MANPOWER - TRAINING

1996 - 1998
New training project begins

Kevin O'Grady

Ort-Step Institute, a branch of the world's biggest vocational non-government organisation, launched a new math and skills training project yesterday which, if successful, could be adopted by government for implementation at 76 SA schools.

Funded by a grant of R600,000 from the National Economic Education Trust, the educational arm of National Sorghum Breweries, the project aims to provide students of all ages with the skills necessary to become employable.

Project co-ordinator Mike Malie said about 30 unemployed young people had signed up for the pilot project, open to people with a minimum education level of Std 8. They will attend classes in Midrand and write the national certificate exam in November.

"The project, if successful, will be implemented at schools across SA. We have already begun discussions with the ministry of education in this regard," said Malie.
Workers to be retrained

By Joshua Raboroko

Most of the 120 retrenched workers at BMW South Africa's Pretoria plant are to receive education and training aimed at empowering them to create their own jobs.

They are to be retrained in structuring, marketing, managing and in identifying viable financial products.

The courses, which are said to be intensive, will be run by the Initiative for Economic Empowerment (IEE) and will start today.

IEE's chief executive officer Mr Lucas Ntuli says that the company retrained before retrenching the workers that they had great potential to create employment for themselves.

The workers were semi-skilled artisans, electricians, mechanics, fitters, parts assemblers who also did various kinds of jobs on the plant.

Ntuli says it is important that the workers establish manufacturing businesses in the polish, detergents and other car part markets.

BMW community development manager Mrs Bongi Radebe said when the matter was discussed with workers last year, some of them choose to look for alternative employment.
Tax incentives could aid training

GEOFF ELLIOTT
Business Reporter

The government should consider tax relief and other incentives to encourage business to implement training programmes for the youth, said Chris Nissen, the African National Congress's minister for economic affairs in the Western Cape.

Mr Nissen said the country "needs more part-time and vacation opportunities in other sectors and industries."

He also called for debate on how to help finance poor youngsters through education. While admitting the economy could not afford the fiscal burden of free education, Mr Nissen added "we must look very carefully at ways to help."

The minister was speaking at the official launch of the Informal Business Training Trust's IBTT training programme aimed at the corporate sector. IBTT is a non-government organisation (NGO) which finances the country's emerging entrepreneurs.

Mr Nissen told the lunch yesterday that the unemployment crisis cuts across all age groups but jobless youth was the biggest concern.

"Statistics suggest that unemployment levels amongst out-of-school youth are the highest of all these categories," Mr Nissen said.

He added that more appropriate education and training and expanding part-time career opportunities were other areas to look at.

IBTT trustee Cedric Buffler said that of 400 000 matriculants just five percent were finding their way into the formal sector.

The IBTT, like most NGOs, had found funding a problem in the new dispensation as donors from the past switched to the new government.

The new training programme is one of the IBTT's drives to be self-sustaining. It will charge corporations R1 175 plus VAT to provide training for unemployed dependents of their employees.

The course has been dubbed the "Township MBA" and according to the IBTT an independent survey indicated that 81 percent of those graduating from a recent programme in a squatter community "are now gainfully occupied."

The attraction of the course for companies would be more than altruistic, added Clive Dutlow, chairman of IBTT.

He said worker productivity improved when not burdened by the financial drain of the family.
Black trainee managers see high pass rate

BY FRANCIS BOTHA

Cape Town — Unisa's African Management Programme, used to train aspiring black managers, has seen a 90 percent pass rate for its first year in operation, based on a strong mentorship drive, says Professor Gerhard Cronjé of Unisa.

The part-time business course, which was launched last year by the Centre for Business Economics, enrolled 76 black student managers.

Professor Cronjé said: "The success of the course is largely due to the mentorship programme which gives students access to practical guidance and support."

The programme has been endorsed by the Association for the Advancement of Black Accountants (Abasa), the Black Management Forum (BMF), the National Federation of African Chambers of Commerce (Nafoco) and the Foundation of African Business and Consumer Services (Fabcos).

The course, which was established with private sector grants amounting to R600 000, is expected to enroll more than 120 students this year.

Jan Scannell, the managing director of the Oude Meester Brandy Group, which sponsored bursaries valued at R325 000, said: "This hands-on approach to academic study has initiated a new perspective on management training."

The Oude Meester grant will fund 30 students over three years. In addition to the sponsorship, the company provided a R10 000 award for the top student.

"To qualify for a bursary of R3 500, applicants need a matric or at least 10 years' experience in a supervisory or junior management level. Details are available from Unisa on (012) 429-4406."
Union to present skills grading plan

HOTEL and catering sector employers will be faced — as part of the SA Commercial Catering and Allied Workers' Union (Sacawun) wage strategy — with a demand to enter into a framework agreement for an industry-wide skills grading system.

Sacawun's collective bargaining co-ordinator Leonard Gentle said yesterday that this year's wage negotiations would be located within demands incorporated in the framework document.

The document proposes a "relationship between minimum wages, competency levels and grading". It adopts the view, similar to what is being put in place in the car manufacturing industry, that wage levels should be determined by skills levels measured against skill competency standards.

Gentle said the development of a common framework at a national level was crucial in view of a boom in the tourism industry which would require an upgrading of facilities and services provided.

The document states that grades and related skills qualifications should "form a common structure throughout the industry to ensure consistency in service delivery and to facilitate labour market mobility". Gentle said the document was finalised at a recent collective bargaining conference and had been presented to some employers at an industry-level meeting. It would now go to individual companies.

The union has claimed that Southern Sun's had refused to await finalisation of its wage strategy, which included the proposal for a new skills-biased grading system, and undermined collective bargaining by taking a final offer of 19%.

Southern Sun industrial relations director Steve Lonie said "Because of the union's refusal to engage in wage negotiations, in breach of the recognition agreement, the company was forced to table its offer."

Meanwhile, the union will be meeting a number of major retailers on March 8 to discuss establishing of a bargaining council in the retail sector.
Govt starts new course

Thamanyana

IN AN effort to address the "desperate" shortage of "suitably qualified transport professionals", the transport department had set up the transport executive management diploma. Transport Minister Mac Maharaj said in Johannesburg yesterday at the launch of the project.

The project, set up in conjunction with the Research Unit for Transport Economic and Physical Distribution Studies at Rand Afrikaans University, was intended to enable graduates "from any background" to enrol on a full-time basis to further their knowledge of transport-related matters by means of an accelerated programme of theoretical and practical training, Maharaj said.

"Initially the course will focus on those already serving in government departments - at both central and provincial level," he said.

Transport professionals and organisations involved in transport, service provision would assist, with training. The department would fund the cost, about R900,000 - of establishing the diploma.
Government-funded transport management course up and running

By Patrick Phosa

The shortage of qualified transport professionals has prevented the Government from exercising its strategic role in transport policy formulation and management.

"The transport sector has been unable to make a full contribution towards the broader objectives of economic development and social equity," said Transport Minister Mac Maharaj yesterday at the official opening of his department-funded transport executive management diploma course at Rand Afrikaans University in Johannesburg.

Initially the course will focus on government employees. In line with its commitment to human resource development and to further the objectives of the RDP, the Transport Department had undertaken to fund the full cost, estimated at R900 000, for the establishment of the course.
Maharaj moves to upgrade skills of transport workers

JOHANNESBURG - The "desperate" shortage of suitably qualified professionals in the transport industry had prevented government at all levels from exercising its strategic role in transport policy formulation, the Minister of Transport, Mac Maharaj, said.

He made this point yesterday while opening a transport executive management diploma (TEMD) course, funded by his department, at Rand Afrikaans University (RAU) in Johannesburg.

Mr Maharaj said the transport sector had also been unable to make a full contribution towards the broader objectives of economic development and social equity.

To this end the Department of Transport had contracted with the RAU to launch the TEMD.

The aim of the diploma was to improve the level of professionalism in transport.

"RAU has already become well known for its active role in teaching transport economics at graduate and undergraduate level as well as for its certificate course in road transport," Mr Maharaj said.

"This worthwhile project is intended to enable university graduates from any background to enrol on a full-time basis to further their knowledge of transport-related matters."

He said this would be by means of an accelerated programme of theoretical and practical training.

He said the course would initially focus on those already serving in government departments at both central and provincial levels, and reflected the government's desire to upgrade the transport skills of the public sector as quickly as possible. - Sapa.
Body will enable Labour Act

Personnel are instructors

Taiwan to train SAND

Susan Russell

(79)

A group of SAND personnel are enrolled for training.

The committee was interested

In view of the Prime Minister's report on the well-being of workers, he suggested that the committee hold a hearing to discuss the matter. He also expressed concern about the conditions of workers in the country and recommended that the committee take action to improve their situation.

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The committee noted the Prime Minister's report and appreciated his concern for the well-being of workers. They agreed to hold a hearing to discuss the matter further and to take any necessary action to improve the conditions of workers in the country.

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The committee discussed the report and agreed to hold a hearing to discuss the matter further. They also recommended that the government take action to improve the conditions of workers in the country.
Penalty tax for training will stifle job creation, says business

BY NANCY MAYBURGH

Johannesburg — A penalty tax on companies that do not invest in job creation and worker training would hurt workers more than help them, Dan Leach, a business economist at Wits University, said yesterday.

Pascal Ngobo, the provincial secretary for Cosatu in KwaZulu Natal, said on Tuesday that the labour movement wanted legislation to force companies to spend 4 percent of their profit on training workers.

Labour federations are expected to finalise the proposals at a meeting this weekend.

The proposals include a penalty tax to force companies to spend funds on training, a minimum wage and possible tax rebate for companies that spend the required amount on training. The main aim was job creation, Ngobo said on Tuesday.

“(A further tax on a company’s profit) will reduce profitability and therefore make companies less likely to expand and new companies less likely to come into the market and create jobs. It is ultimately to the detriment of labour,” said Leach.

Brian Kantor, a professor of economics at the University of Cape Town said: “This is the kind of interference in business that destroys business opportunities.”

Business leaders said a legislative, across-the-board percentage for spending on training would harm business.

“We (already) pour money into training, housing, bursaries and benefits. 8,5 percent of our profits are spent on social responsibility in general,” said Raymond Ackerman, the chairman of Pick ‘n Pay.

Dorien Wharton-Hood, the vice-chairman of Liberty Life, said: “For some companies that are labour intensive, 4 percent might be very low. For some high-technology companies, 4 percent might be very high.”

