SOUTH AFRICAN MNCS IN AFRICA – TRENDS IN 2010 / 2011

A report covering MNCs submitted by Global Unions

INTRODUCTION TO THE STUDY

As companies have stretched their operations and supply chains across the globe, so international trade law has assisted them in accessing new markets and new resources. However, this global economy, while granting Multinational Corporations (MNCs) new freedoms and opportunities, has not been accompanied by globalisation of social rights, labour rights and ultimately human rights to the workers within those companies. Companies have spread in search of new profit opportunities which have often meant seeking out areas of the globe where resources, including human resources, can be had very cheaply and without restriction. The situation is bad for both workers in the home countries of these companies, as jobs flow outwards to where the work can be done more cheaply, and workers in the new host countries, where they have to work without the protections and benefits afforded those in the country of origin.

The focus of the research and reporting here is aimed at building capacity among unions at national, regional and global levels to address this imbalance of power for the benefit of workers wherever they may be.

OVERVIEW – FOREIGN DIRECT INVESTMENT IN AFRICA IN 2010 / 2011

The 2011 World Investment Report published (July 2011) by the United Nations Conference on Trade and Development (UNCTAD) noted that globally Foreign Direct Investment (FDI) has not recovered to pre-2008 levels. Relatively however, countries in the **South** seem to be prospering, absorbing close to half of global FDI outflows and generating new high levels of outflows themselves, accounting for 29 per cent of global FDI outflows, most of which is directed to other Southern countries.

However, FDI in **Africa** fell by 9 per cent in 2010 at USD 55 billion continuing the downward trend which started in 2009. Among developing countries, Africa's share was likewise down from 12 to 10 per cent of all FDI to developing countries. In **Southern Africa** inflows decreased by 24 per cent to USD 15 billion, though still accounting for more than one quarter of the continental total. Inflows to **South Africa** declined to little more than a quarter of those for 2009. North Africa saw its FDI flows fall slightly (by 8 per cent) in 2010; the uprisings which broke out in early 2011 impeded FDI flows in the first quarter of 2011. (p. xxx)

Given this trend, despite the continuing pursuit of natural resources which will sustain inflows to sub-Saharan Africa in 2011 and beyond, the future is seen as challenging all for African countries. The UNCTAD report predicts that in Africa the long-term investment flows with greater development impacts are most likely to come from neighbouring countries, South – South investment; that this investment is unlike that from the developed world, less focussed purely on natural resources and therefore more likely to assist development. Geographical proximity and cultural affinity are thought to give regional MNCs an advantage in terms of familiarity with the operational environment and business needs in the host country. From the host country's point of view, developing country MNCs are seen as likely to be in possession of more appropriate technologies – with a greater potential for technology transfer – and better able to address the needs of local consumers, especially the poor (UNCTAD, 2011). The report notes 'some anecdotal evidence of regional FDI bringing positive development impacts to host countries in Africa'.

In the present and short to medium term however, these "interregional flows" are still small and accounted for only 5 per cent of total African FDI projects.

South Africa into Africa

South Africa is a major source of South-South investment through MNCs to the rest of Africa. Since the advent of democracy in 1994, there has been a rapid movement of South African firms throughout the continent. The Edge Institute in mid-2004 argued that there were over 600 investment projects by South African firms in the rest of Africa (Gelp, 2005:p. 201).

An UNCTAD study prepared in 2005 on outward foreign direct investment by South African enterprises states that:

"the number of South African companies doing business in Africa has more than doubled in a decade since 1994 and by the beginning of 2005, 34 of the top 100 JSE-listed companies had 232 investment projects in 27 African countries, employing 71,874 people…More than 22 per cent of FDI flows received by the Southern African Development community (SADC) in 1994-2004 were from South Africa, with the share in some years exceeding 40 per cent." (UNCTAD, 2005)

In services, some African TNCs in telecommunications and banking have actively engaged in regional expansion. Leading players in the region's telecommunications industry include MTN (South Africa), Orascom (Egypt) and Seacom (Mauritius). In the financial industry, a number of banks based in Nigeria and South Africa have established a regional/ subregional presence. Despite this, the 2011 UNCTAD report notes that the extent of intraregional FDI in Africa is limited with South African investors playing a large role in neighbouring countries in East and Southern Africa. Countries with high shares of intraregional FDI flows/stock (i.e. Botswana, Malawi, Morocco, Mozambique, Namibia and the United Republic of Tanzania) are those in which investors from South Africa are active, primarily in natural resource-related industry. For South Africa, the importance of Africa in its outward investment has increased over time. The share of Africa in its outward FDI stock rose from 8 per cent in 2005 to 22 per cent in 2009. (UNCTAD, 2011, p. lxviii)

MNEs, MNCs and TNCs and CSR

Looking at the role of MNCs in host countries, the UNCTAD report notes that 'through their foreign investments and global value chains, TNCs can influence the social and environmental practices of businesses worldwide for the better, although there is uneven application and a lack of standardisation regarding reporting' (p. cxxxvi). The need, stresses the report, is for the promotion of investment to be tied to CSR standards, not with one impeding the other. In this regard the role of government policies and institutional frameworks is seen as pivotal by the reports' authors.

