable and secure as the sole bargaining partner; and finally an agency fee to be paid by non-unionised employees to the coffers of the majority unions pre rata on their membership representivity.

All of these trends have evolved over the last three decades of collective bargaining in the mining industry. The LRA gave statutory legitimacy to the same trends in many instances. The end result was that, after a long process of largely stable collective bargaining institutions, the negotiating parties led themselves into an illusionary co-dependent comfort zone. This comfort zone had the following features at company and industry level: significant material benefits to labour union representatives; heavy management reliance on union driven, collective processes which trumped any real and sustained direct employee engagement; little actual verification of union constituency based accountability on the ground to its membership; growing production line management disownership of employee communications in favour of reliance on HR and majority union to drive communication to employees; almost a complete absence of independent verification of employee sentiment and views; and a system of stakeholder engagement forums at sector, company, mine and shaft level – all of whom were so comfortable in their routinised, co-dependent relationship that they dismally failed to probe and hear the signals of arising discontent amongst employees.

The historical practice of heavy reliance on the majority union and the co-dependent comfort zone this practice engendered amongst the leadership, proved to be the Achilles heel to the resilience of collective bargaining arrangements in the face of a revolt from an alienated, socially disenfranchised and economically marginalised, group of migrant RDO's from below (note in the gold sector migrant workers were not as prominent in leading the industrial action as in platinum). These workers had been the victims of not only severe economic and social hardships, but also of a wage bargaining practice that had left them deeply alienated from their union leadership and the company. This wage bargaining practice arose from a reliance on percentage based wage adjustments where the senior employees in the bargaining unit got a percentage or two less than the junior entry level employees. Whilst this percentage adjustment practice made optical sense in that the senior employees at the top received a percentage or more less than the most junior employees at the bottom, the actual rand and cents outcome was the opposite. In reality, year on year for the last decade or more, the actual rands and cents cash reward from wage bargaining for the bottom was significantly less than those of their colleagues in the upper echelons of the bargaining unit. Wage stratification inside the bargaining unit, between the top and the bottom, grew. This left the low paid migrant worker vulnerable and angry and ready to act to protect their interests, if necessary against both the company and their union.

The underlying drivers of institutional failure in the union

Understanding union representivity and union benefits for representation of members is key to understanding the union as an institution in the democratic SA. The union, like any social organisation, is not a static, monolithic entity. It's a complex entity whose most constant feature is change – change in both its internal processes and a change in its external processes as a social actor and change agent itself. But the change that happens at the very bottom of the union, at the interface of the union shopsteward with the member, is the key driver which determines much of the strategic change processes in any union. To understand what is happening in any union, one must investigate this relationship between the member and the shop floor leader in particular.

Because if a union loses its capacity to democratically account and promote the views of members, it loses its capacity to hold the loyalty of those members.

Notwithstanding COSATU and its affiliates having upheld a proud history of practising the constitutional principle of “democratic worker control” for nearly three decades, the actual processes through which this principle is honoured has changed significantly since the democratic transition. One of the most significant changes, in the mining industry in particular, is the collapse of real constituency based representation of members by shopstewards. Notwithstanding that the shopstewards are elected at shaft level, the practice has become that they no longer account directly to membership constituencies, preferring instead to move across shafts, mines and even move into union offices above ground. Accountability to members has weakened as pressure to account to leaders higher up in the echelons has intensified. This is the first element of a number of features that point to the emergence of a union aristocracy that promotes a leadership interest above those of their rank and file members. Added to this is another more worrying feature: increasingly one finds that all of the key decisions making structures with management are dominated by senior (Patterson C /B band) employees. Most negotiating teams of the NUM for conditions of employment are populated by these most senior employees within the bargaining unit. Representation in the decision-making structures with management of the rank and file (A Band) employees is either totally absent, or at best a tiny minority, notwithstanding that these employees are core to the mining operations and constitute the vast majority of the membership base of the NUM.