He said the proposal could scare off foreign investment.

“Once has to be very careful about introducing any kind of coercion or central decree to tell businesses how to spend their money. It puts off foreign companies from investing. They are wary of more central control,”

Roy Cokayne reports from Pretoria that Iscor, the listed steel company, would be unaffected by the social-equity contract proposal.

Ernest Webbe-Stock, the divisional manager of external relations at Iscor, said the company achieved an attributable profit of R787m in the year to June 30 last year and had invested more than R52m in the training of 6,3 percent of Iscor’s profit that year.

Jon Beverley reports from Durban that KwaZulu Natal business leaders said worker training was important, but questioned whether setting benchmarks was the best way to encourage companies to plough 4 percent of profit into training.

Terry Rosenberg, the deputy-chairman of McCarthy Retail, said: “Building skills levels could only help productivity.”

Neil McGregor, the spokesman for the Durban Chamber of Commerce and Industry, said that an imposed training levy could have a negative effect on foreign investment.

He said it would be regarded as another additional cost involved in operating in South Africa.

He said the social-equity contract was being discussed and the various issues raised by labour were being pursued.

Fran Botha reports from Cape Town that Stuart Maxwell, the financial director of Bonnita, said: “I do not think it is unreasonable to ask companies to spend 4 percent of their profits on the training of labour.”

He said that this should include training costs, associated expenses and salaries paid to the worker during training.
Trainees set to cook up a storm in a container

MICHELLE LERNER
Staff Reporter

TOWNSHIP residents are getting free training in how to run a successful business – and the opportunity to get started – as part of a programme to create jobs in disadvantaged areas.

Under an Eskom programme, seven people have graduated from a 16-day training course and have launched the first of 36 "container businesses" to operate in the township.

Now Eskom is handing over a fully-functioning, compact bakery to the group, under the management of Msincedsane Business Development Trust.

Equipped with ovens, a freezer, electricity, running water and a nationally accredited certificate, the trainees are also armed with new skills and the confidence necessary for success.

"This is an excellent opportunity for these people," said Dorian October, who provided some of the training.

"They wanted to do something with their lives, but didn't have the education."

Beneficiaries say they will also expand the scope of what they have learnt to include other business endeavours.

"Before, I didn't know anything about business skills and I couldn't make money," said Jackson Mya, who also runs a small grocery stand in Khayelitsha. "Now I know what I must do to make a profit. My business can finally grow."

Eskom is now looking to containerise laundromats, butcheries and other services in the same way.

During the next year, the company hopes to create nearly 200 jobs.

Container businesses were easy and affordable to operate, said Eskom Test and Demonstration Centre manager Tony Stokes.

Costs to the company were R20 000 in structure and equipment, and the same amount in training.

TASTY BUSINESS: Displaying a freshly baked tray of pies, graduates of a training programme in business and baking skills get set to move their container bakery to Crossroads. From left, they are Joshua Balintulo, Jackson Mya, Dorian October, Cynthia Lufela, Welford Liwani, Elizabeth Mnyeni, Nobalungisa Dyasi, Samuel Ngcwaba, and Tony Stokes, centre.

Teachers head for clash on proposed service conditions

Education Reporter

TEACHERS' unions look set to clash with each other over the government's proposed changes to service conditions.

The state's proposals were tabled in the Education Labour Relations Council (ELRC) this week and negotiations around them are to begin on Monday.

But one of the biggest teacher unions, the South African Democratic Teachers' Union (Sadtu), has accused another leading player, the National Professional Teachers' Organisation of South Africa (Naptosa), of being motivated by racist policies.

Sadtu has said it supports the offer by government and favours any move to integrate education and address imbalances.

Sadtu was therefore in favour of the new severance package, which the state offered in place of existing schemes.

But it is widely expected that the new severance package will amount to less than the old package.

Sadtu accused Naptosa of encouraging teachers to take the retrenchment package.

Sadtu said it was not prepared to discuss teacher retrenchments in the ELRC.

According to its own analysis, Sadtu said, the government's offer was aimed at "right-sizing" the public sector, which meant the restructuring of education to achieve equity.

The union said the proposed severance package would ensure no teacher would be forced out of the system.
Training trust to promote course in KwaZulu Natal

BY STEWART RUTHERFORD

Durban — The recently commercialised non-governmental organisation, Informal Business Trading Trust, last week ran a course for trainers in Durban designed to boost the successful Township MBA programme in the region.

The 14 trainers attending the course were from several organisations including Nisco and the Natal Technikon — who are already involved in teaching the programme in Durban and Pinetown.

Cedric Buffer, a trustee, said he hoped the eight-day training programme would help the Township MBA take off in KwaZulu Natal as it had done in other regions.

He said the programme not only encouraged and trained potential entrepreneurs, but provided them with a series of increasing loans. The trainees can obtain R6,000 over 33 months and R4,000 a year thereafter.

"This is one of the first attempts to commercialise a non-governmental organisation in this country and because of a lack of funding we are inviting companies to sponsor unemployed dependants of their employees to attend," Buffer said.

"We also have the support of corporate bodies such as Nedcor Bank, who use our programme. A portion of the fee charged for this service will be used to help fund participants from disadvantaged communities."

The programme has been used throughout southern Africa by various organisations with great success over the past eight years.

Buffer said a survey in the Orange Farm squatter camp, near Vereeniging, found that 81 percent of people who did the course found employment within 18 months.
US training to prepare SA journalists for top roles

STAFF WRITER

TWINLVE senior South African journalists have been chosen by Independent Newspapers to undergo an intensive training course to prepare them to be the next generation of editors.

Seven of them will study for four weeks at the Nieman Foundation at Harvard University, followed by brief courses at the Washington Post and the Boston Globe.


The others going to Harvard are Kazer Nyatsumba, political editor of the Star; Mathatha Tsedu, political editor of the Sowetan, and Esther Waugh, senior political writer and parliamentary correspondent of the Sunday Independent.

The other nominees in the programme will study in South Africa.

They are Lloyd Curtiss, news editor of the Saturday Star and the Sunday Independent, Thabo Leshub, emerging business editor on Business Report, Sol Makgabutlane, news editor of the Star, Prakas Naidoo, the Sunday Tribune's Maritzburg bureau chief and Kanthan Pillay, editorial systems administrator of Natal Newspapers.

The course arises out of the first meeting in Cape Town last June of Independent’s international advisory board.

This board “identified an urgent need to select and train senior black and female journalists capable of occupying the most senior posts in the company within a few years”, Independent Newspapers Holdings said.

Dr Tony O'Reilly, chairman of Independent Newspapers, asked the Nieman Foundation to arrange a special course to teach the trainees every aspect of the newspaper industry in a short time.
SA, S Korea plan training of 2,000 workers

SOUTH Africa and South Korea have discussed ways to implement an earlier agreement for 2,000 local workers to be trained in Korea, President Mandela has said.

After meeting South Korean Foreign Minister Ro-Myung Gong at his official Pretoria residence, Mr. Mandela said South Korean President Kim Young Sam had last year proposed the training programme to help South Africa address its high unemployment rate.

"We have discussed how to introduce that training and there will still be further discussions between our Foreign Minister (Alfred Nzo) and Mr Ro-Myung to ensure that this programme goes on in a way which will be suitable to both countries," he said.

Mr Mandela said the international community was very supportive of the new South Africa.

"One of the unique factors of our country is that wherever we go now we are received with open arms. This was also the case with South Korea, which was very supportive to South Africa's democracy," Mr. Mandela said.

Mr Mandela earlier met foreign ministers from Japan, Norway, Denmark, Finland, Chile, Columbia, Jordan and west African states attending a meeting of the United Nations Conference on Trade and Development - Sapa.
Business training emphasised by new video
(2) whether the Executive Director of the Directorate has been appointed, if not, why not, if so, (a) what is his or her name, (b) what are his or her qualifications and (c) what previous experience does he or she have?
S303E

The DEPUTY MINISTER FOR SAFETY AND SECURITY

(1) No. The post of the Executive Director of the Directorate was advertised and a short list of applicants has been compiled. The applicants who have been short-listed will be interviewed by a panel on 5 and 6 June 1996. The appointment of the Executive Director and the establishment of the Independent Complaints Directorate will follow as soon as possible thereafter.

(2) (a), (b) and (c) Not applicable

Free primary health care: impact

*5 Sen W F MNISI asked the Minister of Health.

(1) Whether her Department, prior to the introduction of the free primary health care programme, investigated the probable impact of the programme on the resources and finances of State hospitals and clinics, if not, why not, if so, what was the extent and (b) were the results of the investigation,

S304E

(2) whether her Department has made or intends making any provision for financial assistance to State hospitals in this regard, if not, why not, if so, what was or will be the extent of this assistance?

Establishment of Independent Complaints Directorate

*4 Sen J SELFE asked the Minister for Safety and Security.

(1) Whether the Independent Complaints Directorate provided for in the South African Police Services Act, 1995 (Act No 58 of 1995), had been established, if not, when is it to be established, if so.

S305E

The MINISTER OF HEALTH

(1) Yes.

(a) The Department investigated the total costs of providing primary care services to the whole population, based on current utilisation rates. Further estimates were made to allow for possible increases in utilisation once the services were provided free of charge. The cost implications of this were then used to develop a Medium Term Expenditure Framework which detailed the funding requirements of the public health system, including primary, secondary, tertiary care services and care provided at academic hospitals over the next five years. The calculation was done, taking into account the costs of building new clinics to accommodate the increased utilisation, and training of staff.

(b) The projected expenditure was R5.3 billion for primary health care, and R9.3 billion for the hospital sector for 1996/97. This amount includes the cost of free primary health care at clinics. It also includes the cost of services at academic, provincial general, provincial special and community hospital patient services. The current budgetary allocation is largely in line with the cost projections of the Medium Term Expenditure Framework. This suggests that the implementation of the free primary health care policy is adequately funded within the current allocation.

Utilisation of training centres

*6 Sen Dr G W KOORNHOF asked the Minister of Labour.

Whether the Department intends (a) utilising to its full capacity the existing facilities, equipment and infrastructure at the training centres under the control of a certain body, the name of which has been furnished to his Department for the purpose of his reply, (b) running courses of a longer duration on a permanent basis at these centres and/or (c) funding such courses in the longer term (up to and including five years), if not, why not, if so, from what date in each case.