The challenge however is that it is not simply an uneven application of standards but a conscious lowering of working conditions, environmental standards and labour rights that has more often than not followed MNCs as they stretch globally and particularly into Africa. It is therefore not simply government policy and institutional frameworks that are required; the vital role of organised labour, trade unions, in monitoring and engaging with MNCs in order to ensure that investment is also investment in decent work cannot be over-emphasised.

Research has shown that in this regard South African MNCs are no different from those from beyond the continent, neither worse nor better than capital from other countries, applying different standards for labour conditions including wages, health and safety and trade union rights across their operations. However, the focus here on South African MNCs is due to its growing presence in the region, in many cases becoming a bigger investor than traditional foreign investors based in developed countries. And it is not just the power of South African MNCs in host countries, this investment has given South African MNCs more leverage over the working class in South Africa is just as much of a concern (Patel, 2006).

Experience has shown that the best way to monitor, hold to account and change the behaviour of companies is through well organised democratic unions, joined together in networks across company operations where they are able to share information, skills and to work in solidarity together to pressure for improvements.

Managing multinational corporations is not a one size fits all but a combination of approaches which are inclusive in nature. However, key to any approach is to understand the companies with which unions must engage so that they are better able to campaign, educate, organise and support each other, each national union, to achieve better conditions for workers at the bargaining table (Guliwe, 2008).

It is with this focus that the study described in this report was conducted. The orientation of this report, giving aggregated feedback to the Global Unions on nominated SA MNCs operating on the continent is that the information contained herein will equip the people who face the problem to respond to the problem, that is the national affiliates of Global Unions organising in South African MNCs across Africa.

Methodology

The aim of the work discussed here is to support African Global Union Federations (GUF), national federations and unions to build alliances for regional and international campaigns to transform the CSR, Governance and Industrial Relations policies and practices of South African Multinational Corporations (MNCs) in Africa through the provision of relevant information and by building capacity within the unions to research and monitor the companies in which they organise.

Background

A multinational company database has been established to support global unions in campaigns, education and collective bargaining processes through providing company and sector information including financial results, directors' fees and operational spread. The database is populated with corporate information on selected South African MNCs with operations in Africa.

Feedback from the African GUFs (workshop held in November 2010) has shown that the database should focus on those MNCs with whom the GUFs and trade unions are currently engaging. The reports on these companies and sectors are to be timely and accessible. In addition, they should include more information on workers and trade union organisation across company operations. This information should be collected by workers at the shop floor through a processes designed and implemented to facilitate this. Further, in-depth reports analysing trends in South African MNCs generally should be developed from the database information to advance trade union strategies for the region.

Objectives of the research

1. To provide GUFs with relevant reports of Companies in their sector so as to improve their strategies for building regional trade union alliances and campaigns. African GUFs, national federations and trade unions, supported by timely and relevant reports, have the capacity to engage South African MNCs nationally, regionally and globally.

2. To develop simple and usable tools for gathering information on trade unions and the multinationals they organise to improve collective bargaining outcomes and trade union organisation.

3. To identify training needs of unions at various levels.

4. To provide an annual report analysing trends revealed by the MNC database to inform trade unions in Africa (GUFs, ITUC Africa, National Centres) to improve their advocacy and lobbying for relevant CSR, Governance and Industrial Relations policies.

Process

1. African GUFs (BWI, ICEM, IMF, ITGLWF, IUF, ITF, PSI and UNI) to submit the names of South African MNCs they plan on or expect to engage with over the coming year (to end 2011) and would like included in the database for reporting. The template includes: name of company, motivation for inclusion in the database, information GUF already has on the company (what unions are organising there etc).

2. Templates and instructions for information required to complete worker / trade union information for MNCs designed and distributed to African GUFs. GUFs to distribute these to their national affiliates for completion. Completed documents to be included in company input on the database. This activity will also highlight some of the training needs in trade unions that will be picked up at a later stage.

3. Inputting two years of company information on the selected companies into the MNC database including information from national affiliates, where this is submitted.

4. MNC reports on companies, sectors and countries of operation produced and loaded onto a website as PDF documents. GUFs alerted as to their availability.

5. Data from the full database analysed with other literature and information and trend reports on SA MNCs in Africa developed and made available to GUFs through the same website.

