Workers Fight Back: The Ramatex Strike in Namibia

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During October 2006, workers at the Namibian plant of the Malaysian textile company Ramatex went on strike and achieved a significant victory. The historic strike was the largest industrial action since independence and succeeded despite workers being faced with threats to their jobs by an employer that is notorious for its poor labour practices.

The Ramatex' operations in Namibia were controversial ever since the company started production in 2001. After intense conflicts over repeated violations of workers' rights and Namibian labour laws, the company signed a recognition agreement with the Namibia Food and Allied Workers Union (NAFAU) in 2002. However, the company stubbornly refused to improve conditions of service for its workers, most of whom earned a mere R 3 per hour. Furthermore, Ramatex workers received no additional benefits and could not even afford to take a taxi to and from work. Instead they walked up to an hour to reach the factory from their homes.

Whenever workers and their union demanded better conditions of employment, the company had argued that the productivity at the plant was too low and thus no salary increases could be granted. Ramatex also threatened with relocation and turned to the Namibian government for assistance when dealing with the workers and their union. During the NAFAU congress in September 2006, workers expressed their dissatisfaction with the company's behaviour and the Namibian government's support for Ramatex. Workers complained that government officials behaved like company managers and made it clear that they expected their union to take a firm stand and to show the company that "enough is enough". For years, NAFAU had tried to negotiate quietly without having reaped any benefits from this strategy.

In early October 2006, wage negotiations collapsed once more and the company indicated that it could only grant an increase of 15 cents per hour, which is the equivalent of a 5% increase after 4 years! Ramatex even suspended negotiations under the pretext that the union delegation arrived 15 minutes late for a meeting. The union leadership then turned to its members to seek a mandate and held a strike ballot. Over 90% of the Namibian workers voted in favour of a strike. Immediately after the ballot, the company put up notices and informed the union that it was willing to grant an increase of 60 cents per hour if workers increased their productivity. Workers were given an ultimatum of accepting this offer within a few hours. Otherwise the company threatened to lock them out.

The Ramatex workers, however, remained firm and expressed their determination to go on strike. NAFAU thus gave 48 hours notice and on Friday, 13 October 2006, over 3000 workers downed tools, raising their demands on placards and through lively demonstrations on the factory premises. In an impressive show of determination, the young, predominantly female workers told Ramatex that they would not return to work unless their demands were met. The Chinese migrant workers on the other hand, continued to work and refused to join their striking Namibian counterparts. Thus the company's divide and rule strategy of playing out different groups of workers against each other by offering them different conditions of employment seemed to bear fruit.

However, the Namibian workers' strike brought most operations to a stand-still and Ramatex responded immediately by indicating to NAFAU that management had received a new mandate for negotiations.

On Saturday, 14 October, thousands of workers returned to the factory, braving a blistering sun while assembling outside the factory gate. The NAFAU leadership and the NUNW secretary general addressed the workers and asked for a mandate to take into the negotiations with the Ramatex management, scheduled for the afternoon. The striking workers indicated that they wanted an additional R 2,50 per hour, which would bring the hourly wage to R 5,50. The union negotiators then entered the factory while thousands of workers waited for their return at the gate.

Late in the afternoon, the negotiating team emerged to give feed-back to their members. The news they brought was nothing less than a victory for the striking workers. Faced with the prospect of huge losses and the pressure of delivering on time to its clients in the USA, the Ramatex management had to meet the workers' demands if it wanted to get production going. After hours of tough negotiations, the company offered to increase wages by R 1,10 per hour (which amounts to an increase of 37%). Furthermore, Ramatex offered to introduce a transport allowance of R 100 per month, to introduce a housing allowance of R 150 per month, to pay an annual bonus (60% of a monthly wage), to introduce a pension fund and to introduce a medical aid fund to which the company would contribute 70% of the monthly subscription.

Altogether, these improvements met the workers' initial demands and were thus accepted enthusiastically. The striking workers gave their negotiators the "green light" to sign the proposed deal, which paved the way for the resumption of production.

Although the strike lasted for only 2 days, it has to be seen as one of the most important strikes in the recent history of Namibia's labour movement. Only days before the strike, the Ramatex workers were told that the company would never increase its offer of 15 cents per hour and that Ramatex would close its doors if the workers went on strike. Workers and their unions also faced pressure from the Namibian government, which feared that its policy of attracting foreign investment to Namibia (at almost any cost) would be undermined by the strike. However, the workers stood firm and indicated that they were not willing to tolerate the ongoing exploitation any longer.

Another important feature of the strike was that the NAFAU leadership consulted the striking workers outside the factory building on an ongoing basis. Workers were briefed and asked to approve the proposed agreement before it was signed. This was crucial to ensure that the union negotiators had a clear mandate from the striking workers. Unlike several other unions, which resorted to negotiations behind closed doors and informing their members through the media, the NAFAU negotiators remained in touch with their members. This strengthened their position and contributed to the successful outcome.

The Ramatex workers' victory was important as they showed their determination to fight the ill-treatment and exploitation that they had experienced for years. Ramatex workers will now earn more than R 1 000 a month although they are still paid less than manufacturing workers in other industries where minimum wages are around R 1 500 per month.

The future of Ramatex in Namibia remains uncertain but this is unrelated to the recent strike and its outcome. As early as 2005, the company declared on its own website that it planned to increase production in Asia (Cambodia and China) and to reduce its production in some of the other countries where it operates. Part of the Windhoek plant (Rhino Garments) was already closed in 2005 leading to the retrenchment of over 1 000 workers. After all, Ramatex is a typical multinational company that seeks temporary advantages and may shift production to other countries every few years. It is thus doubtful if such companies can contribute to long-term development anywhere in Africa.