

Newcastle, microcosm of textile dilemma, needs support

By [Renato Palmi](#)

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The Newcastle clothing uprising grabbed international attention late last year, when factory owners shifted the entire labour paradigm by going on strike with the support of their staff to highlight their frustrations in regard to communications with the clothing union, SACTWU and the clothing bargaining council.

This small band of mavericks have become the vanguard to possible changes within South Africa's beleaguered clothing sector and the wider predicament facing South Africa's labour and the debate about job creation. Unfortunately the small community of Chinese apparel owners have become both heroes and villains.

My analysis and continual observation of the ever-changing landscape in the clothing sector, highlights that the actions taken by the Chinese clothing community are creating a strenuous environment for them. They have become the targets of a very sophisticated, orchestrated and systematic attack by the clothing union and the bargaining council and this is fuelled by the misrepresentation and the bias believe that it is only the Chinese who have decimated South Africa's clothing industry, that it is only the Chinese who run sweatshops and that only the Chinese clothing owners in Newcastle wish to violate South Africa's labour law and exploit workers.

This is not the full truth. The challenges facing South Africa's clothing sector is far more than just wages. If tomorrow, every clothing company were to comply to the wages dictated by the bargaining council, would it make the sector more productive, would exports increase, would retailers support more local suppliers and would the sector become more competitive? The answer is no.

What the Newcastle clothing sector is advocating is nothing unique. The vast majority of clothing companies in South Africa are experiencing the same difficulties and hurdles; however, instead of showing a collective public front in support of Newcastle, the vast majority of clothing owners remain silent.

We have to ask why. Our research and enquiries reflect an industry that is operating in fear. Fear of intimidation, fear of what may happen to owners and their businesses if they speak to the media or show public support for the Newcastle clothing sector that is under siege. How can an industry sector become economically and globally competitive, if it has to operate within such a tough environment?

It is this fragmentation and lack of collaboration that is making the industry weak, giving the space for the clothing union and the bargaining council to exploit this vulnerability within South Africa's clothing industry and in so doing create the impression that it is the Newcastle's Chinese clothing employers that are the villains. The entire clothing industry should be hailing them as heroes.

Economists, labour specialists, commentators and the government in South Africa and even throughout the world are watching events closely in Newcastle, which has now become an economic experiment that will result in casualties. Unfortunately the casualties could well be the workers and owners in Newcastle's clothing sector and the consequence will reverberate through the entire clothing industry.

The outspoken clothing owners in Newcastle are feeling extremely isolated, vulnerable and dismayed by the lack of tangible support in the public space by the wider clothing and textile sector. As one owner said, "We are not just doing this for ourselves, what we are doing and the extreme pressure and feeling of isolation we are experiencing, is for the entire industry and for the country. We need more active support."

Newcastle could be the catalyst for the much needed labour changes South Africa desperately needs. However, to achieve this the Newcastle clothing community requires collaborative support, through intelligent crowd sourcing and mobilization, using every means available to influence an outcome that would be palatable for the bargaining council, the clothing union, the workers and the clothing industry.

ABOUT RENATO PALMI

Director of The ReDress Consultancy - South Africa, Renato Palmi is a researcher and economist in the apparel and fashion sector. He is also the author of the book Inside Out, which reviews the role of fashion in the South African apparel industry. View the ReDress Consultancy blogspot here: www.redressconsultancy.blogspot.com

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