6. Presentation at African GUF forum 2011 on the MNC database on the progress of work including engaging with African GUF representatives on the usefulness of the templates developed for trade unions to complete company information with the aim being to discover if they work, do the members require training, and if so what training, in order to complete the information etc.

Results

Companies, Sectors, GUFs and Year Ends Included in the Research

TABLE 1: SOUTH AFRICAN MNCS SUBMITTED BY GLOBAL UNION REPRESENTATIVES TO BE INCLUDED IN THE STUDY

Company Name	Sector	Global Union	Latest year end	GA signed?
AngloGold Ashanti	Mining	ICEM	2010/12/31	Yes
De Beers Family of Companies	Mining	ICEM	2010/12/31	No
Eskom Holdings Limited	Industrial	ICEM	2011/03/31	No
Gold Fields	Mining	ICEM	2010/06/30	No
Illovo	Food and Beverage	IUF	2011/03/31	No
Massmart	Retail	UNI	2010/06/30	No
MTN Group	Technology and Telecommunications	UNI	2010/12/31	No
Network Healthcare Holdings	Health	PSI	2010/09/30	No
Pick n Pay Stores Ltd	Retail	UNI	2011/02/28	No
SABMiller	Food and Beverage	IUF	2011/03/31	No
Sappi	Paper and Packaging	ICEM	2010/09/30	No
Shoprite	Retail	UNI	2011/06/30	Yes
Standard Bank Group	Banking and Financial Services	UNI	2010/12/31	No
Sun International	Retail	UNI	2010/06/30	No
Vodacom Group Limited	Technology and Telecommunications	UNI	2011/03/31	No
WBHO	Construction	BWI	2010/06/30	No

Variables Included in the Study

The database generated reports based on the following company variables drawn from Company Annual reports and from the responses of questionnaires as submitted by the GUFs from their national affiliates.

TABLE 2: VARIABLES INCLUDED IN COMPANY ANALYSIS

Section	Variables	Source
Company Information	Contact details, SE listings, Main shareholders	Company Annual Reports, website
Company Performance	Revenue, Profit before tax	Company Annual Reports, website
Director Fees	Salary, benefits, bonus, Long term Incentives	Company Annual Reports, website
Operations	Locations, employment	Company Annual Reports, website

Unionisations	Unions organising, union density	National Affiliate Questionnaire
Worker Wages	By form of employment	National Affiliate Questionnaire
The Wage Gap	Workers' wages compared to the CEO	National Affiliate Questionnaire

VARIABLES

Ownership – Major Shareholders

In the majority of cases, the **South African Government Employee Pension Fund** is one of the top five shareholders in each of these companies, as is their policy for companies listed on the JSE. What this means is that government employees, and the unions they belong to, hold a significant stake in the MNCs that are spreading throughout Africa, and this capital power should be explored.

In Eskom the South African Government is the sole shareholder and at the time of the study De Beers was owned jointly by AngloAmerican, the Oppenheimer Family and the Government of Botswana. Sun International shareholding is dominated by the The Sun International Employees Share Trust (SIEST) established for the benefit of Sun International employees excluding senior management and directors and Dinokana, a BBBEE consortium.

In the case of both the retailers, Shoprite Checkers and Pick n Pay the biggest single shareholder is a single person or family heavily connected to the management and governance of the company. In the case of Shoprite Checkers it is it is the Chairman Christo Wiese (the CEO Whitey Basson is also a major shareholder), and in the case of Pick n Pay the Ackerman family holds more than half the voting shares through Pick n Pay Holdings which they dominate. This highly centralised form of ownership is reflected how decisions concerning workers conditions in operations across Africa are made where every query and dispute must be taken up back at head office.

Foreign and Local Ownership

Ascertaining the exact mix of foreign and domestic owners is a task made more complicated by the large holdings of fund managers that are included as shareholders, where the actual owners of shares are hidden. However, it is clear from the research that a large amount of the equity in SA MNCs is foreign owned. Massmart, before it was purchased by Wal-mart in 2010 / 2011, was already 72 per cent foreign owned according to their own reports; The Industrial and Commercial Bank of China holds over 20 per cent of the shares in Standard Bank. Altria Group, the US based parent company for tobacco maker Philip Morris owns 27 per cent of SABMiller, while the second largest shareholder is BevCo Ltd, a Columbian company. Vodacom is 65 per cent owned by the UK based Vodafone, Illovo 51 per cent by ABF Overseas Limited, the UK Food company. When we are addressing the issue of South African MNCs therefore, it is becoming less obvious what we are talking about and where unions need to be engaging and focussing their pressure for change.

