

Democratising the public service co-determination,¹ work-place democratisation and transformation

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*In order to forge ahead with the processes of reconciliation, reconstruction and development, the South African public service will have a major role to play as the executive arm of government. To fulfill this role effectively, the service will need to be transformed into a coherent, representative, competent and **democratic** (my emphasis) instrument for implementing government policies and meeting the needs of all South Africans' (Ministry of Public Service and Administration, 1995: 11).*

1 INTRODUCTION

The centrality of the South African public service in addressing the ravages of South Africa's past was identified by the Tripartite Alliance in the run-up to the 1994 elections. It was further recognised that in order to meet this crucial challenge the public service will need to undergo an extensive programme of transformation. An important component of the transformation project was the need to democratise the public service. The Reconstruction and Development Programme (RDP) base document notes, "Democratisation requires modernising the structures and functioning of government in pursuit of the objectives of efficient, effective, responsive, transparent and accountable government" (ANC, 1994: 120).

But what does democratisation mean and what is the contribution of trade unions to an agenda of democratisation? The RDP and subsequent policy documents envision a wide definition of democratisation. Democratisation is multidimensional and impacts on the development of public policy, the allocation of public resources as well as the delivery of government services. Due to the influence of labour in the drafting of the RDP and earlier policy documents, it was envisaged that for labour democratisation will mean an appropriate role and its active participation in all three of the above processes.

A complementary objective to democratisation was the urgent need to reform the archaic labour relations framework that governed the public service. This was achieved through the finalisation of the Labour Relations

¹ Co-determination is the collective name given to systems of worker participation such as which exist in the Scandinavian countries and in Germany.

Act, 1995. For the first time in South Africa, the same statute that governs labour relations in the rest of the economy regulates the public service. It is widely accepted that a key innovation in the new legislation is the provision for workplace forums. The workplace forum model was an attempt to give effect to workplace empowerment provisions of the RDP which noted that "legislation must facilitate worker participation and decision-making in the world of work" (ANC, 1994: 114).

The challenge to democratise the public service started immediately after the election of the first democratic government. As expected, the democratisation challenge was part of a broader terrain of contestation between politicians, public service managers, communities and workers. This resulted in the establishment of a variety of institutional forms. In the main, the finalisation of the workplace forum model of the LRA was not fully informed by other democratisation initiatives.

This article sets out to consider workplace democratisation in the public service. It will review existing efforts at democratisation and attempt to locate workplace forums within this context. A crucial consideration will be the possibilities and limitations of workplace forums to be significant vehicles of democratisation according to the wide definition outlined above. Because of the evolving nature of workplace democratisation in the public service, this article can only draw tentative conclusions that will require further debate and research.

2 CONTEXT FOR DEMOCRATISATION

One of the critical challenges to confront the newly-elected democratic South African government in the wake of the historic 1994 elections was the urgent need to overhaul fundamentally existing labour policy in South Africa. The first step of the reform process was the development of a new labour relations framework consistent with the objectives of the RDP. A Ministerial Legal Task Team was appointed in August 1994 to develop the new policy framework.

The proposals of the Ministerial Legal Task Team were contained in the now legendary "Explanatory Memorandum accompanying the Draft Negotiating Document in the form of a Labour Relations Bill". The *Explanatory Memorandum*, released in February 1995 by the Ministry of Labour, formed the basis for negotiation between the social partners within NEDLAC. Because of the inclusion of the public service within its scope, the *Explanatory Memorandum* was also subjected to negotiation between the parties of the Public Service Bargaining Council (PSBC) and the Education Labour Relations Council (ELRC).

Including the public service was part of the commitment by government to harmonise existing labour laws. At the time, labour relations legislation was fragmented. The existing Labour Relations Act only applied to the private sector and part of the public sector. The Public Service Labour Relations Act (PSLRA), largely modelled on the LRA, governed parts of the public service while the Education Labour Relations Act (ELRA) applied to educators. Labour relations for the police were dealt with by regulation (Ministry of Labour, 1995: 5).

The initial proposals of the Ministerial Legal Task Team were essentially aimed at entrenching the collective bargaining status quo in the public service. The draft bill provided for a national bargaining council for the public service and a national bargaining council for the education sector (Ministry of Labour, 1995: 23). Furthermore, no specific mention was made of the public service in the provisions on workplace forums. To all intents and purposes, the Ministerial Legal Task Team believed that its proposals on workplace forums would be suitable for the public service.