S315E

The MINISTER OF LABOUR

1. Direct Response:

(a) The Department of Labour is fully committed to using the training capacity of the Regional Training Centres (RTC's) and Training Trusts (TT's) for the following purposes (a) The provision of longer-term courses will be a requirement of any training institution that is securing stable long-term funding for training from the Department. The RTC's on their own initiative have begun introducing this longer-term's focus.

2. Future Funding Arrangements for the RTC's and TT's

2.1 There is a need for the Department to secure higher levels of relevance, quality and efficiency in the training that it finances through the RTC's and TT's. It is also essential that the Department facilitates greater access to its funds by private training providers especially emerging training providers.

2.2 To this end the Department is currently assessing the performance of the RTC's and TT's with a view to developing new methods of disbursing the funds for its training programmes. In principle, the Department must balance the total funds available for training between stable disbursements to the RTC's and TT's on an annual basis, and a more competitive disbursement procedure that facilitates access of other providers to these funds. In addition, the Department is developing new forms of accountability which all training providers using public funds will have to adhere to.

2.3 The Department will finalise the new policy, for consultative purposes, by September 1996.

2.4 The Association of Training Providers (ATP) has been kept informed of this process and has been involved by the
The MINISTER OF PUBLIC WORKS

(1) (a) and (b) Leaks did occur on the top floor of the Supreme Court Building during the past rainy season. Although the office of the Attorney-General did mention damage to carpets, furniture and documents, in their complaints, a claim for only R159,44 was received. As a result of it, R1 000 was not necessary to replace any carpets. No claims for damage to any of the furniture was submitted by the Department of Justice.

(2) Since the start of the rainy season, this Department has spent R25 000 on repairing roof leaks in the Supreme Court Building. Repairs to the roof were successful, but as soon as some leaks were sealed, new leaks developed as a result of not only increased wethering but also a structural problem. This problem can be successfully solved by increasing the slope of the roof and replacing the existing gutters and downpipes with those of a larger diameter. The existing corrugated iron will have to be replaced with a suitable roof covering.

(3) Documentation has been completed to re-roof the affected areas. The estimated cost is R1 2 million and tenders will be invited during June of this year. The contract period for the service is four months.

Senator R J RADUE asked the Minister of Public Works:

(1) Whether during rainy weather severe leaks occurred on the top floor of the Supreme Court Building, housing the office of the Waterkruis and Attorney-General, and, if so, whether the estimated cost of the damage caused by these leaks to (a) newly laid carpets and furniture and (b) documents was R1 000.

(2) Whether any efforts have been made to attend to the problem, if not, why not, if so, with what success.

(3) Whether he or his Department intends taking any further action in this regard, if not, why not, if so, what action?

S319E

The MINISTER OF PUBLIC WORKS (for the Minister of Labour):

(1) What was the total estimated cost to the South African economy of the strike on 30 April 1996, expressed in terms of (a) direct and (b) indirect costs.

(2) Whether his or her Department took any steps to prevent the strike; if not, why not; if so, what steps.

(3) Whether his or her Department attempted to convince the trade union involved, the National Union of Metalworkers of South Africa, to continue with the strike; if so, what attempts?

S320E

Senator Dr G W KOORNHOF asked:

(1) Whether the Department of Labour does not estimate the cost of strikes, whether direct or indirect. Estimates of that kind have only a weak basis in economics, as they rely on very poorly quantified assessments of multiplier effects. Especially in the case of stayaways, they generally rely on the application of highly aggregated figures across sectors, with necessarily misleading results.

(2) Given these shortcomings, figures on the cost of stayaways serve primarily to underscore rhetorical points. In the process, all too often, they detract from efforts to understand and address the issues that lead to strikes.

We see our role as improving labour relations as far as possible. From that standpoint, a reduction in strike activity provides a critical indicator of success. We measure our success in terms of the decline in personal days on strike.

(3) That strike action on 30 April revolved around Constitutional matters. It would be ill-advised to treat it like a simple labour matter, open to intervention by the Department of Labour. The parties involved held various discussions before the call for a stayaway.

In this context, we must reiterate that the right to protest forms a crucial part of a democratic system. If the parties involved in a dispute, whether on the shop floor or in the Constitutional process, cannot find a satisfactory compromise, a democratic government cannot stop people from taking protest action.

As noted above, the stayaway on 30 April was not a matter of normal labour relations, so the Department did not feel it should intervene.

Senator Dr G W KOORNHOF Mr President, arising out of the hon the Minister's reply, I would like to point out that the question required a reply in terms of monetary value relating to the cost of that particular strike, and we have not had any answer on what the estimate is. I ask the Minister whether he has any estimate as to what the strike cost the country?

The MINISTER OF PUBLIC WORKS: Mr President, I will convey that question to the relevant Minister, Mr Mboweni.

Senator A VAN BRED A Mr President, as to subquestion (1) of question 11, the question required an estimate. Instead of an estimate we got a sermon from the hon the Minister. May I ask:

The PRESIDENT OF THE SENATE: Order! Would the hon senator ask his question?

Senator A VAN BRED A Mr President, may I ask whether questions are not intended to supply the House with the requested information rather than to dash out sermons?

The PRESIDENT OF THE SENATE: Order! I do not think that is a question relevant to the content of the response.

Senator A VAN BRED A But it could be a Point of Order, then.

The PRESIDENT OF THE SENATE: Order! It is an observation, and as such I do not regard it as a follow-up question.

KwaMakutha trial: costs incurred

147 Sen A VAN BRED A asked the Minister for Safety and Security:

(a) What total costs have been incurred on (i) daily allowances and (ii) subsistence and travel costs abroad by the Independent Task Unit in respect of the KwaMakutha trial, (b) how many official trips abroad have been undertaken for this purpose by individuals of the Independent Task Unit and (c) what total
UK customs officials to train SA counterparts

CAPE TOWN — A team of British customs officers were due in SA next month to help train overstretched customs and excise officials, customs and excise chief director Pane Basson said yesterday.

He told the parliamentary finance committee that his main problem was he had only 20 investigating officers dealing with a backlog of more than 600 cases.

But closer co-operation with the police and private sector had resulted in several successful seizures since the beginning of the year, netting an extra R10m in customs duties.

"Because of their success, we have decided to increase the investigations unit by another 30 investigators," he said.

They would be trained by the British team and over the next five years he hoped to boost the investigations unit to 320 people. Thus would increase customs revenue by about R700m a year.

Basson said the first two of eight scanners ordered for border posts to detect illegal imports and exports would be coming into the country soon. He said they would be in place by November and negotiations were under way with France for larger scanners. — Reuter
Payroll levy plan to pay for training

Grath Steyn 60 5/7/96

NEGOTIATIONS are set to begin between government, labour and business on imposing a payroll levy on firms to fund and encourage training.

National Economic Development and Labour Council (Nedlac) executive director Jayendra Naidoo said yesterday that the council meeting last week had "moved from investigations mode to negotiations mode. We set up a negotiating committee to hammer out an agreement on the levy.

"Training is an important part of addressing the productivity problem," Naidoo said. He noted labour had called for a levy of 4% of payroll, while business had countered that the levy paid should be offset against money already spent on training. Asked what the levy would be spent on, Naidoo said he expected business would be able to make a contribution on that.

"Labour, in its document Social Equity and Job Creation, called for the levy to finance retraining workers. The document said the levy should be introduced initially for all firms with a turnover of at least 8500 000 a year, that it be phased in, starting at 2% of payroll in the first year, and called on government to consider funding training schemes. Labour called for emphasis on multitasking and a new skills-based grading system.

Naidoo said. "Concern about productivity is the common thread linking business, labour and government.

Agreements on measures to enhance productivity could be building blocks towards a national agreement on wages, which had been called for in government's macroeconomic strategy. "If the focus is on productivity, real wage losses need not happen," he said, referring to labour's reluctance to even discuss wage restraint.

Wage moderation is a key element of government's macroeconomic strategy, which assumes average real growth in the private sector of 1% a year from next year and a decline of 0,5% this year.

Economic policy makers have been at pains to point out that wage growth must be linked to productivity and are hoping that the link will buy some goodwill from labour. The unions fear a

Continued on Page 2

The economic framework noted that the feasibility of a mandatory payroll levy was being investigated. While acknowledging the importance of the government's role, it said industrial training had to remain employers' responsibility. Government wanted to facilitate development of financing mechanisms that would enjoy broad support from business and labour.
Bavaria helps SA with its artisian training scheme

Melanie Sargent

Chiefs and directors say an agreement signed to support the creation of a Bavarian-style training scheme in South Africa has been a success.

A team of six German business executives and five South African artisans have attended the six-week training in Germany, said Deutsche Bank's Michael van der Wyk.

The eight-week training program, which will be held in South Africa, will be for artisans and managers who want to develop skills and work experience. It will be a great deal of hard work for the companies in South Africa and will be a great help for the individuas involved.
Training centre born during violent years still flourishes

LISA TEMPLETON

AN ADULT training centre which rose out of the chaos and violence that raged through Crossroads in the mid-eighties is still thriving nearly a decade later.

Since the Bushmen Development and Training Centre was started in New Crossroads in June 1987, some 650 people have benefited from training in carpentry, knitting, weaving, sewing, baking, cement-block processing and leather work. They have either returned to formal employment or are making a living in the informal sector selling their wares.

The project was initiated by Ms "Mama" Sophia Bengo in 1986 — when the Witsies and the "comrades" were fighting each other bitterly — in the belief that people constructively occupied would not fight and kill.

Now people come from as far as the Transkei to attend the month-long evening courses. These are followed by a two-week business course run by Triple Trust.

Bengo also helps those who have completed the courses to find work by distributing their personal details to local employers.

The courses are conducted in a chilly, dark, workshop, where students from 18 up are taught. The products they create are sold and the money made is used to buy materials to keep the courses going.

The centre is funded mainly by the cement-block construction section, which produces some 1 000 blocks a day which are then sold to local home-builders. The centre has also received donations of cash and machinery.

During the time of the Witsies/comrades clashes, Bengo opened up her own bread baking business using a cement oven. The Bushmen training centre now offers courses in carpentry, knitting, weaving and weaving.

FOUNDER: Ms "Mama" Sophia Bengo, who opened the New Crossroads centre, which is still thriving.