Operation locations

Apart from South Africa, the sample companies operate in 30 countries in Africa alone, indicating the increasingly wide reach of South African capital. This wide reach is not restricted to a particular sector but includes banking, retail and telecommunications. Zambia and Swaziland play host to the highest number of MNCs in the group, with other close neighbours Botswana and Lesotho also hosting more than half of the MNCs in the group. Further north it is generally the telecoms giant, MTN that has made inroads into countries. Following news reports after the completion of the research it is clear that South African companies are continuing their expansion as already this list will be somewhat out of date as Pick n Pay, Massmart and MTN in particular continue their rapid expansion.

TABLE 3: TOP AFRICAN LOCATIONS OF SOUTH AFRICAN MNCS OUTSIDE OF SOUTH AFRICA

Host country	Number of sample companies with operations in country
Swaziland	10
Zambia	10
Botswana	9
Lesotho	9
Ghana	8
Mozambique	8
Namibia	7
Tanzania	7
Malawi	6
Nigeria	6
Uganda	6
Zimbabwe	5
Mauritius	4
Angola	3

Other locations:

- Two companies - Democratic Republic of the Congo, Guinea , Kenya, Madagascar, Mali
- One company - Benin, Cameroon, Côte d'Ivoire, Ethiopia, Guinea-Bissau, Liberia, Republic of the Congo, Rwanda, Sierra Leone, Southern Sudan, Sudan

Company Performance

Sales & Profit

As was globally true, South African companies suffered performance-wise in 2008 in particular. While sales made a turnaround relatively quickly, profits in the sample struggled through 2009, dropping even further than 2008 before staging a turnaround in 2010, largely with the recovery of the mining sector fortunes. The smaller sampled for whom 2011 figures were available, show that this trend of increasing profits is continuing despite the predictions of a second recessionary dip.

TABLE 4: REVENUE AND PROFIT IN THE SAMPLE COMPANIES

	No. of companies	Average Revenue ZAR	Average Profit before Tax ZAR	Change in Revenue	Change in Profit
2007	9	50,500,422,222	10,086,315,556		
2008	16	47,691,922,438	5,839,451,500	-6%	-42%
2009	16	52,638,673,500	4,995,826,813	10%	-14%
2010	16	54,804,519,688	7,106,347,688	4%	42%
2011	6	70,672,262,833	8,574,719,667	29%	21%

Directors’ Fees

The fortunes of the directors of the sample companies do not appear to be intimately tied to the fortunes of the companies they manage. While company fortunes have taken a while to turn around, the CEOs and their board have been seeing steady increases in their income over the last three years, with the average salary in 2011 at over R10 million. Further, when benefits and cash bonuses are added to their income, the fees of the CEOs in the sample are almost or just more than doubled. Once the value of cashed in shares is added to that the total income that CEOs saw for the years under review the salary component of their income represents less than a half, and sometimes less than a third of their fees for the year.

CEO FEES IN THE SAMPLE GROUP

TABLE 5: CEO FEES 2007 - 2011

	No. of companies	Average Salary ZAR	Average Annual remuneration ZAR	Average Total ZAR	Change in Salary	Change in Annual Remuneration	Change in Total
2007	8	5,997,518	14,065,417	22,598,190			
2008	16	5,582,935	12,161,253	14,373,753	-7%	-14%	-36%
2009	15	6,567,938	12,617,087	16,711,826	18%	4%	16%
2010	15	7,111,115	14,178,477	59,995,821	8%	12%	259%
2011	6	10,440,237	17,050,788	30,725,366	47%	20%	-49%

➔De Beers figures not included as an unlisted company they do not report directors' fees.