The above background can, in part, explain the reaction of public service unions following the release of the *Explanatory Memorandum* and in finalising the Labour Relations Act. Due to the existing fragmentation of bargaining in the public service, the energies and efforts of the public service unions were concentrated on ensuring greater co-ordination of collective bargaining and the inclusion of the police within the scope of the Act. On both scores, the public service lobby (comprising both unions and representatives of government as employer) was successful in getting these demands met. The final Act made provision for a Public Service Coordinating Bargaining Council (PSCBC). The Act also provided for the establishment of sectoral bargaining councils. Specifically, existing bargaining structures for educators and police were entrenched as sectoral councils.

On workplace democratisation, the discussion that followed the release of the *Explanatory Memorandum* and the initial rejection (and later the modification) of the workplace forum model was largely led by private sector unions and management. Public service unions united with their private sector counterparts in rejecting workplace forums. The major objection was based on the legitimate fear that the workplace forum model had the potential of weakening militant and democratic unions (Von Holdt, 1995: 61). However, public service unions failed to appreciate the single most significant safeguard available to them – that of legislated central bargaining. With hindsight, public service unions should have used the space created by the debate on workplace forums to raise the broader debate of public service transformation and democratisation and the creation of structures and institutions that would ensure greater worker empowerment in public service institutions.

Prior to and concurrently with the NEDLAC negotiation process on the *Explanatory Memorandum*, the Ministry of Public Service and Administration was engaged in a parallel process of finalising a *White Paper on the Transformation of the Public Service*. The *White Paper* would serve as the key policy document that would govern the difficult process of transforming and reforming the public service. The new public management ideology that informed the process of civil service reform in certain developed and developing countries significantly informed the overall approach of the *White Paper*. However, unlike South Africa, these countries were not characterised by strong trade unions within a progressive labour relations environment.

The *White Paper* reaffirmed the importance of the public service and detailed a vision for a transformed public service. To fulfill this vision,

particularly with respect to the creation of a democratic public service, the *White Paper* outlined a comprehensive package of short, medium and long-term strategies in Chapter 9 headed "Institution building and management". The strategies included the devolution and decentralisation of managerial responsibility and accountability complemented with the introduction of new and participative organisational structures and human resource development (Ministry of Public Service and Administration, 1995: 48). Although the *White Paper* does not provide a detailed model of the desired decentralised public service, from the positions articulated in the remainder of the *White Paper* a vague commitment emerges to an effective role for workers and organised labour.

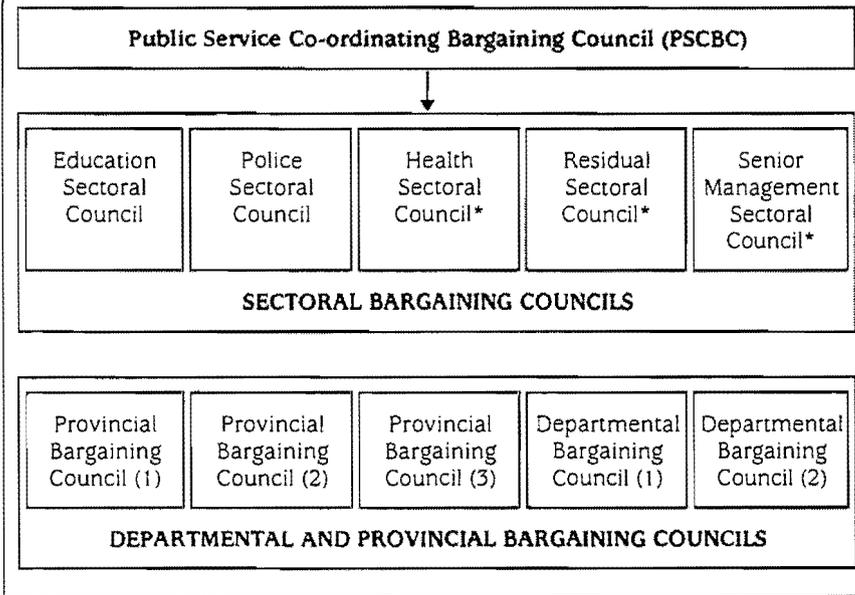
Workplace forums are dealt with in Chapter 14 headed, "Employment conditions and labour relations". In defining a need for workplace forums, the White Paper anticipates "that such forums will play an important role in improving efficiency and effectiveness by providing workers with a say in the day-to-day matters which affect them" (Ministry of Public Service and Administration, 1995: 71). The White Paper reaffirmed the dominant thinking that constructs workplace forums purely in labour relations and operational terms and fails to link debates on workplace forums with the broader democratisation imperative and the move towards new forms of management and governance for public service institutions.

There is no doubt that the proclamation of a unifying Labour Relations Act in November 1996 heralded a new phase in public service labour relations. However, from the above discussion it is clear that the public service was significantly marginalised in the construction of the new legislation. Although the public service was included it was not sufficiently integrated into the new statute. Labour relations reform was not effectively linked to the broader process of administrative reform. It is in within these parameters that any meaningful discussion on democratisation and workplace forums needs to be conducted. Prior to considering the likely development of workplace democratisation, it is essential to first understand the impact of the new LRA on the public service.

