

Local Government Bargaining Council:

Towards a uniform approach to labour matters?

The South African Local Government Bargaining Council (SALGBC) was registered on 1 March 2001 after an agreement signed on 2 September 1997 between the South African Local Government Association (SALGA) and two unions, the South African Municipal Workers Union (SAMWU) and the Independent Municipal and Allied Trade Union (IMATU). These are the only parties to the SALGBC. Its aim is to facilitate collective bargaining at a central level, to attempt to prevent disputes and to conciliate disputes when they do arise.

Background

Before the establishment of the Interim SALGBC (as it was known before registration) parts of the local government sector were under the jurisdiction of various provincial Industrial Councils (later called Bargaining Councils). The result was that there was no national uniformity in the way that employers and unions addressed labour matters. Instead, conditions of service and standards of pay differed from province to province.

The SALGBC and its structures

The Interim SALGBC got off to a shaky start because the provincial Bargaining Councils had to accept that their powers were being centralised.

The Interim SALGBC had a Central Council and thirteen divisions: one division for each of the nine provinces and another one for each of the

metropolitan areas as recognised in 1997 (Johannesburg, Cape Town, Pretoria and Durban).

The two 'new' metropolitan municipalities (Nelson Mandela Metropolitan and Ekurhuleni) do not yet have separate divisions. They would have to apply for this status at the SALGBC. Before 5 December 2000, metro divisions had numerous municipalities within their jurisdictions. Since 5 December 2000 metro divisions have a single municipality as the employer party.

Because it was not yet registered as a Bargaining Council in terms of the Labour Relations Act, the Interim SALGBC could not impose levies on employers and employees to finance the Council. The parties to the Interim SALGBC then agreed that, before registration, they would pay their own travel costs as well as the accommodation costs of their delegates. These costs would be claimed back from the SALGBC after registration. As the Interim SALGBC had no funds to appoint permanent personnel, it was agreed that some municipalities would second some of their employees to the divisions. The present General Secretary of IMATU, Theo Crouse, volunteered initially to act as the General Secretary of the Central Council.

Collective bargaining previously took place in the various provincial bargaining councils. Therefore, the leadership of the various parties was not very well acquainted with central bargaining. Apart from the annual salary and wage agreements between 1997 and 2001, very few other collective agreements were entered into during this period.

Despite a lack of finances, permanent personnel and mutual trust between the parties, the SALGBC managed to survive due to a shared vision that a single national Bargaining Council was an absolute necessity.

Central Council

The SALGBC has a Central Council which acts as its plenary. Its 60 seats are shared equally

key points

- The South African Local Government Bargaining Council (SALGBC) was established on 2 September 1997 and registered on 1 March 2001. SALGA, IMATU and SAMWU are the parties to the SALGBC.
- Its establishment meant that the previous provincial Industrial Councils were replaced by a national Bargaining Council for local government.
- The SALGBC has a Central Council with 60

- delegates, an Executive Committee, a Negotiating Committee and various advisory working groups and committees.
- The Central Council can delegate matters to lower levels of bargaining.
- The SALGBC is funded through levies that municipalities pay.
- Its future is under threat because of the government's commitment to include local government a single public service.

between SALGA and labour. It has the power to approve, among other things, the budget and the audited financial statements.

Executive Committee

Initially the SALGBC functioned without an Executive Committee. This meant that a meeting of the Central Council had to be convened every six weeks to deal with the normal day-to-day issues of the Council. The SALGBC's constitution has now been amended to provide for an Executive Committee with specific delegated powers. This amendment has not been registered yet by the Department of Labour. However, in anticipation of the registration, the Executive Committee is already up and running and consists of five representatives each from SALGA and from labour.

Negotiating Committee

A Negotiating Committee has also been formed, with ten representatives each from SALGA and labour. Its primary function is to collectively bargain salary and wage increases, uniform conditions of service, etc. This was previously done by the Central Council, which proved difficult because of the large number of delegates.

Working Groups

The Executive Committee also formed various advisory working groups and committees:

1. The **Employee Benefits Working Group** deals with pension and retirement funds, medical aid schemes, conditions of service, etc.
2. The **Databank Working Group** deals with the

establishment, management and maintenance of a single national databank for the local government sector. The data will be available to all parties and will be very helpful during salary and wage negotiations, in addressing employment equity, etc.

