

# Respect legitimate wage demands

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With the continuing strike in the mining industry, all the pressure is on the Association of Mineworkers and Construction Union, Amcu, to be reasonable, and call off the action.

This must be one of the longest strikes in our history. The question is, is the workers' demand of R12 500 a month to be implemented over four years unreasonable? The three big platinum producers say it is. But for the workers, the arduous work, coupled with crippling living conditions, favour their demand for a living wage.

What is surprising is that after workers gave Amcu a mandate to phase in the R12 500, the industry has not shifted. Why?

The announcement by Amplats that it intends selling off its Rustenburg mines does not come as a surprise to Bench Marks. We predicted in 2007 that their Rustenburg shafts were nearing their end and heard rumblings to this effect three years ago. What an opportunity to blame the workers and at the same time, by selling, avoid their social and environmental liabilities.

Anglo American tried to do this with De Beers operations on the West Coast. A mine closure plan is what they should address. But now, if they sell, will they also transfer mine closure funds? Bench Marks has continually called for mines nearing the end of life not to be sold off to some junior partner who does not have the funds to remediate.

Already the old gold miners ditched responsibility to remediate on the gold reef and now the taxpayer is burdened with a bill running into billions to clean up contaminated water. Is this the legacy Amplats wants to leave behind?

But more to the point – can Amplats afford not to be moving towards sustainable wages? The platinum belt, once a citrus farming area where people lived off the land, has been destroyed, and now Amplats threatens to sell. Amplats wants to blame everyone else, except their own practices of paying apartheid wage rates.

Over 20 years the big three platinum producers made returns on investment just below 30 percent and on average had a benchmark of 14 percent returns. Now they argue that a sustainable wage is not reasonable.

Workers, of course, know how the industry has been performing over the past 20 years. They also know they have not shared in the wealth on an equitable basis. Marikana was not about inter-union rivalry, no matter how much this has been said. It was about fair and just wages. To ignore this and to proceed as if this strike is unreasonable and to just blame workers is misleading.

Of-course all three of these companies, especially Amplats, know how to settle the strike. They have expertise available. They can table an incremental offer even if it does not match entirely what workers are asking for. But they have chosen to sit the strike out, close their operations, and Amplats have said they will expand their open-cast platinum mining in Limpopo.

Looking in from the outside, and while having an understanding of workers and their working and living conditions, as in the case of Lonmin, 27 000 of their total workforce live in squatter-like communities. We can estimate that close to 100 000 workers are in this situation.

The utter despair spurs these workers on. They are prepared to sit it out, even if they all lose their jobs. What does this say about workers' sacrifice of income? Perhaps that they feel they are already poverty-stricken, and have nothing else to lose. Their dignity is already impaired by low wages and bad living conditions.

But Amplats have a chance to show they can be a good corporate citizen, only if they accept that worker demands are legitimate – which they are. So why not show South Africa and the world that they are prepared to be reasonable and make some movement? Well, we know why.

What can we expect if the attitude of the company is to play this out in the media, yet on the ground threaten workers and the whole of Rustenburg's future without making any significant move on wages? Well, good for them, and their shareholders if they are able to manage the new risks they are creating. Imagine a move by just one of the companies towards at least recognising that worker demands are legitimate and to use this as a starting point. Imagine what this would do to the confidence and morale of workers.

But the response is to continually treat workers as the enemy and this only spells trouble for anyone wanting to buy their operations. Chief executive Mark Cutifani, at the 2012 Mining Indaba, recognised that communities get the rough end of the stick. He went on to say: "Marikana was a symptom of a much greater issue that needs us to engage and work together to find collective solutions. The simple fact is we need each other if we are going to realise our great potential." Nice words, but when faced with a test, their actions contradict what they say.

Workers will not accept 7 percent to 9 percent, which translates to R495 a month for someone on R5 500 a month. In fact the ball is with the companies. So Mark Cutifani, live up to your words or don't utter them only to create a good impression.

**John Capel is the executive director at Bench Marks Foundation**