I then decided to convince my people that it doesn't help to fight to the last day of your life, it is better to work," she said. With the help of local church members she set up the centre with 68 students, who brought their own tools.
Policy should concentrate on human needs, work skills.
Free training course for Gauteng taxi operators

By Thembisa Sepotokele

UBUNTELE, a free and compulsory training course for taxi operators in Gauteng aimed at eradicating violence in the industry will spread its wings to other provinces next year.

This was disclosed at the weekend by the 'director' of Nortec Educational Holdings, Dr Jaeva Naidoo, in Florida at the certificate presentation ceremony of six taxi operators who had completed the course.

A four-day course assists taxi drivers to relate positively with commuters and other drivers, alleviate the level of violence in the industry and manage their business professionally.

The Government funded the course, which is a branchchild of the Gauteng Taxi Initiative (GTI), formed by the former transport MEC Mr Olaus van Zyl.

The course is also aimed at bringing to an end pirate taxi operators, and since the course is free and compulsory, taxi operators who fail to enrol will not be issued with permits and some would not be renewed.

Nortec senior training officer Mr David Finda said the course aims to promote the spirit of reconciliation.

"It also assists them to exercise healthy debates when petrol is increased and not to vent their anger by blockading the streets," Finda said.

Taxi operators who were presented with certificates were Mr Archibald Morrison, Mr Moses Doms, Mr Dick Trompetter, Mr Dalie Dawood and Mr Ernest Joseph.

Secretary 1979/86
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social engineering
the only essential
SKILLS TRAINING

...
Unions target training

Unions have received a welcome R2.5-million for training to prepare for the Labour Relations Act, writes Madeleine Wackernagel.

While the implementation of the Labour Relations Act (LRA) proceeds at a snail’s pace, with promulgation now increasingly unlikely, the unions have received a welcome boost in preparing for the new order.

The African-American Labour Centre has donated R2.5-million to the National Economic Development and Labour Council (Nedlac) to finance training programmes for union leaders and their shop stewards from the Congress of South African Trade Unions, the Federation of South African Labour, the National Council of Trade Unions and their affiliates.

And not before time "Training programmes have been put together, but so far most unions are not well informed. Employers, not the unions, are proving to be most au fait with the act," says labour analyst Gavin Brown.

This view is echoed by the National Union of Mineworkers (NUM) "The response to the LRA from the shop floor has been quite enthusiastic, but training has not been to our satisfaction. By the time the Act becomes effective, we should have had enough time to implement some basic training programmes. The whole process is ongoing, we will soon be taking it to the regions," says a representative.

Described by one commentator as a "utopian piece of labour legislation compiled in an enormous rush, full of technical imperfections," the Act could become an embarrassment to Labour Minister Tito Mboweni as constant amendments threaten to delay promulgation until October at the earliest.

"The new LRA resembles the old one and more and more - a real patchwork quilt of amendments," says Brown. "And without sufficient skills and training to put it to best practice, it could be a lame duck."

But Nedlac for one was optimistic that the new funds would go a long way to boosting the training process.

Says executive director Jayendra Naidoo "More than 2 000 shop stewards, union office bearers and organisaers will be targeted for training, and thousands more will benefit from an LRA video programme piloted by Cosatu.

Sekoum Mokoena of the South African Commercial Catering and Allied Workers’ Union, says the delays in implementing the LRA would give the unions more scope to get training programmes up to scratch. "The new law is much more understandable than the old one. Once the Act is promulgated and the shop stewards are fully conversant with its contents, it won’t be difficult to put the Act into practice."

The exact reasons for delays in implementing the Act are hard to pin down. But Nedlac, for its part, has fulfilled its side of the bargain. "Only two items are still outstanding," says Naidoo. "Work on the drafting of codes of practice for picketing and retrenchments, and setting criteria for demarcations of sectors, is due to finish soon, while the other key tasks have been completed in good time."

These include nominating members for the Commission for Conciliation, Mediation and Arbitration advising the seat of the new Labour Court and potential candidates for the role of judge president and a deputy, submissions for the Rules Board and Essential Services Committee, and approving and issuing the LRA Amendment Bill.

Setting up these institutions proved more difficult than unicoic, says the Department of Labour. "We’re going at full speed to put the framework in place, but so far we cannot put a time on the final promulgation of the Act."

Unfortunately, the amendments postponed before the end of the last parliamentary session were not passed because of the quorum could not be reached, which has delayed things further."
Scrooge syndrome
dogs training in SA

Social programmes get lion’s share of corporate spending

A handfull of South African companies have shown, however, that spending money on employee training is important,” Labour Research Service said. It is not surpising that these companies are also highly rated by the financial markets.

The survey cited Icor, which spends 10,1 percent of its payroll on training. Dimension Data (7,9 percent), Coronation (5,0 percent), Transnet (5,0 percent) and Smart Centre (4,6 percent) are the highest spenders. The survey noted that only 2,5 percent of their payroll on training, compared with an international average of between four and seven percent.

Corporations probably spent even less, Labour Research Service said.

The financial services sector came out best with an average of 3,1 percent, followed by engineering, with three percent. Bottom of the list were the consumer and media sectors with 1,7 percent each.

Total social spending by the 61 companies surveyed was more than R225 million.

The survey did not assess the quality of the programmes, commenting only that social spending should fill a real need and that beneficiaries and employees should be involved in decisions “Sponsoring the planting of trees in an elite suburban neighbourhood is not classified as a social programme,” it noted.
Handicapped by our own

Ann Croity

UNLESS South African companies dramatically increase expenditure on workforce training it is difficult to see how they will ever catch up on the productivity levels of their international competitors who are spending a much greater percentage of payroll on training. The results of a social benchmarks survey recently conducted by the trade union-related Labour Research Services (LRS) point to an ever-widening gap between local and international productivity levels in the absence of such an increase.

Out of 60 of South Africa’s largest listed companies that responded to the LRS survey, the average training spend is only 2.5 percent compared with the international average of between 4 and 7 percent. The LRS points out that equal concern is the likelihood that small- to medium-sized South African companies spend even less than the large companies.

The grimness of the South African situation is further aggravated by the fact that the bulk of the South African workforce has suffered an education system that ensures they are well behind their international counterparts when they commence their worklife. Far from attempting to compensate for this, local employers are compounding the effects by underinvesting in training. As the LRS says: “Given the large number of unskilled workers the task of catching up with competitors in the Far East, Europe and the US appears nearly impossible.”

According to the LRS, a handful of South African companies have shown that spending money on employee training is important. The five companies that received the top rating are

- Icor, which spends 10.1 percent of its payroll on training.
- Dimension Data spends 7 percent.
- Coronation and Transnet each spend 5 percent.
- and Smart Centre spends 4.6 percent.

Many companies have complained that they cannot be expected to fund the sort of training levels afforded by their international competitors because of circumstances peculiar to South Africa which require them to provide money for social programmes. But the LRS says that even allowing for this expenditure the total spend does not match international levels. “The analysis showed that few companies involved employees or unions in decision-making over company social investment programmes,” said the LRS.

The LRS survey showed that the majority of companies spend between 1 and 5 percent of what they paid out in dividends to shareholders on social investment programmes. In absolute terms South African Breweries’ R51 million was the highest amount and equivalent to 6.8 percent of the total dividend payment of R782.5 million.

An important part of the LRS’s benchmark survey related to affirmative action of the companies surveyed, only 5 percent of the senior management positions were taken by blacks.

On a sectoral basis the consumer sector comes up tops with 35.7 percent of all managers black. The beverage and hotel sector follow, with an average of 29.8 percent. The engineering and mining sector were at the bottom of the list with 15.3 percent and 7.2 percent respectively.

The LRS says “Smart Centre has the highest percentage of blacks in management with 52.2 percent, followed by African Life with 58.8 percent and McCarthy with 53.8 percent.”

Way down at the other end of the scale are Nationalise, Perks, Amplus, Board of Executors, Icor and Genlyte, which have the lowest ratio of blacks in management positions.

Trade union participation in company affirmative action programmes has been limited. But the LRS believes this will change. The tone and content of the labour department’s recent Green Paper on employment and occupational equity reflected a strong input from the government’s trade union partners. Cosatu favours a bottom up approach to the issue supported by a strong commitment to workforce training that would enable employees to move into management positions.

By contrast, the Black Management Forum places much greater emphasis on blacks being moved into all management levels even if this requires recruitment from outside.

At last week’s press conference to announce the new social goals of the trade union-backed unit trust Community Growth Fund, Irene Charnely, an executive of the fund and of the National Union of Mineworkers, said unions were interested in who filled the top management positions “but we’re much more interested in the commitment to training” to access those positions.

The LRS survey represents one of the few attempts to audit the social profile of South African companies. With increasing pressure from the government in the form of tendering procedures, the Labour Relations Act and employment equity requirements, the sort of information generated is expected to become of growing importance to the investment community. The LRS indicates that future surveys will be more vigorous in their definition of management positions and relate them to the chief executive’s role.
Training scheme earns recognition for Yorkcor

Business Day Reporter

THE Mpumalanga government invited integrated timber products group Yorkcor to exhibit at the Enterprise Africa Expo '96 at the World Trade Centre in recognition of its work in developing black entrepreneurs through an innovative training scheme.

Yorkcor RDP division head Willie Oeschger said the company developed the “wood and livelihood” training programme close to a sawmill at Acornhoek in March last year.

“The aim is to develop entrepreneurs through training in carpentry and timber building skills. More than 100 semi-skilled artisans, capable of earning a living in the trade, have already completed the training course,” he said.

The company also created employment opportunities where it could, such as in allowing trainees to take the lead in the construction of 50 timber houses for the Mpumalanga Parks Board at Sosunyelo Nature Reserve.

“The successful trainees also manufactured and built roofs for several remote schools in the province,” Oeschger said.

Enterprise Expo ’96 was an important catalyst which brought together exhibitors from diverse backgrounds such as small businesses, service providers, government providers, the corporate sector and parastatals.

“It is a shot in the arm for rural entrepreneurs who often work in isolation and suffer from the lack of networking which is an important ingredient of success in business. Yorkcor takes training and social responsibility seriously and we strive to play a growing role in community and upliftment projects. We are pleased that our achievements in the field have been recognised,” he said.
Training plan for advocates set up

Susan Russell

The General Council of the Bar, which represents the SA advocates' profession, has launched an initiative to develop a practical training programme aimed at improving the advocacy skills of prospective members of the bar.

Since 1973, an applicant admitted to the Bar as an advocate of the Supreme Court must serve a four-month pupillage during which they work in the chambers of a member of the Bar, picking up practical skills, and then take the national Bar examination.

