

# South African platinum miners return to work

**Chris Marsden and Barry Mason****27 June 2014**

Three South African companies, Lonmin, Anglo-American Platinum, and Impala Platinum, have signed a deal with the Association of Miners and Construction Union (AMCU), bringing to an end the five-month strike of platinum miners.

The workforce of 70,000 were due to return to work Wednesday, but production will not get underway immediately. The pay offer accepted by AMCU is over three years, increasing the basic wage by R1,000 (US\$93.5) a month for the first two years and R950 (US\$90) a month in the third year. The increase for miners, artisans and officials will be at eight percent for two years and 7.5 for their third year.

A no-strike agreement over that period covering the issues involved in the strike has been put in place. In addition 235 essential service workers sacked during the strike have been reinstated as a part of the deal.

The agreement signed by AMCU and President Joseph Mathunjwa is only a marginal improvement on the terms proposed by the companies in March. Even the 20 percent increase in basic wages for some is only a fifth of the 100 percent increase AMCU originally demanded. It will run until June 30, 2016. The total labour cost increase to Amplats will be 8.4 percent, while the inflation rate for South Africa is 6.6 percent.

Nevertheless, employers have only taken cold comfort from this. In the first place the strike was immensely costly. South Africa's economy shrank by 0.6 percent in the first quarter because of the strike, which cost the three mining firms \$2.25 billion in lost revenue and led to the downgrading of South Africa's credit rating by Standard and Poor's.

Moreover, a more important political factor is the impact on the working class of the determination shown by the miners during a five-month dispute that began January 23—South Africa's longest.

Both make further bitter conflicts inevitable.

There will be an effort to claw back lost profits through retrenchment and possibly scaling back production. Many workers are being forced to undergo health checks and retraining before resuming work and some will never go back if employers have their way. According to the *Christian Science Monitor*, "analysts say that mining employment will fall. Between 1994 and 2013, mining employment fell from 1.4 million to 550,000 even though mining production was up by 20 percent. Adcorp, a South African research company, forecasts a drop of around 225,000 jobs over the next three years."

As well as attacks from the companies, the African National Congress (ANC)-led government and its allies in the Congress of South African Trade Unions (COSATU) and the South African Communist Party (SACP) will step up their attacks on the miners and the rest of the working class.

The ANC wants to put in place legal blocks on strike action and powers allowing for state intervention in long-running disputes.

On June 23, a labour court blocked a bid by AMCU to strike against three of South Africa's major gold mines and the ANC has said it intends to block a strike planned for next month in the metals and engineering sector by the National Union of Metalworkers South Africa (NUMSA), the largest union with 200,000 members. NUMSA wants a 15 percent wage increase, while employers are offering 6.5 percent.

Communications Minister Faith Muthambi said on Thursday, "On the issue of Numsa, definitely this is the call that we are making and we are going to support all the affected parties to make sure that the strike doesn't take place."

"Government has prioritised the accelerated

implementation of the National Development Plan, with reforms that are aimed at unlocking South Africa's growth potential," she added.

Federal minister of mining, Ngoako Ramatlhodi, wants to push through legislation to limit the length of industrial action.

No confidence can be placed in any of the unions to wage a fight against the ANC or the employers. AMCU's rise has been due to widespread hatred for the COSATU-affiliated National Union of Mineworkers (NUM), which works intimately with the employers. But this is only an initial manifestation of a broader turn away from organisations that function as instruments for imposing the demands of the major corporations and the banks.

In one of the more observant comments, *Daily Maverick* writer Stephen Grootes places the strike in the context of the 2012 Marikana massacre when police killed 34 striking miners and injured dozens more at the behest of Lonmin shareholder and former NUM leader Cyril Ramaphosa and the ANC government. Ramaphosa, a multi-millionaire, was made ANC deputy leader for his efforts.

Grootes declares that "the conflict playing out on the platinum belt has been the strongest indication yet that the political hegemony of the ANC is now over."

Noting that the ANC's response to the strike is to call for legal bans to be imposed, he warns that "this would surely just lead to more violence."

The central lesson of the dispute is that "our country has simply not changed enough over the last 20 years... It's also not good enough that the communities they come from are probably poorer now than they were 50 years ago. It is often claimed that apartheid is over. Not for these miners; they live it every day. *We have to end it for them too.*" [emphasis added]

The reality is that apartheid was only a peculiar legal form through which the dictatorship of the banks and corporations was imposed on the South African working class. And having limited the struggle waged by millions to the ending of "white rule" and the implementing of formal legal equality, the ANC, COSATU and the SACP have only exposed themselves as the defenders of real and ever worsening social inequality.

The eruption of the class struggle outside of and against the structures of the ANC and COSATU

signifies that workers are no longer prepared to wait for someone else to end their suffering and hardship *for them* and are seeking a means of determining their own future.



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