CEO CHANGES COMPARED TO PROFIT*

FIGURE 1: COMPARING CEO FEES AND COMPANY PERFORMANCE 2007 - 2011

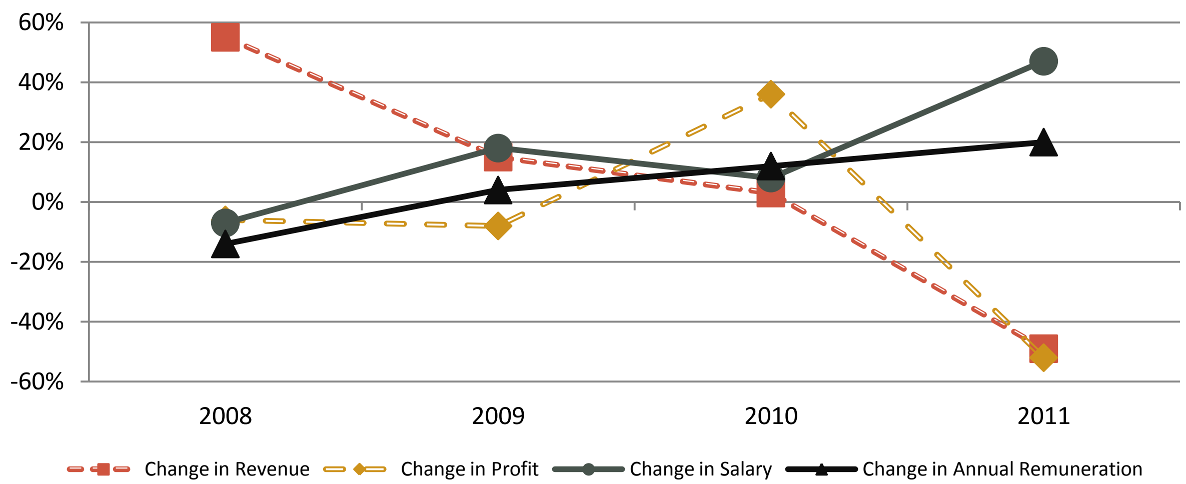


TABLE 6: COMPARING CEO FEES AND COMPANY PERFORMANCE 2007 - 2011

	Change in Revenue	Change in Profit	Change in Salary	Change in Annual Remuneration
2007				
2008	55%	-6%	-7%	-14%
2009	15%	-8%	18%	4%
2010	3%	36%	8%	12%
2011	-49%	-52%	47%	20%

*Note, for comparative purposes this sample exclude De Beers.

TABLE 7: EXECUTIVE DIRECTORS' FEES 2007 - 2011

	No. of Executive Directors	Average Salary	Average Annual Remuneration	Change in Average Salary	Change in Average Remuneration
2007	26	3,221,265	7,495,603		
2008	50	3,068,155	6,838,703	-5%	-9%
2009	54	3,176,239	6,621,345	4%	-3%
2010	49	3,641,061	7,560,863	15%	14%
2011	22	4,879,877	8,699,680	34%	15%

Workers' Wages

In their latest Annual Reports, the MNCs included in the study reported a total of 573, 348 workers across operations, although some do not report total employment numbers and the form of employment is not noted. This also excludes, in most cases, subcontractors, labour brokers and contract workers who are not discussed but are also workers that contribute to the value created by the MNC operations.

TABLE 8: REPORTED WORKFORCE AT MNCS ACROSS OPERATIONS

Company Name	Latest reported year end	Total reported employees
AngloGold Ashanti	2010	62,046
Eskom Holdings Limited	2011	41,778
Gold Fields	2010	57,000
Illovo	2011	12,159
Massmart	2010	26,585
MTN Group	2010	34,558
Network Healthcare Holdings	2010	30,096
Pick n Pay Stores Ltd	2011	49,200
SABMiller	2011	70,000
Sappi	2010	15,586
Shoprite	2011	95,000
Standard Bank Group	2010	53,351
Sun International	2010	10,372
Vodacom Group Limited	2011	7,481
WBHO	2010	8,136

Annual Reports seldom disclose further information concerning workers, and where they do, this is often limited to information concerning workers in the home country, South Africa. Working with Global Unions to collect, collate and analyse workers' information from their affiliates is therefore a key area of the research. The process for collecting this information has not proved very successful and in this first year there was a low response rate.

This reveals both gaps in the communications systems between GUF regional offices and the national affiliates and also, in analysing the completed questionnaires, that union information systems do not capture gender, form of employment breakdown of members, and union density (percentage of workers organised). This was evident by the gaps in the table on union membership that was part of the questionnaire. These issues will have to be addressed in future waves of this study.

The information from those unions that did submit proves both how useful this information can be and how important the formation of Shop Steward Networks and councils are for sharing information that can be used by national unions in bargaining and by global unions for campaigns. Information on the number of employees, broken down by gender and form of employment, union organisation and density, wages and conditions across company operations, countries and sectors can assist in collective bargaining, campaigning, education, recruitment and organising. As it is, the information collected in 2010 is limited to Pick n Pay, Anglogold Ashanti, and some operations of WBHO.