3 THE LRA AND THE PUBLIC SERVICE

For purposes of the LRA, the public service includes the civil service, the education, health, and police sectors but excludes members of the National Defence Force, the National Intelligence Agency, and the South African Secret Service. The greatest advance of the new Act is the consolidation of collective bargaining in the public service. This is achieved by the creation of a Public Service Coordinating Bargaining Council (PSCBC) for the entire public service. The PSCBC unites the fragmented bargaining occurring in the ELRC for educators, the National Negotiating Forum (NNF) for police and in the PSBC for the remainder of the public service. The LRA provides for sectoral bargaining councils. This facilitates the continuation of the ELRC and the NNF as sectoral councils. Additional sectoral councils can be established by collective agreement at the PSCBC. Finally, the Act provides for the continuation of provincial and departmental bargaining councils (see figure 1) as sectoral councils.

Figure 1: Public Service Collective Bargaining



Through Chapter 5 of the Act, the public service is also introduced to co-determination through the workplace forum model. However, it was specifically excluded from section 80 which provided a procedure for the establishment of workplace forums in the rest of the economy. Section 80(12) places the onus on the Minister for Public Service and Administration to regulate workplace forums in the public service through the promulgation of a separate schedule to the Act. The development of the schedule must be guided by section 207(4), which states that the Minister may attach a schedule to the Act after consultation with the PSCBC.

As highlighted in the previous section, the *Explanatory Memorandum* did not make any specific mention of the public service. The need for section 80(12) instead of detailed provisions was summarised by Satgar as follows:

“Provisions for workplace forums in the public service were not seriously considered. Although there was recognition of the different setting within the public service there was not much debate on the topic and the most that emerged from the negotiations were procedural provisions that could guide the initiation and establishment of workplace forums in the public service at a later date” (Satgar: 1998).

Professor Halton Cheadle, convenor of the Ministerial Legal Task Team explains the absence of detailed provisions for the public service as follows:

“A task team was established to look at industrial relations issues in the public service, unfortunately when the drafting was completed the public service task team had not completed its work” (Cheadle, cited in Satgar, 1998).

To date, the Minister for Public Service and Administration has not promulgated a schedule to guide the establishment of workplace forums in the public service. The lack of progress can be traced to ambivalence towards workplace forums by government and public service unions. The ambivalence reflects a deep level of suspicion and confusion on the part of government and unions.

The decision not to issue a schedule was not made by the Minister alone but was based on a recommendation made at a consultative workshop on workplace forums convened by the Department of Public Service and Administration on behalf of the Minister. The workshop, attended by employer and employee parties to the PSBC, the ELRC, and the NNF and held on 13 August 1996 resolved to regulate the functioning of workplace forums through a collective agreement to be signed once the PSBC has been established and is fully functional.²

In order to appreciate fully this ambivalence and to engage with future debates on workplace forums, it is essential to consider the following three inter-related issues –

- the nature of the public service and the difference and similarities between public service institutions and private sector firms with specific reference to the policy making process;
- the nature of collective bargaining and its likely future development; and
- the process of transforming the public service, and the evolution of thinking around appropriate institutions to facilitate transformation.

4 NATURE OF THE PUBLIC SERVICE

The public service differs from private sector firms in a number of important respects that impact on the way in which public service institutions are managed and governed. This in turn impacts on the institutions that are created to give effect to workplace democracy and the design and operation of these institutions.

At its simplest, public service institutions are not primarily geared towards the maximisation of profit through the production and distribution of goods and services. Public service workers occupy a complementary but specific place in the economic cycle. Through the implementation of government policy and the delivery of social and economic services, public service workers deliver basic services to society and facilitate the process of capital accumulation within the rest of the economy. Public service workers as part of the broader working class benefit from these basic services. Therefore, it could be argued that workers have as much interest as management in ensuring that an institution effectively delivers on its required mandate. Therefore, the nature of the relationship of public

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service workers to management and their workplaces is significantly different to that which operates in a private firm.

