



**NATIONAL UNION OF METALWORKERS OF SOUTH AFRICA  
STATEMENT ON THE PLANNED AUTO INDUSTRY STRIKE ACTION  
FRIDAY, 6 AUGUST 2010**

1. We, the **NATIONAL UNION OF METALWORKERS OF SOUTH AFRICA** (NUMSA), the single largest trade union representing over 31 000 workers in the automotive manufacturing industry has since April 2010 been negotiating wage increases and improvement of working conditions with the Automobile Manufacturers Employers Organisation (AMEO).
2. The AMEO represents global Transnational Corporations (TNCs) that dominate motor vehicle production in South Africa, Toyota, Ford, Volkswagen, Bavarian Motor Works (BMW), Nissan, General Motors (GM) and Daimler (Mercedes Benz). The collective agreement which was renegotiated by NUMSA and AMEO also benefit workers employed by Man Truck and Bus, and Nissan Diesel, TNCs involved in the production of medium and heavy commercial vehicles in South Africa.
3. The automotive industry in general is the leading manufacturing sector in the economy of our country with the largest Gross Domestic Product (GDP) contribution. This industry is the strategic pillar of our economy. Its economic and employment contribution goes far beyond just new automotive vehicle production – small, medium, heavy and extra-heavy commercial vehicles, and passenger vehicles. The multiplier effects of the automotive manufacturing industry include vehicle and related parts retail, finance and insurance, service and repair workshops, fuel and oil retail, paint, components, tyres, glass, leather, textile, rubber, plastic and steel production, and transport generally.

4. Given the above glossy picture AMEO should have behaved differently in a manner that is sensitive to the strategic nature of the automotive industry in our economy. But throughout the negotiations which started early this year AMEO proved to be intransigent and frustrated the process. AMEO occasionally refused to attend negotiating plenary and spent long hours in “golf course style” caucuses from which no reasonable offer ever came up to meet workers’ demands. At one stage AMEO disappeared from negotiations as a dirty trick to shy away from well researched facts presented by NUMSA about the ruthless degree of economic exploitation that is devastating workers in the industry.
5. On Thursday, 5 August 2010 when the negotiations collapsed AMEO further displayed a psychopathic lack of regard to workers by embarking on a walkout from the negotiating plenary. The automotive industry’s National Bargaining Forum (NBF) collective agreement has since long expired on 30 June 2010. Due to the slow pace of negotiations resulting from the arrogant attitude of AMEO it has been impossible to reach settlement before the expiry of the agreement.
6. During the tenure of the expired agreement which was signed in 2007 NUMSA members received wage increases that are below inflation. The situation got worse in 2008 when the annual headline average inflation at July and August sky-rocketed to 13.4% and 13.7% respectively far above the corresponding wage increase.
7. When we approached AMEO for a wage adjustment they blatantly refused.
8. At the time the global capitalist crisis was deepening with the Reserve Bank of South Africa (RBSA) under the stewardship of Tito Mboweni addictively hiking interest rates one Monetary Policy Committee (MPC) meeting after another. As NUMSA we staged several marches against the RBSA’s conservative policy of inflation targeting due the adverse effects that it has over working class households including our members’.

9. A significant proportion of the working class suffered an irreparable harm because of interacting crises of capitalism, the neoliberal policies such as the RBSA's policy of inflation targeting which was accompanied by high interest rates, rising household debt and financial distress, housing and other repossessions, as well as AMEO's refusal to adjust wages as requested by NUMSA in light of sky-rocketing inflation data.
10. During these interacting crises unemployment was increasingly rising from a job loss bloodbath with devastating impact over our members who by the way care for extended families.
11. Our demands are modest. And in fact instead of improving the quality of life of workers as they are our demands are mainly aimed at recovering losses suffered as a result of crises. Our demands are further consistent with the electoral commitment of the ANC-led alliance and the new President Jacob Zuma-led administration of decent work and sustainable livelihoods.
12. It is within this context that we are also positioning ourselves as NUMSA to advance equitable distribution of income at the point of production in future bargaining.
13. For now our demands are simple:
  - One year-agreement
  - Across the Board (ATB) wage increase of 15%
  - Short time/lay-off payment at 100%
  - Short Term Contracts (STCs) must be entitled to all benefits and employed on a permanent basis after three (3) months.
  - Labour brokers to be scrapped
  - Hours of work must be 8 hours per day from Monday to Friday
  - Saturdays work to be paid 1½, and Sundays and Public Holidays work to be paid double respectively
  - CO<sub>2</sub> Welders and Spray Painters to be populated in Skills Level 5
  - Six months paid maternity leave
  - Scrapping of *No further Claims Clause* from the Automobile Industry National Bargaining Forum (NBF) collective agreement.

14. Given the glaring reality of collapsed negotiations mediators issued NUMSA with a certificate to embark on protected strike action in order to apply pressure over AMEO to accede to workers' modest demands. It has never been our intention to embark on strike action but because of AMEO's stubbornness we are compelled to take the battle to the streets on **Wednesday, 11 August 2010**. Ours will neither be a picnic nor a fan park but a metalworkers' militant action until our demands are met. As from today preparations are underway and the full details of the strike action will be communicated in detail next week.
15. Meanwhile, as NUMSA we have been issued with another certificate for a protected strike action over wages and working conditions in the over 6000 workforce New Tyres Manufacturing Industry (NTMI). We will in this sector however allow space for further engagements and pending further assessment not hesitate to also serve notice of protected strike action.

Issued by NUMSA

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