Wages across operations

FIGURE 2: WAGES AT PICK N PAY OPERATIONS 2010 – USD AND ZAR

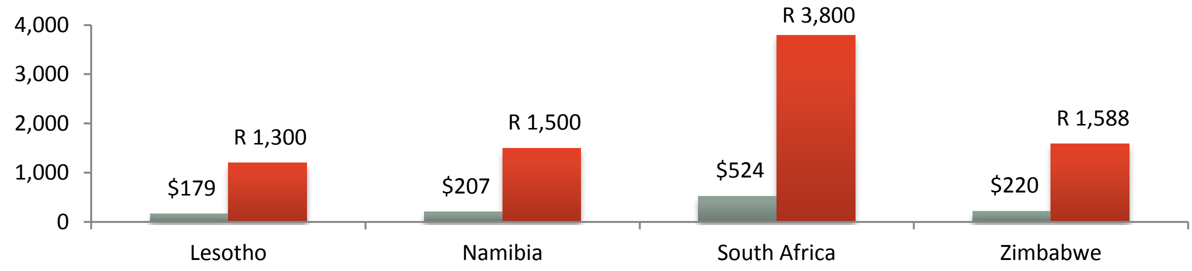
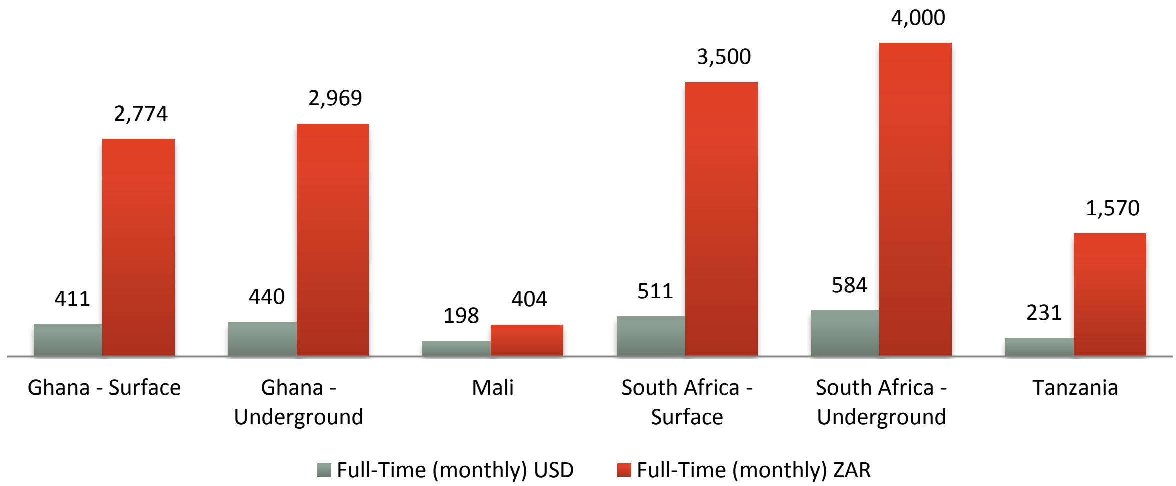


FIGURE 3: WAGES AT ANGLOGOLD ASHANTI OPERATIONS 2010 – USD AND ZAR



The Wage Gap

The wage gap is comparison of the average CEO remuneration to workers' wages expressed as the number of years a worker would have to work to earn what the average executive director earned in one year. The wage gap figure is useful because it gives a real feel to the difference in income between the high paid executives and the workers in the way it is expressed. A directors' remuneration figure may be high but perspective is gained on just how high it is when it is compared to the income of other employees – the average workers - in the company. Then it becomes clear that the same principles of pay are not applied across the board and you can begin to ask questions about how low wage increases are justified. The research shows that the largest wage gap exists outside of the home country of the MNC. However, this should not undermine the struggle of workers in the home country for improved wages and conditions as a wage gap of nearly 100 years is hardly acceptable. In South Africa unemployment and poverty has grown in the last 15 years while real wages remain stagnant in a context of declining job security. In other words, South African workers may have much in common with workers in the region, especially workers working for the same companies and that cooperation is needed to address these worsening conditions.

The question that arises with the wage gap is what gap would be acceptable. This is for each union to decide, however, UNI Global union, which claims to represent 20 million workers worldwide including in South Africa has made a call for executive salaries to be capped at 20 times the pay of the average worker. Philip Jennings, general secretary of the UNI global union, said that in the 1970s, US chief executives were paid 30 or 40 times the wage of the average worker, but by 2008 they took home 319 times more than the average American. "The pay of the average worker has flat-lined but the pay of executives has taken off like a rocket." Jennings added that there was no evidence that today's chief executives were better managers of the company fortunes than those 30 years ago. Rather, they were exploiting the system.