3. The **Services Working Group** deals with municipal services. Much of this group's deliberations were on restructuring the electricity industry. However, other issues, such as public transport and the outsourcing of services like water and refuse removal, also came under the spot light.
4. The **Essential Services Working Group** deals with ambulance services, fire and rescue services, etc. It produced an Essential Services Agreement that was ratified by the Executive Committee of the SALGBC. In terms of this agreement employees who are engaged in essential services cannot go on a lawful strike in terms of the Labour Relations Act of 1995.
5. The **Occupational Health, Safety and Environment Working Group** deals with issues arising from legislation on health, safety and environmental matters.
6. The **Job Evaluation Working Group** has to modify and implement the new TASK Job Evaluation System. This is a single job evaluation system for local government in South Africa. The working group has established a task team to modify the TASK Job Evaluation System so that it meets the requirements of local government. This process has now reached an advanced stage and the Executive

SALGBC's future is threatened by the government's commitment to a single public service.

Funding

The long delay between establishing and registering the SALGBC (almost four years) resulted in major financial difficulties as the parties had to bear the costs of their delegates' attend-

ance. This expenditure was not budgeted for because it was expected that the SALGBC would be registered in a few months and would then be able to fund these costs by imposing a levy.

On registration in March 2001 it imposed a levy of R2,50 per month, payable by each employee, and a further R2,50 per month per employee payable by the municipalities. The SALGBC thus receives R5,00 per month for every municipal employee in South Africa, or a total of about R1.1 million per month for the country's 220 000 municipal employees. These levies are used to finance the salaries of SALGBC personnel, their and delegates' subsistence and travel expenses, catering and other regular expenses (stationary, telephone, etc.)

The SALGBC is also in the process of refunding the parties to the SALGBC for costs they incurred before March 2001.

The future of the SALGBC

Although the SALGBC is still in its infancy compared to the bargaining councils in other sectors, its immediate future is threatened by the government's commitment to a single public service. The President's Coordinating Council resolved that the process of including municipal employees under the Public Service Act to create a single public service, must be accelerated (see p 2). This implies that municipal employees will be included under the Public Service Act.

If the government succeeds, municipal employees will fall under the jurisdiction of the Public Service Bargaining Council and the SALGBC will have to be deregistered. The parties to the SALGBC may therefore quite rightly ask the question with regard to the future of the SALGBC : where do we go from here?

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Committee will have to decide on an implementation date if it approves the proposals.

7. The **Finance Committee** advises the Executive Committee on financial matters. It drafts a budget with the General Secretary for the Central Council's approval.
8. The **Technical Advisory Committee** (TAC) has two SALGA delegates and one delegate each from IMATU and SAMWU. These delegates are officials, whereas the working groups consist of politicians and officials of each party. The TAC advises the Executive Committee on the legal implications of constitutional amendments to legislation and general legal or technical matters. It has no decision-making powers.

Powers and functions

In terms of the SALGBC's constitution certain powers are reserved for the Central Council. The Central Council may delegate any matter to a division of the SALGBC for finalisation. Importantly, the constitution does not allow delegation to a municipality. Therefore, a municipality cannot, for instance, negotiate at a local level about core conditions of service.

Because of the drive towards centralising powers, uniformity and collective bargaining, the Central Council rarely delegated any of its powers to a particular division for finalisation. It has now been acknowledged that this is not ideal: certain levels of bargaining should be agreed on which may include bargaining at a local level, such as the Local Labour Forum of a municipality. A particular matter in a specific region or at a specific municipality could be dealt with by the relevant local parties, who are more familiar with the particular circumstances.

The SALGBC's constitution requires a two-thirds concurrent majority from SALGA and labour in order to adopt any resolution of the Council. This means that any party to the SALGBC can veto a resolution. In terms of a proposed amendment to the constitution, which is currently with the Registrar of Labour, the parties will only require a simple majority to adopt a resolution on administrative matters. A two-thirds concurrent majority will still be required for substantive matters.