An editorial in the latest issue of the SA Bar journal Consultus said the proposed training programme would follow similar trends in foreign jurisdictions over the past 20 years.

Britain is one of the foreign jurisdictions with an advocacy training programme, and the English Bar had already co-operated with its SA counterpart in getting the local initiative under way, the article said.

The Consultus editorial said the traditional view that the ability to be an advocate could not be taught was no longer acceptable.

While hidden qualities and talent determined the difference between mere competence and being truly great, there was no doubt that the basic skills of advocacy, like any other skills, could be taught.

"It has long been accepted by other professions that skills training is beneficial for new entrants and also for the public," Consultus said.

"It therefore follows that advocacy training will enhance the standards of advocacy."

The Bar Council had already established a national advocacy training committee under the leadership of advocate Johan Flos van Amstel SC, which in turn was planning workshops and an extension of its teacher training base, Consultus said.

General Bar Council chairman Malcolm Walls SC told Consultus that under the training programme every prospective advocate who entered pupillage in SA would be required to undergo basic advocacy training using the methods developed internationally over the past 20 years.

Regulated

In addition to the existing components of teaching they received from their "master" at the Bar during pupillage, pupils would be given the opportunity to learn and exercise the skill of advocacy in a regulated training environment.

Walls said he did not foresee that the addition to a pupil's training would replace the other important components of the existing pupillage training process of the national Bar examination.

He said that continuing legal education would enable the profession to serve the public efficiently and successfully in the overall interests of justice.

"If the advocacy profession is to survive, these are the goals which it must set itself and the General Bar Council must commit itself to advocacy training in order to enable its members to achieve those goals," Walls said.

R1m guarantee for Parks Board

Pearl Botha

Conservation Corporation South Africa announced at the weekend that it would underwrite the R1m needed to help save Table Mountain from development on its slopes.

The money that is raised will go towards the National Parks Board's Supreme Court appeal against the proposed development of the 70-room Oudtshoorn Hotel between Bakoven and Llandudno. The board's first application to stop the development was "thrown out on a technicality," a spokesman for the group said.

The company's CEO Dave Varty said the group was opposed to insensitive development and that the hotel would not only impair one of Africa's most important natural habitats, but could set a development precedent that would detract from SA's attraction as a tourism destination.

"As custodian of the mountain, which is a proposed World Heritage Site, the National Parks Board has a duty to prevent a precedent being set for a ring of development around the slopes of the mountain," Varty said.

He said that the country's booming ecotourism industry would continue to thrive only if underscored by ecologically sustainable practices.

Varty called on all business leaders to support the endeavour to raise R1m.

The World Wide Fund for Nature would be co-ordinating the fundraising drive for the Save Table Mountain Campaign.
Survey says SA firms neglect skills

Samantha Sharpe

CAPE TOWN — Poor investment in training and a reluctance to leverage human potential were the major reasons for SA’s struggle for successful business transformation, a survey by Ernst & Young and Insight Customer Satisfaction Consultants shows.

The survey rated SA five out of 10 for business transformation, where 10 represented world class best practice.

Insight MD Peter Matthews said the survey indicated a distinct tendency among SA companies to avoid the more intangible component of human capability in terms of development.

“Training which does take place is predominantly focused on supervisory skills and customer service, rather than managing personal change and diversity management, with companies allocating less than 2% of payroll to training interventions relating to transformation,” Matthews said. He warned that SA could ill afford to neglect the human resource aspect of business transformation.

The SA Competitiveness Monitor 1996 placed SA last in people-related issues such as literacy, skills and labour productivity.

“The solution lies in uplifting the skills of the work force. Upgrading just 1% of the black work force’s skills to the level held by whites would translate to a 2% jump in GDP growth,”

Ernst & Young spokesman Theo Veldsman said that SA companies had to learn from their overseas partners and change their organisational thinking from “industry” to “business ecosystem” and avoid grand and complex strategies.

They also had to create a culture supportive of risk taking and innovation, while implementing organisational self redesign and self reorganisation and creating and spreading knowledge through the organisation.

The survey showed 71% of respondents had defined affirmative action targets in place, although this figure was lower in the tourism, chemicals and minerals beneficiation industries.

While only 26% of affirmative action strategies had been successful in 1992, this figure had risen to 70% in 1996, he said.

“In addition, the performance of (such appointees) in their jobs has been improving to a significant degree over the past four years,” Veldsman said.
Unions ‘should fight for training’

By Abdul Milazi
Labour Reporter

THE FUTURE of human resources depends on the success of centralised bargaining.

“This is the view of National Union of Metalworkers of South Africa (Numsa) national training coordinator Victor Kgalema.

He says the South African labour problem is rooted in the apartheid approach to workers, and will not be resolved until employers change their attitudes towards centralised bargaining.

Local business has been protected by the high tariff walls and “cheap” labour since the early 60s.

“There was no need for skilled labour or for employers to come up with training programmes,” said Kgalema.

He argues that the problem was made worse by the fact that there was no government policy to encourage employers to embark on skills training.

“It was only in the armament section that the government ensured that there was some form of skills development,” he said.

During apartheid years, trade unions were labour wings of political parties. They now have to move out of that and become participants in the development of the economy.

As a result of the political situation at the time, many trade unions failed to use opportunities to fight for training.

Unions must move away from striking for percentage increases and fight for training.

“Trade unions should move away from striking for percentage increases and fight for more training,” Kgalema said.

“Some unions have begun moving away from the narrow approach when negotiating with employers and are extending the talks to issues like productivity, training and restructuring.

However, he says this move is continually being hindered by employers’ refusal to accept centralised bargaining.

“We need a national policy on training to ensure that we improve the level of our skilled workforce,” adds Kgalema.

It is crucial if the country is to have a coherent human resource strategy to have a mindset shift from paper ideas to practical strategies.”
S African companies spend less on training

By Isaac Moledi

MOST South African companies allocate less than two percent of their payroll to training, a survey conducted by Ernst and Young and Insight Customer Satisfaction Consultants has revealed.

Business Transformation in South Africa, as the survey is known, reveals that there is a low incidence of human upliftment coupled with minimal investment in training.

The reluctance by local companies to invest in staff training has contributed to South Africa's struggle to bring about transformation in business, according to the study.

The study, conducted among 375 businesses across a variety of sectors internationally, was aimed at researching the dominant forces driving transformation in South African business.

The survey was restricted to companies that employ between 500 and 3 000 people.

About 72 percent of South African companies were targeted by the survey.

Greatest obstacle

The greatest obstacle in South African business transformation is the management of people and resistance to change, the survey found.

According to the survey, South Africa scored five out of 10 on business transformation.
A committee consisting of representatives from Government, labour and business has been set up. It is scheduled to have its first meeting towards the end of this month.

The aim is to reach a consensus on a national worker training strategy and how it should be funded.

Raising workers' skills is imperative if the economy is to become competitive and achieve sustainable growth as well as create more jobs.

The potential of millions of workers is being blocked by under-investment by companies in skills training, says Nadoo.

On funding, one possibility being mooted is a compulsory levy on company payrolls.

Organised labour has suggested a four percent levy to be paid by companies for skills enhancement.

Other methods being explored include incentives to encourage employers to increase the skills capacity of workers and Government subsidies to help fund training programmes.

Also under consideration is the establishment of a monitoring body to ensure that companies do not pay lip service to training.

There is unanimity that the skills of the South African workforce need to be improved.

"It is now a question of Government, labour and business settling on a workable plan," says Nadoo.

According to the National Productivity Institute only about a percent of payrolls is invested in training by companies in South Africa.
Labour Digest

Cosatu calls for 4% deduction from payroll to pay for training.

Cosatu President, Mr. John Hope, has called for a 4% deduction from payroll to pay for training for South Africa's poor in September.
New development in self-employment

Business course provides way out for the jobless

By Shadrack Mashalaba

Simplex Business Training has launched South Africa’s first practical correspondence course to help people start their own small businesses.

The course is a practical “how to” programme based on the successful One-Up Business Training project. The course, which costs R295, is available in English or Afrikaans.

The programme is linked to the Start-Up Fund, a special loan scheme currently funding hundreds of micro-businesses in South Africa, and is backed by the Development Bank of Southern Africa.

Trainers can attend quarterly workshops free of charge in Johannesburg and Cape Town, aimed at helping users with the application of training material.

Simplex chairman Tony Davenport says, “Currently 93 percent of school leavers cannot find jobs and South Africa’s eight million unemployed is increasing by 450 000 a year. The main road out of this dire situation is self-employment.”

The Simplex Business Training course includes several modular workbooks on market investigation, purchasing, business calculations, selling, costing and pricing, money management, and drawing up a business plan.

“Because everything you need to know is contained in the Simplex Workbooks and explained in a simple way, most trainees are able to work through the course happily on their own,” says Simplex managing director, Jackie Smith.

For more information contact Jackie Smith on (021) 968-770

Unemployment can be eliminated if South Africa takes the self-employment route, says Tony Davenport.
Course for small bus fleet men

The Department of Transport has embarked on a free-of-charge countrywide pilot training course for small bus fleet entrepreneurs to pave the way for them to participate in the tendering system.

The course is intended to empower small, medium and micro enterprises with the necessary know-how in the tendering and cost accounting procedures for the provision of public passenger services.

Department of Transport economist Jacob Modubu said many small bus fleet operators were being left out of the tendering system because of their ignorance of the system.

"The department experienced problems when inviting tenders because only large businesses applied. This necessitated a training course for small businesses because we wanted to reach out and empower them as well," Modubu said.

The department will hold its fourth course next Tuesday and Wednesday in Nelspruit, Mpumalanga. The department has already held courses in Gauteng, KwaZulu Natal and Northern Province.

The courses would be upgraded where necessary after all provinces had been covered, Modubu said.
Cosatu to train 1.5m workers on new act

By Guy Oliver

Johannesburg — Cosatu, South Africa’s largest labour federation, began a drive-down campaign yesterday to educate its 1.5 million members of the ins and outs of the soon-to-be promulgated Labour Relations Act.

Sam Shulowa, Cosatu’s general secretary, told Business Report that the training was tight because an announcement on the promulgation was expected to be made today or tomorrow by Tito Mboweni, the labour minister.

About 1,500 shop stewards attended the workshop at the Chris Hani Memorial Hall, near Nasrec. It was organised in less than four weeks, a feat that was not thought possible, Shulowa said afterwards.