FIGURE 4: THE WAGE GAP AT PICK N PAY 2010 – COMPARING CEO TO WORKER WAGES ACROSS OPERATIONS

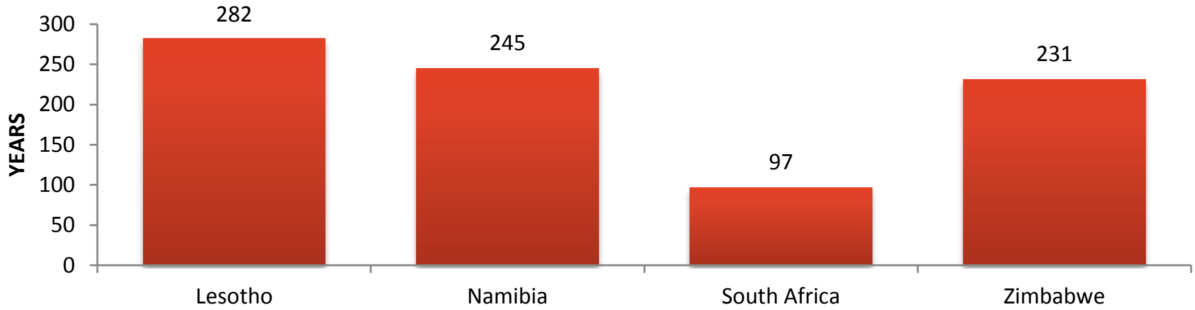
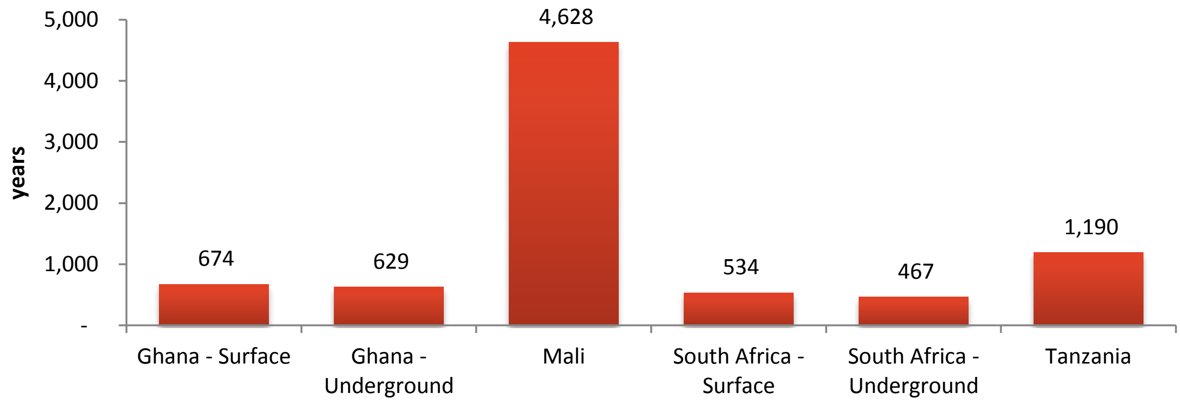


FIGURE 5: THE WAGE GAP AT ANGLOGOLD ASHANTI 2010 – COMPARING CEO TO WORKER WAGES ACROSS OPERATIONS



As they spread across the continent, South African MNCs are often welcomed as a source of jobs, investment and development. Concerns have long existed however, and are being proved correct as to the conduct, corporate governance and respect for workers' rights beyond the home country borders. The real effects that South African capital has on the South African and the regional economy are experienced daily as job losses, low wages, authoritarian management styles, bad working conditions and monopolistic tendencies. Questions and concerns are being raised again about the role of South African capital and while South African investment is welcome throughout the region, it is not without its ambiguities.

In earlier publications the LRS has argued that South African capital spurred on the movement towards a negotiated transition to end apartheid for securing its own long term interests in South Africa and through this, its interests in the region as a whole not just for quick financial gain but for ensuring long term stability in the region for capital accumulation (Patel, 2006). What we have suggested there and here is that to ensure that cross-border investment generates benefits for workers and improves the socio-economic conditions in the region, trade unions and social justice organisations need to develop strategies and alliances to act as effective countervailing forces to South African capital which, in the process of expansion, is entrenching historical patterns of inequality and under-development in Southern Africa.

Unless and until trade unions at a national, regional and global level understand the companies and sectors in which they work as well as understanding their own strengths and organisational needs, this pattern of exploitation is set to continue with unions unprepared for the well-organised and focused machines of capital.

Recommendations

Requirements for capacity building in unions focuses on issues of information, education and communication.

1. Unions do not collect and analyse information on South African companies that they organise in.
2. Unions do not sufficiently collect and analyse information on their own density, make-up and challenges within the South African companies in which they organise
3. Unions do not share experiences of resistance to South African companies taking place in their countries.

Unions cannot rely on emotional pleas for assistance but need clarity on their current situation, what needs to change, how the changes can be tracked to show improvements or deterioration, and the progress made on getting there. For this to happen factual information needs to be collected and collated routinely.

There are two broad recommendations that come to the fore through this research. These three recommendations attempt to provide the basis for meeting the needs identified in a sustainable manner.

1. Monitor South African companies

While this process is underway in the form of the database that has been established, only so much can be performed centrally and it is vital that information from company operations be fed through to the database and updated consistently so that changes can be monitored and trends analysed. This requires union activists on the shop floor to have the capacity, tools and communication channels to monitor and report.

2. Education and Training

In order to participate in the gathering of information, trade unions need to build capacity to collect, analyse and impart information to its members so that the union can develop strategies to counter the effects that South African companies are having in the region.

This requires training union researchers that collect and analyse information on South African companies as well as developing education materials that provides information on South African companies, outlines experiences and lessons of resistance to South African companies; and serves as a resource for bargaining with or campaigning against bad policies and practices of these companies.