However, the effective implementation of government policy does not rest solely on improvements at the institutional level. It also depends on the resources available to the institution. Resources required to deliver public services are allocated through a complex political process involving competing government interests meshed with a variety of formal and informal pressures exerted by community organisations, including unions. Notwithstanding the complex political process, Cabinet takes the final decision on the allocation of resources subject to a supervisory role by Parliament.³

The above can be illustrated by considering the example of improving health services to communities through clinics. Considerable improvements can be made to service delivery at the individual institutional level through a variety of measures jointly determined by workers and management; for example, tailoring clinic times to facilitate access by communities. However, in many cases improving access is dependent on a range of sectoral or national level decision-making processes and far greater improvements can be achieved through the reallocation of resources which would facilitate the construction of clinics in underserved communities, development of adequate transport systems, etc. Therefore workplace democratisation models geared towards improving the effectiveness of public service institutions require policy coordination between workplace-level structures and codetermination structures at other levels. Structures that impact on workplace democratisation and which currently exist at the sectoral and national levels include the National Health Consultative Forum and the Public Finance and Monetary Policy chamber of NEDLAC.⁴

In addition to the above, the most fascinating and challenging issue confronting public services is the role of communities in the governance and management of public service institutions. The client base of public services cannot be regarded as simply customers but are communities with unlimited resource requirements. In private firms the demand and supply of goods and services determine the need and viability of an enterprise. For public services, especially those where government exercises a monopoly, communities cannot use purchasing power to indicate preference. In these cases, forms of direct or indirect control at the institutional level by the community are desirable to ensure that the institution adequately provides the required services to communities. This understanding is guiding current government efforts to improve community control over public services. The most significant advances in this regard can be found

3 At the time of writing, proposed legislative amendments that would allow Parliament to make amendment to the Budget were being debated.

4 This relationship was clearly illustrated by the recent resignation of a senior medical officer from Johannesburg Hospital who cited as reason inability to manage the institution effectively in the face of overarching policy shifts that have resulted in the reduction of funding to tertiary health institutions (*The Star*, 16 March 1998).

in education. The South African Schools Act 84 of 1996 (SASA) makes provisions for school governing bodies with considerable powers, for example, in the hiring of teachers and in setting user fees to fund improvements in education. The provisions of this Act not only blur the definition of the primary employer of public servants but also vest significant governance powers in parents.

Another difference between the public service and private sector firms is the identification of managers and owners for purposes of co-determination. In the current configuration of the public service, even senior managers in an institution are public servants operating under the same rules as the rest of the public service. Workplace managers lack even the most basic powers, which renders any form of co-determination futile. This issue will be considered in greater detail in the next section.

Notwithstanding the key differences identified above, public service workplaces and private sector institutions also display considerable similarities. This implies that many lessons learnt in the private sector can and should be tested in public service. Experiments in capacity building, information disclosure, etc are applicable across workplaces in the South African economy.

5 COLLECTIVE BARGAINING

Understanding collective bargaining is crucial in evaluating workplace forums and co-determination. Satgar and Summers both conclude that the existence of legislated centralised bargaining facilitates the separation of the relationship between workers and management into a collective bargaining channel and a co-determination channel (Satgar, 1998; Summers, 1995: 809).

One of the criticisms of labour of the current LRA is its failure to provide for compulsory collective bargaining but relies on the voluntarist principle instead. This failure is commonly cited has a reason for the scepticism and resistance of the union movement towards workplace forums. It is feared that the failure to provide for centralised bargaining may blur the dividing lines between bargaining and co-determination and has the potential of being used by management to weaken the bargaining power of unions. Public service unions have less to fear since centralised collective bargaining is entrenched through the establishment of the PSCBC. Furthermore, the establishment of workplace forums, their powers and the issues that they address are dependent on agreement being reached in the PSCBC or a sectoral council.

The development of collective bargaining in the public service since 1994 has seen a widening of the bargaining agenda beyond that which exists in the PSCBC. This is both a result of the relative strength of public service unions and the government putting into practice its commitment to progressive labour relations for its own employees (Patel, 1998: forthcoming). At the August 1996 workshop on workplace forums, convened by the DPSA, participants reviewed sections 84 and 86 of the Labour Relations Act, 1995. These sections list the issues for consultation and

joint decision-making by workplace forums. The workshop concluded that issues such as mergers and transfers of ownership, export promotion, and product development plans did not apply to the public service.

Because of the current centralisation of personnel management in the public service, many of the key co-determination issues listed in the LRA are subject to negotiation at the PSCBC. These include job grading, exemptions from collective agreements, merit increases and discretionary bonuses, education and training, partial or total "plant" closures, disciplinary codes and procedures, and affirmative and employment equity. Similar positions were formulated by hospital and health workers in a series of workshops on the Labour Relations Act, 1995.⁵ Finally, in several institutions issues such as work scheduling and organisation of work were being dealt with by management committees that included the union or workers. Participants therefore felt that the workplace forum provisions in the LRA will create structures that would consume tremendous resources, both on the side of unions and government, with negligible benefits.

As outlined earlier, the LRA makes provision for sectoral bargaining councils. The precise distribution of power between sectoral chambers and the PSCBC has not been fully resolved. The finalisation of the constitution of the PSCBC provides the foundation upon which sectoral powers can be more clearly defined. An analysis of the NNF (for police) and the ELRC (for educators) reveals significant potential for union input into policy through sectoral bargaining councils.

