



## **Rethinking trade union organising: Lessons from worker surveys and the changing nature of work**

Trade union organising strategies

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Technology advancements have significantly altered the nature of work in the contemporary era. The changes in the nature of work range from the way in which firms handle their production processes, to the nature of the skills required and ultimately the use of technology and machines in replacing humans in the performance of certain tasks. The manner production unfolds in firms and organisations across the globe. This has proliferated exaggerated fears about robots taking away jobs from people.

In terms of the changes in the work processes, the traditional production methods, where inputs are provided at one end and output delivered at the other, has been greatly reconfigured by technological advancements.<sup>1</sup> Technology has facilitated the creation of digital marketplaces where a network effect is created i.e. platforms that serve an intermediary role between customers, producers, and providers – impact the traditional wholesale channels. These platforms have been put to greater use for goods such as apparel. On the e-commerce side, they have been expressed in platforms such as Amazon and Alibaba. Secondly, technology has also altered the skills needed in the labour market. Technology has reduced the demand for less advanced skills as jobs that require those skills can now be easily performed through automation. Even though this is the case, the demand for those jobs with advanced cognitive skills, socio-behavioural skills, and skill combinations associated with greater adaptability is on the rise – this trend is also evident in some developing countries such as Bolivia and Ethiopia.<sup>2</sup>

Thirdly, robots are beginning to replace workers in certain instances. While this is not completely a new development as machines have replaced workers in many tasks over the last century<sup>3</sup>, it has now become more pronounced, largely due to the prevalence of Artificial Intelligence (AI) and the Internet of Things (IoT). A good example of robots replacing workers is the decision by the American retail giant – Walmart - to automate their warehouses through introducing robots that can pack and sort items, and through launching robots that scan shelves identifying out-of-stock items later in 2017.<sup>4</sup> The anticipated scale of disruption to be brought by the Fourth Industrial Revolution – with the replacement of labour by machines – has raised concerns about the plausibility of yielding greater income inequalities and further aggravating the existing inequalities through disrupting the labour market.<sup>5</sup>

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<sup>1</sup> The World Bank. 2019. The Changing Nature of Work. [https://www.skillsforemployment.org/edmsp1/idcplg?IdcService=GET\\_FILE&dID=373035&dDocName=EDMSP1\\_215225&allowInterrupt=1](https://www.skillsforemployment.org/edmsp1/idcplg?IdcService=GET_FILE&dID=373035&dDocName=EDMSP1_215225&allowInterrupt=1)

<sup>2</sup> Ibid

<sup>3</sup> Djankov, S and Saliola, F. "The Changing Nature of Work", *Journal of International Affairs*, Vol. 72(1), pp. 57 – 73.

<sup>4</sup> Schwab, K. 2019. Walmart's robot army has arrived: The last machines to invade people's space at scale were cars; now, it's Walmart's robots. How's that going?. <https://www.fastcompany.com/90395843/walmarts-robot-army-has-arrived>

<sup>5</sup> Schwab, K. 2016. The Fourth Industrial Revolution: what it means, how to respond. <https://www.weforum.org/agenda/2016/01/the-fourth-industrial-revolution-what-it-means-and-how-to-respond/>

These challenges posed by technological advancements compound already existing challenges associated with the fragmentation of the labour market and the trend by many employers to outsource non-core activities – such as cleaning, security, catering and payroll – to other firms. Some of these challenges are in-and-of themselves a result of weakened union power. One of the key contributory factors of this weakened power is the decline in membership numbers that emerged in the last two decades of the twentieth century across many advanced economies.<sup>6</sup> This trend was also visible in developing countries. While this trend was unfolding, union membership in South Africa was on the rise. South Africa recorded the largest single increase in trade union membership in the decade ending in 1995 – the advent of the post-apartheid era – with a 130.8% increase in union membership numbers.<sup>7</sup> This led to a trade union density<sup>8</sup> of 40.9% for the country at that time. The general trade union membership increased sharply in the period between 1980 and 2000 - from 782 000 in 1980 to about 3 million, which represented an annual increase of nearly 6%.<sup>9</sup>

However, South Africa began experiencing a decline in trade union membership figures in the advent of the twenty-first century. This was largely to several factors such as rising unemployment rates – this may be both cyclical and structural; the labour force structure, particularly the increase in non-permanent employment contracts in South Africa – the ratio of employees with limited duration contracts increased from 12% in 2009 to 15% in 2015; the decline in the number employers' organisations and trade unions - 345 trade unions were registered with the Department of Labour in 2005<sup>10</sup> compared to 205 Trade Unions registered with the Department of Labour in 2019<sup>11</sup>; and technological advancements have impacted where and how work is performed – this hinders the workforce interaction that is necessary for mass mobilisation as people can work from home and this has been accelerated by the Covid-19 pandemic.<sup>12</sup>

Non-permanent employment contracts are likely to be in the increase as forces of globalization and technology innovation are dramatically changing the world of work and the shape of the workforce. These factors are increasingly giving a rise to what is commonly referred to as the 'gig economy'<sup>13</sup>. This gig economy requires organisations to access highly skilled professionals for short-term projects to drive innovation and rapid change.<sup>14</sup> While the changing nature of work tends to favour highly skilled individuals, it can also have a positive impact on the predominantly low-skilled long-term unemployed workers as it can provide on-demand work that can be used to fill unemployment gaps while offering little to no training costs and flexible hours.<sup>15</sup>

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<sup>6</sup> Bryson, A and Blanchflower, D. 2008. "The end of trade unionism as we know it?", *CentrePiece*, Autumn 2008, pp. 27 – 28.