Though Cosatu has already held labour training workshops for union organisers this year, the federation intends to train about 6,000 of its about 30,000 shop stewards who would then be responsible for training other shop stewards and workers on the shop floor.

The stewards’ training has been assisted by high-quality educational material partly funded by the National Economic Development and Labour Council and includes a comprehensive, easy-to-read manual and six videos which cover topics such as organisational rights and the institutions and procedures of the act. The training material was produced by the education department, in conjunction with the Centre for Democratic Communications.

The federation has also teamed up with the African Growth Network Companies which subscribe to the network will be able to tune in next month for a perspective on the act and provide management and workers a phone-in forum to speak to directly to Shulowa.

But the education campaign around the act, which Shulowa described as a milestone for the emancipation of South Africa’s economic citizens, has also provided a platform for Cosatu to re-organise.

“I am very excited about it because I see it as part of helping Cosatu rebuild its own structures,” he said.

Shulowa said the starting point of the new act was not strikes.

The act provided for shop floor conflict resolution and this would create a smoother workplace.

If employers feel scared about a well-educated workforce knowing their rights, then they are “shooting themselves in the foot”, Shulowa said.

The role of the shop steward will be that of implementing the act on the shop floor.

He said enlightened employers would view this as a better approach to train people, instead of having to rely on workers to learn through rudimentary methods.
In recent years, "theworthy" phrase has been around a lot, and the "worthiness" factor is even more important now. Some business successes have been happening recently, which has made the success of the economy more secure. The narrower understanding of "worthiness" has been talking about a "worth" factor that has been developing in recent years. The strategies of businesses have been evolving in recent years, which has led to the success of the economy. The strategies of businesses have been evolving in recent years, which has led to the success of the economy.

The strategies of businesses have been evolving in recent years, which has led to the success of the economy. The strategies of businesses have been evolving in recent years, which has led to the success of the economy. The strategies of businesses have been evolving in recent years, which has led to the success of the economy.
Justice ministry plans skills revamp with Canadian help

Stephen Laufer

The Canadian government would help SA's justice ministry set up a training programme for prosecutors and magistrates, Justice Minister Dullah Omar's adviser Enver Daniels said yesterday. Daniels said there was an urgent need for a reorientation of skills within the criminal justice system as morale was low among prosecutors and magistrates. Their skills had been learned under a repressive system and were unsuited to SA's needs.

The justice ministry was considering structures which would allow petty cases to be diverted away from the criminal justice system in an attempt to allow magistrates courts to concentrate on more serious crime, he said.

A community court system which would integrate existing structures such as religious courts and street committees, was under discussion. It would be more effective than community policing forums which were not working in many areas because some communities believed the forums were run by former special branch officers.

Daniels said there was no final decision on how the state would ensure the rule of law prevailed and constitutional freedoms were upheld in community courts. Suggestions include intensive mutual surveillance by police and court members.
R65 000 for small business training

By Shadrack Mashalaba

TWO major black business organisations have received R65 000 from the National Economic Development and Labour Council to educate small business about the new Labour Relations Act.

The amount given to the National African Federated Chamber of Commerce and Fabbios Foundation for African Business and Consumer Services, is part of an amount of R500 000 which has been set aside for educating small business about the LRA. The new LRA is expected to come into force on November 11.

This first payment is part of a three-month programme which will entail the organisation of 30 workshops. Nafeco and Fabbios members will make presentations in all nine provinces.

The money will be used to develop training materials and pay consultants.

"The implementation of the LRA has a significant impact on both business and labour. Therefore, in order for it to succeed fully, it is imperative that all those affected by it understand its provisions and implications," says NEDLAC's executive director, Jayendra Naidoo.

Earlier this year, NEDLAC received R2.5 million from the African-American Labour Centre for the training of workers. Fedcal, Naetu, Cosatu and their affiliates will benefit from this programme.

"The act is fundamentally different to what we had before which makes training that much more important. Training is also needed to ensure the two new LRA structures – the Labour Court and the Council for Conciliation, Mediation and Arbitration – are successful," said Naidoo.
Coloured people(79) to get AART 1510196 business training

CLIVE SAWYER
Political Correspondent

The Democratic Party in the Western Cape is setting up community resource centres to train coloured people in entrepreneurial skills.

This was announced by Henrie Bester at the party's Western Cape congress. Mr Bester, a member of the provincial legislature, was re-elected provincial leader of the DP.

Noting that the African National Congress and National Party had each claimed to be the natural political home of coloured people, he said their real home was the DP.

Coloured people were to a large extent excluded from the process of economic empowerment spreading across the country.

"All too often they bear the brunt of affirmative action, and I am yet to hear of a major South African corporation selling off a substantial corporate asset to a predominantly coloured consortium," he said.

The DP would set up community resource centres to do entrepreneurship training and small business networking.

Mr Bester also called on big business in the province and nationally to give coloured people a major ownership stake in the economy.
Northam could face more trouble

GUY OLIVER

Johannesburg — The result of a National Union of Mineworkers strike ballot expected today will determine whether Northam platinum mine begins the fourth quarter in the same grim vein in which it finished the past quarter.

The union at the Gold Fields mine has reached a deadlock in wage negotiations after a third quarter racked by violent conflict.

Northam is not party to the Chamber of Mines wage agreements; wage negotiations are conducted at mine level. The union has about 3,400 members at the three-year-old mine from a workforce of about 5,550.

Northam was one of three Gold Fields mines hit by mine violence resulting in the deaths of 42 miners and injuries to 263 others. The others were East Driefontein and Leanduorn.

Union members reached a deadlock late last month after non-unionised workers accepted the 10 percent wage increase offered by the management.

Mahlakeng Mahlakeng, the union’s Rustenburg co-ordinator, said that though the union had demanded 15 percent, it was willing to accept 10 percent if the management moved towards parity with other mines.

He said the R556 monthly minimum wage was a few hundred rand below other mines, and the union had refused a 1 percent quarterly profit scheme because Northam was a new mine and it was not making a profit.

The wage deadlock has further increased volatility at the mine following the findings of Judge John Myburgh’s commission, which called the Northam union leadership maverick.

Myburgh recommended suspending the branch committee, especially Joseph Moloko, the branch chairman.

One of the consequences of the violence at Northam, which is one of the few Gold Fields mines to have integrated all its hostels, was the eviction of 660 Zulu-speaking miners. The commission found that the workers were evicted for ethnic reasons.

Mahlakeng said yesterday that Moloko remained active as the branch chairman and was part of the wage negotiation team. He said Moloko could not be suspended until the union had completed its own investigation into the allegations.

Myburgh said in his report to President Nelson Mandela that “it is impossible for management to deal with a branch committee on the issue of the return of the Zulu-speaking employees when members were involved in inciting the violence which caused their eviction.”

“The mine management and the branch committee, led by Mr. Moloko, are in the process of negotiating wages. That is an untenable situation.”

Michael de Kock, the Gold Fields spokesman, said the company had advised the union’s head office about Myburgh's recommendation that Moloko be suspended from his duties. He declined to comment further.

But the troubles that haunt Gold Fields and its companies have been brought on by the mine company itself, according to analysts. One analyst told Reuters that “all other mining houses give you an indication of what their strategy is Gold Fields doesn’t seem to have a plan. We can’t keep meaning about it not being a perfect world.” Everybody knows that, and other companies manage to perform.”

On Monday, Gold Fields said Northam had recorded a net loss before capital spending of R7,59 million in the September quarter, after turning a profit of R8,17 million the previous quarter. The mine produced 75,385oz of precious metals and concentrates in the quarter.

Peter E. Anais, the mine’s chairman, said during the presentation of the results that the mine hoped the labour tensions would not lead to a strike, but the mine would be prepared for it.

Nedlac launches labour workshop programme

FROM SAPA

Johannesburg — The National Economic Development and Labour Council (Nedlac) announced in Johannesburg yesterday that it had launched a R2 million programme of labour-management workshops to meet the challenge of South Africa’s workplace.

The aim was to enhance cooperation between workers and management to boost the country’s competitiveness and employment creation by improving industrial performance and productivity, the council said.

The workshops would be operated in co-operation with the National Productivity Institute and crafted with the participation of labour, business and the trade and industry department.

Strategies

Jayendra Nadoo, Nedlac’s executive director, said “there is an urgent need to devise workplace strategies which will allow South African industries and companies to develop in an internationally competitive, labour and skills intensive fashion.” The programme will be in three phases, with the first starting at Badplaas in Mpumalanga province tomorrow.

Phases two and three will begin in February and September next year.
Manufacturing will grow with training

Manufacturing in South Africa could raise its contribution to GDP to 34 percent by 2000, from 24 percent this year, if technological training programmes are put in place, Henri Maurer, the head of the European Committee for Co-operation of the Machine Tool Industries' economic department, said yesterday. Industry sources said South Africa would face an artisan shortage by 2000 because of the scant resources companies were directing towards apprenticeships. Maurer said European machine tool makers had identified South Africa as an important emerging economy and would bring a 24-company delegation to South Africa in February. Europeans hold 75 percent of the local market. Manufacturing production in August rose 0.7 percent on a seasonally adjusted basis from August last year, and 1.6 percent on the month, the Central Statistical Service said yesterday. — James Lamont and Reuters, Johannesburg
Labour gets active

This issue’s key stories

1. **Politics**
   - Party leaders observe... (details)

2. **Economy**
   - Inflation rates... (details)

3. **Sports**
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New training to benefit locals

By Isaac Moleli

Local companies are to benefit from a new international trade training and consultancy service launched to enable them to understand international trade trends.

The International Trade Institute of Southern Africa (ITISA), a training programme launched by two former officials of the South African Foreign Trade Organisation (Safico), Rose Blitch and Ali Parry, is aimed at helping local companies get to grips with what is happening in the "ever-changing rules of international trade."

**Training programme**

The pair say their 25 years of experience in managing and developing import and export training and education courses to international standards at the Safico’s Institute of Export will help in advancing the training programme.

Both say they have been instrumental in introducing the South African business community internationally-recognised qualifications.

The training covers areas such as freight clearing and forwarding, imports and exports. The courses being offered are structured in such a way that they comply with local and international accreditation criteria.

These include short training and several year-long distance education programmes which build on each other.

Parry believes that the lowering of trade barriers by the government, new rules and regulations, governing trade and the business of imports, exports and freight services pose serious challenges for South African businesses.