During the period of their existence, the ELRC and the NNF simultaneously dealt with collective bargaining and policy issues. Marks observed that: "Over the years, the National Negotiating Forum (NNF) has become an arena for dealing with both issues of conditions of service, as well as of broader transformation issues such as health and safety, affirmative action, equal opportunities, police plans, and the National Crime Prevention Strategy. However, the powers of the NNF are confined to those that can be dealt with by the National Commissioner of the SAPS in accordance with the new Police Act (1995)" (Marks, 1998: forthcoming).

Similarly, Garson in a review of teacher struggles also notes that the ELRC dealt with collective bargaining issues as well as crucial policy issues including curriculum development and deployment of educational resources across the country (Garson, 1998: forthcoming). The PSBC – as the bargaining council for the remainder of the public service – did not enjoy the same ease in straddling the divide between collective bargaining and policy issues.

The ability of the NNF and the ELRC to deal with policy issues can be explained, in part, by the fact that these two bargaining councils were targeted at a single homogenous occupational group within a single sector. To compensate for the inability of the PSBC to deal with policy matters, alternative structures of participation emerged. For example, widespread

⁵ Provincial workshops on the new LRA facilitated by the author were held during 1996 as part of the National Hospital Strategy Project.

dissatisfaction and strike action by nurses in the wake of a wage settlement in second half of 1995 led to the establishment of the National Consultative Health Forum to deal specifically with the problems of health workers and was described as the first step towards a "structured co-operative relationship" to deal with the many problems of the health sector (Zuma, 1995: 4).

Union and management parties to the ELRC and NNF favour stronger sectoral councils whereas their counterparts in the PSBC favour a stronger PSCBC. As highlighted above, this difference can be traced to the greater inclusion of non-distributive issues within the NNF and ELRC. Parties to these councils fear that a strong PSCBC will affect the ability of police and educator unions to play a significant and meaningful role in the transformation of their respective sectors.

On paper, sectoral bargaining allows unions a potentially powerful voice in the policy-making process. To ensure that this voice is not silenced, the public service union movement will need to ensure that the role of sectoral bargaining councils over policy matters is entrenched in a collective agreement at the PSCBC level. This will also ensure that a common approach is adopted across sectors.

In addition to bargaining structures, it is important to consider the nature of bargaining. Since 1994, the nature of bargaining has shifted towards framework bargaining as opposed to bargaining on actuals. The introduction of framework bargaining will facilitate greater decision-making at the workplace level and would thus facilitate the introduction of forms of worker participation.

For example, the previous grading system was managed through a system of Personnel Administration Standards (PAS's). Individual PAS's were centrally developed for each of the more than 300 occupations in the public service. The PAS would specify in detail the measures that applied to a particular occupational group, including a detailed description of the tasks that could be performed by members of a particular occupational class. The PAS has been identified as a major obstacle to achieving more effective service delivery and human resource development. With the introduction of a new 16-band grading system and the commitment to move towards skills-based grading, government has served notice that it intends to replace the system of PAS's.

It is anticipated that centrally determined competency levels and the rates of pay at these levels will replace the PAS. In addition, a common job evaluation tool will be developed at the central level. Departments, provinces, and in many case institutions will then be required to use these centrally developed systems to determine appropriate work organisation and on this basis to grade individual workers. Clearly, these developments introduce greater urgency into the development of an appropriate workplace forum or the creation of any other appropriate co-determination structures.

The discussion above highlighted the current state of collective bargaining in the public service and its impact on democratising the public service. Sectoral bargaining councils were identified as significant institutions

in facilitating worker input into policy issues. It seems likely that additional sectoral councils will be established, with health and state administration being likely candidates. Furthermore, changes in the nature of bargaining as well as greater devolution of authority to the institutional level will facilitate a shift to workplace level institutions of co-determination. However, to fully understand this shift, it is important to reflect on the process of administrative reform in the public service.

6 ADMINISTRATIVE REFORM

The inherited public service was universally described as hierarchical, centralised, and as a consequence inefficient. In addition, due to the legacy of apartheid, the public service was skewed in favour of catering to the needs of a minority, i.e. the majority of whites and a small number of black elites (Department of Public Service and Administration, 1996). This section will describe and evaluate the administrative reform programme.

The public service is currently managed in terms of the Public Service Act, 111 of 1984. This statute provides for the employment, conditions of service, rights, duties and privileges, including grievance and disciplinary procedures of public servants (Heineken, 1992: 10). In addition, the Act demarcates the public service into departments and provinces and makes provision for accounting officers. As witnessed in the labour relations arena, the Government of National Unity (GNU) also started a process of reforming the legislative framework governing the public service.

