

Transnet strike over

By Theo Boshoff, Agbiz CEO

2022 has already been a challenging year for export-orientated agricultural subsectors. On top of growing protectionism, conflict in the Black Sea region, SPS issues and damaging floods, we saw the addition of strike action at our ports and railways over the past 11 days. As the saying goes; 'it never rains, its pours' – pun intended. On Monday, Transnet and the majority union reached a three-year collective agreement and the minority union also called off their strike actions late on Wednesday. With workers expected back at full capacity from today, it seems as if the worst is behind us but extraordinary efforts will be needed to recover from the lost productivity. It is also an opportune time to reflect on the efforts of Agbiz and other stakeholders over the past two weeks.

When news of the strike broke, Agbiz and other, prominent business associations immediately rallied and made contact with senior government officials and Transnet management. Daily engagements were held each evening for the duration of the strike in an effort to offer support and track the impact of the disruptions. Our colleagues within government and Transnet must be lauded for their excellent communication and efforts to engage with business throughout the process.

Agribusiness was severely affected by the strike action. For the duration of the period, the various operating divisions were affected by staff shortages to varying degrees. Waterside operations and security services are classified as essential and are hence still operated. The security services, aided by the state security apparatus, had the responsibility to ensure that picketing rules were abided by and that the privately operated bulk terminals could still function. However, the movement of containers was severely impacted due to landside operations being largely non-operational during the time. As a result, several agricultural commodities were severely disrupted.

At the risk of leaving any subsector out, it is worth singling out the blueberry industry as the strike commenced during their peak export season. It also overlapped with other perishables such as the end of the citrus season and the beginning of the deciduous fruit export season. Wine and wool were also disrupted at a time with the latter in the process of making up time lost during the moratorium on exports to the Peoples' Republic of China. Equally important is the importation of chemicals and equipment ahead of the summer planting season. Finally, time was of the absolute essence as we feared the knock-on effect that the recovery could have on other sectors that will be entering their season soon. For each day of productivity lost, an estimated three to seven days are needed to recover. We, therefore, are highly concerned about the impact that a prolonged strike could have on the export of table grapes and stone fruit for instance in the coming months.

Detailed and up-to-date information regarding the impact on the agricultural sector was collected but this information was not widely shared in the media for strategic reasons.

Negotiations of this nature are highly sensitive and we took the strategic decision not to share the information widely out of fear that it could have an adverse impact on the parties' bargaining positions or place undue pressure on either party and would only serve to delay a resolution. Aside from sharing information, Agbiz and other business colleagues were operating around the clock to provide all the support that the private sector could offer but stopping short of interfering in a matter that is ultimately between an employer and its employees.

Through the intervention of the bargaining council and the expert team from the CCMA, the parties were finally able to reach a settlement. In the long run, and considering how big the impact was on the entire business community, one should look critically into ways and means to ensure that perishable products and critical medical supplies are not compromised if another dispute should arise. It also shows just how important Agbiz's cooperation with Transnet is and the long-term initiatives to facilitate public-private partnerships.