When you combine these structural faults with the benefit structure associated with being elected as an NUM full-time branch office bearer or full-time shopstewards or mining house co-ordinator, then the picture of a defensive leadership aristocracy becomes clearer. In the mining industry, the historical practice is for all top 5 union branch office bearers to become full time shopstewards and be graded and paid C1 or above upon their election into NUM office; they are joined in office by a cluster of other full-time shopstewards; they are removed from production or underground work; they live in air conditioned offices ; they have largely unrestricted movement across the operations; they get a range of perks and benefits including significant time off for external union duties; they have influence over everything from operational stoppages (s54 safety stoppages), to certain tenders and in some instances recruitment of new employees; they have the ability to identify and at times remove unpopular managers. All of these features constitute significant new authority and benefits to being a senior full-time union representative at mine level and move the union office bearer at a personal level into the entry zone of home and/or car ownership almost overnight. In an environment of scarce resources, deep inequalities and limited options for BEE empowerment for employees, the office of the union becomes a sought after place to secure and retain. And once acquired, the union office is a place to uphold and defend to protect these benefits and lifestyle advantages.

The check and balance to this emerging aristocracy is the union election process. When one analyses these processes one finds that there is little, if any, discussion with management as to constituencies that need representation (to ensure shopsteward cover for all bands of employees and all work sites) and there are no checks and balances to ensure that constituency based representation is upheld and honoured throughout the term of office of the shopsteward. There is a widespread practice of shopstewards failing to be accountable to specific employee constituencies and

preferring instead to make themselves busy across mine operations and in the above-ground union offices. There is no independent monitoring of the election process itself to ensure deep democracy and fairness. And there is no monitoring and corrective action as to the actual poll of votes cast in union election processes, relative to union membership, or any other mechanism that may ensure fairness and depth of the democratic process in the union.

However, the central point on union institutional failure is this: in the post democratic transition, the union office bearer representation process and the benefits associated with that representation, have lent themselves to the development of a union leadership aristocracy where senior employees (the most skilled and better off) dominate leadership and speak on behalf of all. When material benefit is derived from union representation, and where constituency based accountability of shopstewards and the branch office bearer is absent, the ability of the leadership to remove themselves from the life experience of the lowest ranked employees gets even stronger. Upon that basis a gap opens up between the life experiences of the membership versus that of the leadership. A gap between members and leaders that has been tragically exposed by the strike wave sweeping across the industry.

On the back of these institutional failures is the general political dissatisfaction that has evolved into significantly widespread disaffection with the NUM as an alliance partner (through COSATU) to the governing African National Congress (ANC). Reports have quoted ordinary workers, repeatedly expressing the opinion that "the union are not helping us at all and we think most of them are crooks. They are the cause of us not getting an increase because they no longer respect our interests. The ANC and NUM are working together to make sure we don't get what we want." This has further entrenched the gap between the rank and file member and the union office bearer.

The underlying drivers of institutional failure in management

For too long the South African transformation conversation is caught up in the narrow confines of employment equity plans for management and the inclusion of previously disadvantage people on the boards of corporate SA. Whilst this aspect of transformation may have some relevance, it fails dismally to confront the real, day-by-day on the rock face challenge of transformation between the front line supervisor and the employee. Here the apartheid legacy gulf – in language, culture, ethnicity and race – is alive and well and largely untransformed. And it is here, in the people management interface on the shaft that the challenges of transformation are most urgent, that the economic stakes in respect of performance and fair reward are the highest, that the transformation challenges faced in building work teams founded on respect, openness, information sharing, deep people problem solving and leadership skills are most acute.

Sadly this aspect of transformation is not only painfully slow, but also burdened by a process of disownership of people management capacity by line functionaries. Ever since the introduction of the entire raft of labour law (LRA, EEA, SDA, MSA, MRDA, BCEA etc) the front line supervisor has become a production and safety functionary, with little or no people problem resolution skills. The business of people management, core to any line function anywhere in the world, is now the responsibility of HR professionals and/or the labour unions. This has heightened the alienation of employees from line management, entrenching and escalating the gulf between front line supervision and employees.