"Foreign exchange is volatile and will become even more so once all exchange controls are relaxed," he argues.

"What we will be offering is a comprehensive and in-depth educational programme which will enable an individual to advance through various competency levels in his or her chosen field of international trade.

"All programmes will be developed to international standards," says Blitch.

Short lecture-based classroom courses on importing, exporting and freight forwarding are running in Gauteng from now to December. The organisers intend making the course run four times a year in Gauteng and twice a year in KwaZulu-Natal beginning next year.

The course is expected to expand to other provinces and neighbouring countries.

The institute expects to broaden its scope to include part of a four-tiered distance learning programme - a one-year course leading to a Certificate in International Trade.

This will be followed by an individual choice to specialise in any of the fields of imports, exports or forwarding and clearing by undertaking an Advanced Certificate and then a Diploma programme in the chosen field.

The final tier of the programme will consist of an Advanced Diploma in Global Business Strategy.

Accreditation will be done by an International Association of Trade Training Organisations (IATTO), an association with a membership of more than 40 organisations worldwide.

For more information phone Parry or Blitch at (011) 288 0036.
Skills deficit seen as main investor deterrent

Training the route to growth

(1991) Age 30

Estate Manager

Skills deficit seen as main investor deterrent

Training the route to growth
Giving employers the labour they want

Charelton Smith

A part of the unemployment problem is matching employer's needs with workers' skills. To this end, the Department of Labour has embarked on a strategy - as part of R200 million from the European Union, for skills development and job creation.

Director General Sipho Pitjana says employers are potential competitors and will only be happy when they have contracts with unemployed people. He says employers should consider skills development and job creation as a means of retaining their employees.

"New enterprises who wish to set up a particular type of factory will be able to access data and discuss the skills required, demand, wages, infrastructure and employment capacity in a specific area," Pitjana says.

The system will help analysts better assess high labour unrest in a specific area. "They may find there are few unemployed of the right skills in the area and when they go to the market, they may find they are not available. They may find that the skills they need are not available in the area and that they cannot compete with other companies," Pitjana says.

The Department of Labour will start by conducting consultations with industrialists to find out how companies would like the project implemented to best serve employers and employees.

The project is part of a three-year strategic plan adopted late in 1996 to decentralize the activities of the department and to ensure a more focus on local labour offices.

"One of the main reasons for instability in government," Pitjana says, "is an over-concentration of authority at the top and the centralization of decisions at the centre which are less responsive to the needs of communities. Highly qualified people are often detached from the daily struggles of the grassroots." Pitjana says that local offices must manage the implementation of the project. There are 106 local labour centres and there is a need to be managed more efficiently and effectively.

"Some unemployment insurance offices are currently closed from 12.30. "We need to bring them to the people, not vice versa. "We need to increase the services they provide, we need to increase the hours they are open," Pitjana says.

A pilot project in KwaNatal is also in the pipeline to gain experience in this particular area.

The Henry J. Kaiser Family Foundation invites nominations from the print and electronic media for the 1998 Kaiser Family Foundation Award for Excellence in Health Journalism.

The Award recognizes consistent commitment to substantive coverage of public health issues by a newspaper, magazine or regular publication, as well as by radio or television program. The Award also recognizes the work of a single contributor who, in the view of the Selection Committee, has demonstrated a consistent standard of excellence as measured by the creativity, substance and impact of reporting.

The Award makes available the sum of up to $50,000 to enable the winning journalist to pursue a travel-work program outside of South Africa for a period of up to six months. Each travel-work program will be approved by the Foundation and must be completed within 18 months of the Award. The recipient is also required to produce a specific media product, such as a series of published articles, a radio or television documentary, as the conclusion of the Award term.

The Award is administered and selections made by a committee of distinguished South African journalists, media managers and health leaders.

FOR NOMINATION FORMS AND ADDITIONAL INFORMATION, PLEASE WRITE TO:
Kaiser Family Foundation Award for Excellence in Health Journalism
Box 27, Lisle, IL 60531-3510

All nominations must be received before January 31, 1998 and the Award will be announced in April. Nominations materials may be submitted in any of the official languages.

The Henry J. Kaiser Family Foundation is a U.S.-based, philanthropic trust dedicated to improving the health and lives of disadvantaged people. In the United States, the Foundation is mainly interested in improving the quality of services that governments in the health care system, programs and services for low-income immigrants and refugees and for underserved populations.
Education breakthrough stitched up
Course could be a pioneer in clothing industry

BUSINESS EDITOR

A basic education programme for Rex Trueform workers was launched last week in what the SA Clothing and Textile Workers' Union (Sactwu) hopes will be the first of many in the clothing industry.

The programme, driven by the shop stewards committee, involves 200 workers, mostly women. Courses will take place on Fridays and comprise 300 hours. People who complete the course will be awarded certificates recognised by the National Qualification Framework.

Rex Trueform shop steward and Sactwu national treasurer Connie September said the union hoped similar initiatives would be taken by other clothing companies.

She said the start of the programme at the company was a "breakthrough."

Human relations director James O'Brien, said the Clothing Industry Training Board had appointed a full-time co-ordinator of adult education and he was confident similar programmes would spread throughout the industry.

The basic education programme is part of a deal negotiated by the clothing industry with the Department of Trade and Industry, which has linked export incentives for the industry to training and other conditions of work.

Ms September said Sactwu had argued since 1995 that export incentives should be awarded only in terms of a development plan which would oblige clothing, textile and leather companies to spend 4% of their payroll on training for production workers.

Sactwu wanted the pioneer programme extended to other days of the week so that more workers could take part, she said.

She said the adult basic education programme was part of a broader programme and it was an important element of transforming work and society and promoting a productive and efficient industry.

Two shop stewards, Gregory Hoedemaker and Thelma Adams, have been trained as class tutors.

In training: Rex Trueform launched the clothing industry's first adult basic education course last week.
Training seen as path to productivity

By Nicola Jenvey

DURBAN — SA companies have only themselves to blame for their abysmal productivity figures, considering how little time they devote to staff training, says consultant Richard Bosworth, who specialises in training.

Bosworth said that the 10 US companies rated as the best employers spent an average 37 hours a year training each employee, while SA companies did not even register on the scale.

He quoted a Price Waterhouse London survey conducted for the British trade and industry department recently, which showed that Japan averaged 10 hours an employee annually on training, the US eight hours, Germany three and Britain less than two.

Bosworth said most SA executives were more concerned with servicing their top-range motor vehicles than with training employees.

The survey showed that the top 10 US companies spent nearly 4.5 times the national average on training, and the investment was paying handsome dividends. Computer company Kingston Technology invested 100 hours, or more than two weeks, annually on each employee. Its current turnover per employee was 2.3m.

Engine gasket company SAS Installations devoted 60 hours a year to each employee’s training, and had a turnover per employee of $174 622.

Even though multinational Microsoft invested only the national average of one working day per employee training, turnover per employee was $582 485.

Bosworth said the statistics showed that those companies investing in their human resource base were achieving employee-turnover figures nearly three times those of the competition.

Educated employees were productive, and executives had to realise their staff wanted to be challenged at work and to achieve personal growth in their jobs. This could be made possible only through training.

Bosworth believed SA companies dismissed the investment value of training and therefore presented lame excuses, such as having insufficient money. There was also an element of “passive resistance” where those higher up the corporate ladder felt their jobs were threatened if underlings had access to the same knowledge.

However, Bosworth said as deflation became an international reality, companies had to stretch employee efficiencies through training.

Training had to be delivered in bite-sized portions to be meaningful. The concept of a three- or five-day training course was prehistoric, as employees were too swamped with information to apply it to the workplace.
Numsa calls for training of workers

By ZOLILE NGAYI

FAILURE to invest in workers’ education and training by motoring companies is partly to blame for the retrenchment of almost half the workforce in the motor manufacturing industry, the National Union of Metal Workers of South Africa (Numsa) charged last week.

Numsa was reacting to the announcement by Mercedes Benz South Africa (MBSA) that the company would be introducing voluntary retrenchments from the end of February.

According to NUMSA, failure to start training programmes and the government’s “hasty” decision to reduce tariffs on imported vehicles has seen the workforce being slashed from 470,000 six years ago to about 250,000 this year.

In reply to Numsa’s accusations MBSA spokesman Christoph Kopke said the company had not reached sufficient efficiency to justify the retention of all the current workers.
Govt makes concessions on skills bill

Renee Grawitzky

GOVERNMENT has proposed significant changes to the Skills Development Bill in an attempt to meet many of the objections to the draft legislation raised by business and labour.

The main changes, yet to be approved by participants in the National Economic, Development and Labour Council, will ensure greater control over training levies by industry education and training boards.

The revised proposals, according to sources, are a significant step in the right direction. They include:

- **Centralised collection**: Training levies will be collected centrally by the Revenue Service, with 80% going into industry-specific education and training funds, and 20% to a national skills fund.

- **Customised training plans**: Employers will be able to negotiate training plans with individuals, based on their needs and the industry's requirements.

- **Flexibility in training**: Training can be provided at any level, from basic to advanced, and can be tailored to the specific needs of the industry.

The bill proposes a two-tier system where the boards fall under the jurisdiction of the training authorities. The roles of these authorities are to be defined, and the bill is expected to be tabled in Parliament during the first quarter of 2019.
Business SA accepts new training levy plan

Renate Grawitzky

THE majority of Business SA (BSA) members agreed this week to a 1% training levy proposed by government in an amended proposal to be incorporated in a revised Skills Development Bill.

The SA Agricultural Union said yesterday that it was not prepared to pay a 1% levy and wanted to be excluded.

The labour department failed to respond to requests for comment on the issue.

Business's agreement on the issue emerged after a meeting held earlier this week to resume negotiations and finalise outstanding issues on the bill.

Sources close to the process said business representatives were prepared to agree to a minimum level of investment in training, equivalent to 1% of payroll, subject to certain conditions which still had to be determined.

Employers, for example, wanted clarity on whether 1% of payroll included the wage bill plus fringe benefits or just the basic wage.

It was reported previously that government had proposed significant changes to the bill in an attempt to allay earlier concerns of labour and business.

Some of the changes are fundamental and will ensure greater control over training levies by training boards. For more important, government has revised its approach to the financing of training with the current proposal under discussion, which calls for a minimum level of investment in training equivalent to 1% of payroll in a particular industry.