The effectiveness of these recommendations would depend to a large extent on improving the interaction between labour support organisations and trade unions in the Southern African region as a whole. The African Labour Research Network (ALRN) and the African Workers' Participation Development Programme (APADEP) network are good examples of this. There also needs to be more collaboration between trade unions and other social justice organisations of civil society.

The union movement has the credibility and the capacity to lead this process as it more than any other grouping has access to and members in all the operations of MNCs. However, this is only possible if members are capacitated to be actively involved in such a process.

Conclusion

Without effective national trade unions and regional trade union networks South African MNCs in Africa will continue to spread not development but historical patterns of inequality across the continent. Above all it deepens their grip over the region allowing corporations to restructure methods of production and distribution to secure their interests over the long term.

One of the most important shifts required of unions is to leap out of national frameworks – as companies have done – and to take on regional and global ones. This requires both information and education to make strategic and informed decisions, as well as effective means of communications between workers so that knowledge and strategies, challenges and victories can be shared and expanded.

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APPENDICES

Appendix 1: Questionnaire distributed to Global Union affiliates for completion

SURVEY FOR UNIONS ORGANISING AT WBHO

Background

Company information assists trade unions engaging with the multinationals in which they organise. In order to address the need for this information and following discussions with the Global Union Federations in Africa, a database of South African Multinational Companies (MNCs) has been developed by the Labour Research Service (LRS) in Cape Town, South Africa. The database is designed to generate reports covering basic company information and financials over a period of two or more years in a format that is useful to unions.

In addition to company financials, information on union density, worker wages and conditions across company operations provides comparative worker information for unions organising throughout the African operations of an MNC.

In order to complete this analysis, information on the numbers, wages and conditions of your members within WBHO is requested in the short questionnaire attached. Your participation in this process is much appreciated and we look forward to sharing the results with you.

Process

This questionnaire was drafted by the LRS, and is distributed by BWI Africa to affiliates organising at WBHO in African countries.

A trade union appointee and an WBHO shop steward are to complete the questionnaire and then send the completed questionnaire and any accompanying documentation to Michelle Taal (LRS) at P.O. Box 376, Woodstock, 7915, South Africa *OR* Fax: +27214479244, *OR* Email: michelle@lrs.org.za by **10 June 2011.**

Labour Research Service will analyse the questionnaires, include the information in the company analysis and provide a company report to BWI and the affiliates on the LRS website at: http://www.lrs.org.za by the end of June 2011.

Please do contact Michelle at michelle@lrs.org.za if you have any questions concerning the attached questionnaire.

Contact Details:
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COUNTRY:

Name of Trade Union

Name of shop steward completing this form:

Name of XXXX operation where shop steward works:

Number of years as a shop steward:

Job function at XXXX:

Number of years at XXXX:

Address:

Email:

Telephone:

Work:

Mobile:

Name of Trade Union Official completing this form:

Position held at Trade Union:

Address:

Email:

Telephone:

Work:

Mobile:

QUESTIONNAIRE

UNIONS AT OPERATIONS:

1. Which Unions organise in XXXX in your country?

Name of Union/s	Contact Details
1.	General Secretary: Address: Telephone: Email:

2. Does your union have a recognition agreement with XXXX?
(please provide copies of recognition agreements if available)

YES	NO

3. Do any other unions in your country have a recognition agreement with XXXX?

Unions with a recognition agreement	Unions with no recognition from XXXX

4. Does your union take part in collective bargaining with XXXX management?
(please provide copies of recognition agreements if available)

YES	NO

5. If there is more than one union, do any others participate in collective bargaining?

Unions That Take Part In Collective Bargaining	Unions That Do Not Take Part In Collective Bargaining

6. If there is more than one union organising in XXXX do the unions cooperate?

7. If yes, how do you describe the level of cooperation?

8. On what issues - if any - do unions cooperate? (provide examples)

9. Please provide the number of all XXXX employees and the number of XXXX workers who are members of **your union** below. (If gender breakdown is not available just fill in the totals)

	Total Number of Workers at XXXX			**Number of XXXX workers belonging to your union**		
	Men	**Women**	**Total**	**Men**	**Women**	**Total**
Full-Time						
Casual / Temporary						
Contracted						
Total						

If there is another union organising at XXXX, please provide union numbers in the table below:

Name of Other Union/s:

	Number of XXXX workers belonging to Other Unions		
	Men	**Women**	**Total**
Full-Time			
Casual / Temporary			
Contracted			
Total			

WAGES AND WORKING HOURS AT XXXX:

	Minimum wage	Date wage came into force
Full-time worker (per month)		
Casual wage (per hour)		
Contract worker (per month)		

	Average working hours per week
Full-time worker	
Casual wage	
Contract worker	

1. Any other comments?