Management structures and capacity are crucial to understanding the ability of the company to control and direct employees to achieve the company's strategic goals and business plans. However, in the mining industry this core line management function is almost totally absent. There is a widespread perception amongst line managers that their superiors have over invested in union driven, collective processes. This practice has in turn led to significantly reduced line management capacity and accountability for people problem resolution on the production line. Significant reliance on union driven communication across the industry has further reduced accountability of line management for identifying people problems, communicating the challenges, problem solving the issues and resolving employee problems. This problem is made more complex by the conflicted authority of the lowest line management structures (shift supervisors and miners) in mining, because most of this critical layer of front line managerial leadership are union members and part of the bargaining unit, and therefore reluctant to take seriously any management function that may be seen to be unpopular with their union colleagues.

In addition, there has emerged a pattern of misalignment between HR and line management: the line management say they are not empowered or consulted to deal with people issues and HR say that the line management is weak and ineffective in resolving people problems. HR has become the fire fighters for line by running from shaft to shaft to resolve conflicts that arise from employees. Needless to say this misalignment in the managerial structures of the company results in low levels of accountability and ownership by line management and a blame and pass the buck culture proliferating, whilst people problems fester in the workforce.

The union stakeholder engagement forums at mine and shaft level are well established across the industry. They are institutionalised and standardised in most mining houses. However mirroring that of the trends in line management function, the stakeholder forums are largely operational forums to deal with safety, production and work scheduling. They have low capacity in people problem solving, low stakeholder management skills and this is reflected in a low people problem resolution rate. It is not surprising then that, with stakeholder process management skills so low, mine managers rely on HR to perform any union engagement function. The end result is that the stakeholder forums are low in their capacity to understand, communicate, innovate, initiate and lead as a centre of decision making at operational level to solve employee problems.

In an environment of large cultural, language and ethnic differences, communication to employees is often standardised and routinised around written employee briefs. The standardised brief is entirely dependent on the written word. The result is that communication is largely a one way process and seldom a real conversation between a manager and an employee team to identify and resolve problems. There is limited face-to-face engagement by management with employees, outside of the half level meetings, directly through the spoken word. Spoken communication has become entirely the domain of the union as a key communication agent. And the union relies solely on communicating verbally to employees. Naturally, in functionally illiterate environments, the spoken word carries more weight and influence.

Conclusion and way forward considerations

The nub of this paper is to argue that is that the strike wave crisis emerges from the landscape of gross inequality and poverty, and is made intolerable by the additional financial and work cycle burdens that arise from the apartheid migrant labour system. These factors propelled the strike

action. And once begun, the institutions of collective bargaining, both in the form of the company and the union structures and processes were found wanting in their ability to arrest and address the root causes of the social crisis.

There are a number of inter-related interventions which, when taken together, will restore the industry into good health. These interventions, whilst building on tried and tested experience, need to be driven by a leadership in government, labour and corporate SA, who really have the will to modernise and transform the industry. These interventions need to be centred on delivering these five pillars:

1. Transform and invest in the migrant labour system to modernise labour migrancy through a new migratory labour model founded on:
 - human dignity and promotion of the mining industry as an employment attractor
 - short work cycles and continuous operations
 - significant pay rewards in a flatter remuneration structure on re-organised work processes
 - modern, world class, living quarters for migrants underpinned by an efficient (flight, rail or road) migrant commuter transport network
 - restoration of the migrant nuclear family to good health
 - banking to facilitating maximum remittances to rural areas

2. Overhaul stakeholder relationships and transform/capacitate the front line manager :
 - Freedom of association, worker democracy and management people problem resolution capacity should guide all choices on union rights, levels of bargaining, recognition procedures and the like
 - Ensure constituency-based union accountability and democracy
 - Deepen freedom of association and democratic processes for union accountability in bargaining units, rights of shopstewards and threshold representation levels
 - Rapidly transform line management function to create language synergy and strong people problem resolution skills
 - Restore line function to be accountable for people problem resolution and employee communication
 - Measure and reward line management for effective people problem resolution and effective communications

At the centre of this entire “back to basics” transformation enterprise is the need to elevate human dignity to the centre of a new mining industry in words and deeds. The mining industry needs to restore the management of people and union stakeholder relations to the centrepiece of its future. As with any deep and structural crisis, new opportunities to create a new future are pregnant in the embryo of today’s strike wave events.

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