The first phase of the reform process concentrated on the creation of a single, unified public service and the removal of specific discriminatory clauses, for example, the distinction between officers, mainly white high-ranking civil servants, and employees, mainly black lower-skilled workers. The second phase of the process was aimed at transferring executive functions from the Public Service Commission to the Minister for Public Service and Administration. This facilitated the establishment of the Department of Public Service and Administration. In terms of this model, the PSC assumes an overseeing and monitoring role. The Public Service Act of 1984 was also amended to give greater responsibility to executive officers (Ministers) and the Heads of Departments (Directors-General). The third phase is aimed at completely rewriting the legislation (DPSA, 1997: 18). As a run-up to changing the legislation, current public service regulations have been reformulated and simplified into regulations and collective agreements. These changes are in keeping with the changes on the labour relations and administrative reform fronts.

Progressive unions like NEHAWU support the general move towards decentralisation if it is geared towards greater community participation, service delivery, and human resource development (COSATU, 1997). The development of a new Public Service Management Act is geared towards decentralisation by giving greater responsibility to Departments and Provinces to design their own organisation. However, detailed proposals to facilitate decentralisation to institutional level will be developed by Departments and Provinces.

Due to capacity constraints and the need to develop appropriate systems, decentralisation will not occur overnight. International evidence has shown that the process of decentralisation coupled with the necessary decentralisation of budgets is a ten to twenty year programme. In response to the time frames required for decentralisation, proposals from the DPSA and the Department of Health, amongst others, point the way towards a phased process of devolving authority and responsibility. In terms of this approach, specific milestones are defined for the delegation of further powers. The attainment of greater powers are dependent on institutions meeting the performance measures detailed in the preceding step which includes the existence of certain competencies as well as systems. The Department of Health is currently considering pilot projects in a handful of major regional hospitals to test and develop the process of decentralisation.

The devolution process offers a unique opportunity to ensure greater workplace democratisation. Just as the existence of proper financial systems will be a requirement for decentralisation, unions should ensure that the existence of appropriate and effective structures of worker participation is also defined as a pre-requisite. Such an approach will need to be coupled with training programmes to facilitate the development of the requisite knowledge base amongst workers.

As identified in the previous section, the PSBC was unable to deal effectively with policy issues. The creation of appropriate structures through which unions could influence the direction of the transformation process at the macro level has been the subject of debate since early 1994, leading to the proposal by NEHAWU for the establishment of a Public Service Forum (PSF). The PSF was an attempt to create a "separate forum to negotiate policy and restructuring issues (Collins, 1994: 25) to curtail the power of conservative unions in the public service. The PSF would make provision for participation by trade unions, government departments and community and political organisations.

According to NEHAWU, the forum was never established "because of the resistance of the reactionary forces in the Public Service and political unwillingness of the Ministry of Public Service and Administration" (NEHAWU, 1996). Progress with regard to an appropriate forum was only made in October 1995 with the inclusion of a provision to establish a Public Service Transformation Forum (PSTF) in the White Paper. Concrete plans to establish the PSTF were only developed by the DPSA more than a year later, in September 1996. However, the plans did not take into account developments since 1994, specifically the establishment and functioning of NEDLAC. On the basis of submissions by NEHAWU, the current proposal being considered by the Department is to locate the forum within NEDLAC as a chamber or as a sub-committee of the Public Finance and Monetary Chamber. To date, neither of these options has been implemented.

Other institutions that were proposed in the White Paper were the creation of Transformation Units (TU's) in departments and provinces. Proposals developed by the DPSA in September 1996 include the creation of

TU's that would act as facilitating organs of transformation. According to the proposals, TU's were seen as facilitating structures and not as decision-making structures. Furthermore, the proposal specifically excluded the representation of organised labour as organised labour. Instead, organised labour would only be represented indirectly through unionised staff members (DPSA, 1997).

The proposals from the DPSA are seen as guidelines to assist departments and provinces with the transformation process. Progress with the establishment of TU's has not taken place. However, the Department of Public Service and Administration is planning to undertake such a review within the next few months. Initial outside evaluation of TU's show that in many cases these structures have become parallel management structures with an undefined mandate and do not function in a focused and strategic fashion. In addition, they are also elite-driven with little or no active involvement by lower-level workers and unions (Patel, 1998: forthcoming).

Concurrent to the establishment of TU's at the departmental and provincial level, institutional managers and workers at hundreds of institutions have taken the initiative to establish structures and processes at the institutional level. However, information on the extent of such developments, the detailed method of operation, the successes and failures of these initiatives, and the impact of the union has not been systematically analysed and studied.