<sup>7</sup> International Labour Organization. 1997. ILO Highlights Global Challenge to Trade Unions [Press Release]. 04 November, Available at: [https://www.ilo.org/global/about-the-ilo/newsroom/news/WCMS\\_008032/lang--en/index.htm](https://www.ilo.org/global/about-the-ilo/newsroom/news/WCMS_008032/lang--en/index.htm)

<sup>8</sup> **Trade union density** is the ratio of wage and salary earners that are trade union members to the total number of wage and salary earners in the economy.

<sup>9</sup> J. C. Visagie, J. C., Uys, M., Linde, H, M and Havenga, M. 2012. "A comparative analysis of current trade union trends in the European Union and South Africa", *African Journal of Business Management*, Vol.6 (44), pp. 11095 – 11109.

<sup>10</sup> Ibid

<sup>11</sup> EDTP SETA. 2020. Trade Union Subsector Skills Plan: 2020 – 2021. <http://www.etdpseta.org.za/education/sites/default/files/2020-06/Trade-Unions-Final-Report-2019.pdf>

<sup>12</sup> Msila, X. 2018. "Trade union density and its implications for collective bargaining in South Africa", unpublished Masters dissertation, University of Pretoria. [https://repository.up.ac.za/bitstream/handle/2263/71732/Msila\\_Trade\\_2018.pdf?sequence=1](https://repository.up.ac.za/bitstream/handle/2263/71732/Msila_Trade_2018.pdf?sequence=1)

<sup>13</sup> **Gig economy** refers to the the ad hoc nature of the work performed and is, by and large, a technologically driven environment in which temporary placements and short-term engagements are common.

<sup>14</sup> Storey, D and Steadman, T. 2018. By collaborating on ways to overcome the potential risks, organizations and contingent workers alike can ride a rising tide of prosperity. [https://www.ey.com/en\\_za/tax/how-the-gig-economy-is-changing-the-workforce](https://www.ey.com/en_za/tax/how-the-gig-economy-is-changing-the-workforce)

<sup>15</sup> Li, L., Dillahunt, T, R and Rosenblat, T. 2019. "Does Driving as a Form of "Gig Work" Mitigate Low-Skilled Job Seekers' Negative Long-Term Unemployment Effects?", *Proceedings of the ACM on Human-Computer Interaction*, Vol. 3, Article 156.

While the gig economy is relatively small in South Africa, it is currently estimated to constitute about 1% of the country's workforce and projected to grow by over 10% on an annual basis.<sup>16</sup> This also contributes to the already existing challenges as most forms of atypical employment do not readily lend themselves to unionisation. This point was shown by the *Uber South Africa Technology Services (Pty) Ltd v National Union of Public Service and Allied Workers (NUPSAW) and Others (C449/17) [2018]* matter at the Labour Court in which judgement was handed down and concluded that Uber drivers (who are part of the gig economy) do not fall within the definition of "employee" as set out in s213 of the LRA and as such are not protected by labour law. Traditional labour law is facing new challenges with the rise of flexible employment.

Despite the challenges presented by the rise in unemployment in South Africa – with unemployment rates exceeding 30% at some point in 2020, the decline in trade unions coupled with the technological advancements that are constantly changing and shaping the world of work, among others, trade union can take strategic decisions that can help them re-invent themselves. Trade unions will need to collaborate with various stakeholders in order to come up with strategies to mitigate the risk of massive job losses that will further deepen unemployment, poverty, and inequalities.

Trade unions need to re-invent themselves and adapt to the changing nature of work. Among key strategies available to trade unions are – while focusing on their members - expand their scope of engagement and traditional role through not only focusing on labour-related matters but also tackling issues affecting their members or society at large as long as they have an impact on workers.<sup>17</sup> In essence, labour unions should go beyond the workplace to be a community-based union.<sup>18</sup> Trade unions should demand the rights of independent workers. This could be achieved through exploring the idea of forming platform labour unions i.e. establishing minimum rights for on-demand workers that provide services on the new technology platforms, or through setting up cooperatives and guild-like associations to share information and set minimum standards for workers on these platforms. Furthermore, trade unions should advocate for the development of minimum wage policies for those in the gig economy. Unions also need to develop strategies geared towards attracting young membership and also increasing their representation. This could be achieved through the introduction of special membership programmes - with reduced dues and targeted benefits – for young people in vocational schools and at universities, and during the transition from school to work.<sup>19</sup>

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<sup>16</sup> The Fairwork Project. 2019. Gig Workers, Platforms and Government During Covid-19 in South Africa. <https://fair.work/wp-content/uploads/sites/97/2020/05/Covid19-SA-Report-Final.pdf>

<sup>17</sup> Lesia, T, S. 2018. "The Future of Trade Unions in the Changing World of Work", unpublished Masters dissertation, University of Cape Town. [https://open.uct.ac.za/bitstream/handle/11427/29736/thesis\\_law\\_2018\\_lesia\\_tsepang\\_maretsepile.pdf?sequence=1&isAllowed=y](https://open.uct.ac.za/bitstream/handle/11427/29736/thesis_law_2018_lesia_tsepang_maretsepile.pdf?sequence=1&isAllowed=y)

<sup>18</sup> Min, J., Kim, Y., Lee, S., Jang, T., Kim, I and Song, J. 2019. "The Fourth Industrial Revolution and Its Impact on Occupational Health and Safety, Worker's Compensation and Labor Conditions", *Safety and Health at Work*, Vol.10(4), pp. 400 – 408.

<sup>19</sup> Visser, J. 2019. Can unions revitalize themselves?. [https://www.ilo.org/wcmsp5/groups/public/---ed\\_dialogue/---actrav/documents/publication/wcms\\_731147.pdf](https://www.ilo.org/wcmsp5/groups/public/---ed_dialogue/---actrav/documents/publication/wcms_731147.pdf)