7 PUSHING THE LIMITS OF TRANSFORMATION

Democratising a public service that employs almost 1.2 million people spread over many thousands of workplaces is no easy task. This task is further complicated by the diversity of workplaces, external political forces, and an intense transformation project. Therefore, successful democratisation will need to ensure effective co-ordination between the policy process and that of management and governance. Furthermore, it requires co-ordination between democratisation initiatives aimed at the workplace and those at the sectoral and national level. The remainder of this section will attempt to identify the key challenges for labour in the total democratisation of the South African public service.

Starting at the institutional level, workers at public service workplaces are confronted with three types of structural change. Firstly, the LRA facilitates co-determination through the provision of workplace forums. More than a year has passed since the new Act came into operation and the movement towards workplace forums has been negligible. Secondly, departments and provinces are moving towards greater decentralisation of management authority. Once again, progress on this front has been slow but should be given a boost with the development of a new Public Service Management Act to replace the outdated Public Service Act of 1984. However, some elements of decentralisation have already begun, for example, the development of institutional governing structures (e.g. hospital boards) as well as forums to facilitate the participation of stakeholders (e.g. community policing forums). Finally, transformation units and

committees have been suggested to address the specific challenge of transformation. The impact of this multitude of structures on union and management capacity has not been evaluated. However, it can be reasonably concluded that neither party has sufficient capacity to play an effective role in these structures. Furthermore, the creation of alternative and possibly competing structures does not facilitate effective co-ordination.

As government owns public services, the scope for a management model that facilitates workplace democratisation is greatest in public institutions. Satgar suggests that the workplace forum model can be used to develop autonomous self-management in South Africa. He further suggests that the public service can be used as a model to develop autonomous self-management that can later be extended to workplaces across the economy (Satgar, 1998). At the current juncture widespread autonomous self-management is not possible mainly due to capacity constraints on the side of workers and management. Furthermore, as highlighted above, public service institutions are constrained by the current regulatory framework that effectively disempowers the frontline.

However, significant opportunities exist for unions at specific institutions, particularly those that are being managed by former unionists. For example, the regional chairperson of South African Democratic Teachers Union (SADTU) in the Eastern Cape is also the principal of a school and the general secretary of the Health Workers Unions (HWU) is employed as a superintendent of a major regional hospital in the Western Cape. Whether it is to sound politically correct or an affinity to values nurtured during the struggle for democracy, a significant number of new managers are open to ideas of workplace democratisation and worker participation. Progressive unions need to use these institutions as experiments in the quest to develop democratic ways of managing public services.

Pilot projects need to be sufficiently resourced to improve the chances of success. Unions need to be central in this process. As Von Holdt concludes, "Employees in single workplaces lack the expertise, capacities, and organisational strength to engage in struggles to change the workplace. Only the organisational power and resources of the union which will enable workers to make a real difference" (Von Holdt, 1995: 59). The need for capacity to service co-determination, on both sides, is crucial. In order to build capacity it is essential to understand what capacity implies. Buhlungu provides a useful analytical framework in looking at the capacity required to service co-determination. He notes that "union capacity can be conceived of as having four related aspects, namely, structural and organisational, strategic, financial, and administrative aspects" (Buhlungu, 1998). Weaknesses in any one of these dimensions can considerably weaken the democratisation initiative.

Furthermore, democratisation initiatives need to be regularly evaluated and studied. The evolution of co-determination and other models of worker participation will require documentation, analysis, and research. Public service unions need to put into place effective short, medium, and long-term research programmes that would focus on appropriate institutional forms, development of union capacity, the effective participation of communities, and the impact on service delivery (Kester and Pinaud, 1994).

One of the key requirements for effective democratisation of public services is the role of communities. For example, in the former Yugoslavia, self-management was extended after 1953 to non-economic activities such as public administration, education, health and social security services, and scientific institutions. However, unlike other undertakings, self-management models included the representation of users alongside the workers (ILO, 1981: 51). Given the existence of diverse interests within communities and the skewed distribution of power, unions need to be at the forefront in ensuring the proper inclusion of previously marginalised groups.

A potential obstacle to effective worker involvement in the management of public service institutions is that of multi-unionism. Historical conflicts between unions have rendered cooperation at workplace level extremely difficult. Structures will need to be tailored for the circumstances at the institutional level. For example, at Hillbrow Hospital a RDP/Transformation Committee has been established comprising NEHAWU, HOSPERSA, SADNU, and several other unions with each organisation represented by two delegates (Mazibuko, 1996: 24). The Hillbrow Hospital case represents an ideal to be spearheaded by progressive unions in the public service. However, in many workplaces cooperation between unions may not be possible and may even heighten existing tension between unions.

The movement towards effective workplace democratisation, as highlighted above, is more difficult to attain and requires more discussion within the union movement. However, the area of greatest influence in the short-term is democratisation at the sectoral and national levels. As discussed earlier, sectoral bargaining councils offer significant opportunities for worker involvement in the policy process. Public service unions need to evaluate the successes and limitations of the ELRC and the NNF with regard to influencing the policy process. The lessons from such an analysis should inform the debate on the distribution of powers between the PSCBC and sectoral bargaining councils as well as the demarcation of further sectors for bargaining purposes. Such an assessment will need to review union capacity, employer organisation and participation in sectoral bargaining councils, and the relationship of the sectoral bargaining council to the bargaining process.

Finally, the public finance and monetary policy chamber of NEDLAC potentially has a substantial influence on the development of the public service. However, this avenue is not being effectively used to advance the democratisation and transformation of the public service. Workplace experiences need to be effectively communicated to union representatives to NEDLAC to ensure the necessary co-ordination between macro-level reforms and workplace initiatives.

8 CONCLUDING REMARKS

The introduction of workplace forums through Chapter 5 of the Labour Relations Act firmly places the issue of co-determination and the broader issue of worker participation on the industrial relations agenda. As

concluded by Satgar, "the Labour Relations Act of 1995, in particular Chapter 5, is legally crafted such that industrial relations and labour law reform are now at the threshold of a new frontier" (Satgar, 1998). In the public service, this frontier can be expanded to beyond the industrial relations arena and into the realm of broader political power. This requires the development of more inclusive, democratic, and effective methods of management and governance.

However, the provisions of the Act should not define the democratisation agenda in the public service. This has the danger of narrowly focusing on the workplace and on a limited co-determination agenda. Public service institutions that offer greater scope for democratisation need to be understood and developed. For success "unions first need to define what they see as worker participation, in terms of both structures and content, outside of their traditional forms of engagement with management. Then they need to develop a broad strategy that encompasses this definition (and which includes workplace forums)" (Godfrey *et al.*, 1998).

Any initiatives taken by "progressive" and labour-friendly institutional managers to introduce alternative management models aimed at involving workers and communities in the management and governance of public service institutions need to be supported by labour, especially at the regional and national levels of the unions. To ensure continuation beyond the term of office of the "charismatic" leadership, workplace democratisation efforts must be formalised through agreements, entrenched through the establishment of appropriate structures and sustained through the development of the capacity of workers and their unions.

Furthermore, there is an urgent need for unions to develop positions on decentralisation models being proposed by government. There is a need to ensure that workplace democratisation becomes an important consideration in deciding on an appropriate model. Also, decentralisation will require a strengthening of the policy-process at the sectoral and national level, for example, in the establishment of minimum norms and standards at the central level. A clear union position on decentralisation can also feed into the process of reaching agreement at the PSCBC on workplace forums.

Finally, as is usual for researchers to argue, there is an urgent need for further research into this important area. Specific areas requiring research in the short-term include:

- The role and attitude of managers (senior policy-makers and well as institutional managers) in respect of co-determination, autonomous self-management, etc. Particular emphasis should be placed on the views and opinions of managers employed during the apartheid era as compared to the views and opinions of managers that have joined the service after 1994;
- The role of community organisations in the functioning of public service institutions including an evaluation of structures such as community policing forums, Parent-Teacher Associations (PTA's) and Parent-Teacher-Student Associations (PTSA's), and hospital governing structures;

- The development and extent of alternative management models in the public service, a description of these models and an analysis of their strengths and weaknesses; and
- The experience of Transformation Units and the potential of these structures to play a role in the democratisation of policy formulation, resource allocation, and the delivery of services in departments and provinces.

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List of abbreviations used in this chapter

- ANC – African National Congress
- COSATU – Congress of South African Trade Unions
- DPSA – Department for Public Service and Administration
- ELRA – Education Labour Relations Act 1993
- ELRC – Education Labour Relations Council
- GNU – Government of National Unity
- HOSPERSA – Hospital Personnel of South Africa
- HWU – Health Workers Union
- LRA – Labour Relations Act 1995
- NEDLAC – National Economic Development and Labour Council
- NEHAWU – National Education Health and Allied Workers Union

NNF – National negotiating Forum
PAS – Personnel Administration Standard
PSBC – Public Service Bargaining Council
PSCBC – Public Service Co-ordinating Bargaining Council
PSF – Public Service Forum
PSLRA – Public Service Labour Relations Act 1994
PSTF – Public Service Transformation Forum
PTA's – Parent-Teacher Associations
PTSA's – Parent-Teacher-Student Associations
RDP – Reconstruction and Development Programme
SADNU – South African Democratic Nurses Union
SADTU – South African Democratic Teachers Union
SAPS – South African Police Services
SASA – South African Schools Act 1996
TU – Transformation Unit