This differs from the original proposal calling for a 1% to 1.5% levy paid by each individual company. The revised proposal could allow for flexibility with training boards deciding on a company's level of payment depending on size, turnover and payroll.

Negotiations were supposed to resume earlier this month, but were postponed after government requested additional time to complete internal discussions about the revision of the bill.

Sources close to the process said government was supposed to have tabled a revised bill or document at the meeting on Monday, but failed to do so.

Government indicated it was still in the process of revising the bill, which was tabled last year.

In Parliament this year so it could come into effect next year.

It is understood that government expressed concern about information being leaked to the media about the negotiations on the proposed legislation.
Nedlac to finalise talks on skills development

By Abdul Milazi

THE National Economic Development and Labour Council (Nedlac) is to finalise negotiations on the Skills Development Bill aimed at addressing South Africa's skills shortage next month.

Nedlac director Jayendra Nadoo said the organisation had made a positive start by concluding three reports and agreeing on a programme for this year at its first management committee meeting at the weekend.

He said negotiations on the Skills Development Bill were in the final stages, while social partners would start talks on the controversial Employment Equity Bill and a procedure to deal with section 77 notices of socio-economic protest action.

The question of socio-economic protest actions was brought to the fore by last week's threat by the National Union of Mineworkers (NUM) to embark on a one-day strike in protest against ongoing retrenchments in the mining industry.

Labour analyst Piet Badenhorst said retrenchments were not illegal under the Labour Relations Act. "As a result unions cannot go on strike over retrenchment, but section 77 allows people to embark on mass action if the retrenchments have far-reaching socio-economic effects."

Nadoo said the social partners agreed on a memorandum of understanding on service tariffs, together with codes of good practice on picketing and operational dismissals (retrenchments).

"The management committee concluded that although 1997 had been extremely difficult, Nedlac had proven itself to be resilient," said Nadoo.
Big boost for skills development on way

The Government will invest in human resource development over the next three years with the skills development strategy of the Government account, increasing the labour budget to R1.29-billion in 2000/01 from R745-million in the 1999/98 year.

The human resource allocation increases by 75% in 1999/00 and by 48% in 2000/01, which is an increase from R325-million to R850-million over the next three years. The green paper on a skills development strategy was published in March last year and seeks to improve the level of skills in South Africa where most workers are unskilled. South Africa has an abundance of unskilled labour and periodic shortages of skilled labour.

An amount of R248.1-million has been secured from the European Union for the implementation of a skills strategy. The Labour Department is responsible for the administration of labour market policies, ensuring compliance with occupational health and safety standards and management of the Unemployment Insurance Fund.

The green paper also urges that companies set aside money to train their employees. In addition, the Umsobomvu Fund, which will be set up from the proceeds of a 2.5% once-off taxation of the demutualisation of Old Mutual and Sanlam, will help with skills development.
Demutualising charge to capitalise jobs trust

Wyndham Hartle

CAPE TOWN — The proceeds of a one-off charge on demutualising insurance companies would be used to establish a skills upgrading and job-creating fund, Finance Minister Trevor Manuel said yesterday.

Announcing the creation of the Umsobomvu Trust during his budget speech yesterday, Manuel said "Job creation is a national project that requires the talent, creativity, energy and the unyielding commitment of all our people."

"Unless we embrace this challenge collectively we will forever deny our country its true potential."

He said the proceeds of a one-off 2.5% charge on demutualising insurers would not go into state coffers but would be used to capitalise the Umsobomvu Trust. Umsobomvu means "new dawn".

"At the dawn of the 21st century, our nation must invest in its young people, arouse their skills potential, invigorate job creation and secure better lives for our children," Manuel said.

Assurers Old Mutual and Sanlam are expected to convert their organisations into shareholder-owned companies within the next 12 months.

The one-off charge, which will be on the free reserves of the insurers, estimated to be between R65bn and R120bn, will deliver between R600m and R1bn as start-up capital for the fund.

The fund, which will resemble the Independent Development Trust, will be run by a board of trustees.

It is seen as a government instrument for job creation and skills development which will be one of the "offerings" of the state at the presidential jobs summit later this year.
Small firms ‘hurt training initiatives by poaching’

Primarshi Pillay

MAINLY major companies are investing in skills training in higher education, while smaller companies are instead poaching graduates, says Sparrow trustee and Bantu University management manager Diana Langauge.

He was speaking at a workshop on Bantu University’s community service in higher education on Friday. The workshop, organized by the Joint Education Trust, was geared towards the involvement of the private sector. Further workshops will be held with business, student and higher education institu-
tions. Later this year the trust will make policy recommendations to government, which is looking into the community service by graduates.

Recently the National Youth Commission said that community service for graduates should be voluntary.

Language explained that while major companies invested in the training of young people in higher education institutions, among others, sponsoring bridging programmes, smaller companies could not afford to invest in education in SA.

For community service in higher education to be effective, there had to be partnerships between organizations as well as a transfer of skills, he said.

Matshe primary Adams of Anglo American’s graduate recruitment section stressed that smaller businesses must try to assist with graduate training. The problem was compounded by some overseas companies which funded students to travel abroad.

“Some students have been involved in community service, although the positions were available in SA. They have been poaching them. There are some exceptions to this rule.”

Role of SA NGOs in landmine ban lauded

Josey Ballenger

SA’s non-governmental organizations (NGOs) played a leading role in the International Campaign to Ban Landmines, which culminated in a treaty signed by 122 countries and won the 1997 Nobel Peace Prize.

The week before the treaty was signed, a Norwegian NGO, the Norwegian Ministry for Foreign Affairs, organized a conference in Pretoria.

United Nations convention on the prohibition of the use, stockpiling, production and transfer of landmines, which provided for their destruction within four years after the treaty was signed.

About 18 000 ‘SANDF’-stockpiled landmines are being kept, however, for training purposes in detecting, clearing and destroying the weapons. Of which 5 000 are “live” and the remainder “dummies.”

Speaking on behalf of Deputy Foreign Affairs Minister Anz Pahad, deputy director-general Abdul Minty credited SA NGOs with taking the lead in uniting African nations throughout treaty negotiations — and paid tribute to African countries “for supporting us without conditions.”

“Anz there is a perception that African remains unable to solve its own conflict. We have gained a loud voice on collective action would be a blow to ... those indiscriminate weapons elsewhere.”

Ballenger said the SA National Defence Forces (SA National Defence Forces) of the United States was the third country to sign the convention in Ottawa in Canada in December.
US management group funds local govt training

Deborah Fine

THE US-based International City Managers' Association is to fund training courses for SA local government managers.

The association, which has its headquarters in Washington and more than 8 000 members worldwide, signed a cooperation agreement with the SA Institute for Local Government Management last September.

The conference has already attracted more than 100 local government managers from previously disadvantaged communities countrywide, and will focus on the challenges they face, including financial management, the stimulation of local economic development and effective service delivery.

Speakers include experienced city managers from the North American cities of Atlanta and Vancouver.

Constitutional Development Minister Valli Moosa said recently that capacity building in local government was a major priority for SA because the local government sphere was the "environment that offers the hardest challenges".

Local authorities had the "mammoth" responsibility of delivering and maintaining essential services and infrastructure central to the country's daily functioning.
‘Train kids in life skills to cut back on crime’

Business urged to invest in youth

MOSES MACKAY
STAFF REPORTER

Previously disadvantaged youths must opt for business skills and life skills in order to survive in the modern world.

This is the view of community leaders on the Cape Flats, who also have called for the introduction of sport in the school curriculum.

Danule Landinwe, chairman of the Guguletu community policing forum, wanted to see more sport at schools.

Many youths were not working and tended to be drawn towards criminal activities.

“Not all youths are engaged in crime. A small percentage become criminals because it is exciting and there is nothing else to do, because of the lack of sport in the community and at schools.

“They spend their time in shebeens and abuse alcohol and drugs.”

Mr Landinwe said the business community also should help create jobs and empower the youth by training people and giving them skills.

Zwelinzima Hlazo, African National Congress councillor in Nyanga, agreed with Mr Landinwe that the business sector had a role to play.

“The business people in Nyanga are doing nothing for the young. We need the co-operation of business, youths and other residents to economically build the townships.”

He said that although the crime rate had decreased in Nyanga, it could rise again because of unemployment.

“We should promote job-creation, development and investments in the townships,” he said.

“Computer literacy is a prerequisite for almost all companies. Other skills that are in demand are bricklaying, electrical engineering, plumbing and entrepreneurship. The youth should not all opt for the academic careers.”

He said self-employment was important because of low economic growth and the shortage of jobs.

Mr Hlazo said the Nyanga RDP forum had been given a mandate to make plans for the youth and councillors supported them in creating facilities for them.

There was a lack of youth participation in community structures, which were not functioning well. The young were not represented in the RDP forum.

Themba Mbona, a member of Nyanga Peace and Development Project, said there were few facilities available for the young.

“We would like the community to involve youths in their meetings. They should take part in the decision-making.”

Metto Mllanganiso, ANC councillor in Brown’s Farm in Philippi, said the involvement of youths in crime was a cause for concern.

He said many young people were involved in sport at weekends “But the problem is during weekdays when they spend their time on the streets.”
THE SA Foundation yesterday said business should become responsible for all artisan training, a proposal which could be included in the foundation’s submission to the presidential job summit later this year.

SA Foundation executive director Neil van Heerden said the summit would have to look beyond mere short-term jobs to human capital development.

The possible funding of artisan training could become part of a broader funding initiative linked to business’ overall commitment to human capital development. Van Heerden said artisan training in SA had fallen into disarray in recent years and such training was crucial as it could lend itself to the promotion of entrepreneurs.

Basic skills

He saw no reason why the private sector could not take responsibility for artisan training as their German counterparts did.

Foundation economist Philip Black said there was a need for basic skills training to enable people to become meaningfully employed or self-employed.

SA had to focus on the right kind of education and training focusing on literacy, numeracy, information technology, entrepreneurial and management skills and engineering and physical sciences.

Van Heerden said that since the truth commission began its work, business had embarked upon some intense introspection about its present and future direction. It was now struggling to make a separate but co-ordinated contribution to the summit.

Parties, he said, should not have high expectations of what could come out of the summit. “We should be humble in our expectations of what could happen and we should have no illusions that it will provide an automatic formula for job growth.”

The recent gold mining summit had, however, provided a positive sign and showed that labour and business could sit together to thrash out solutions.

Business was not in the business of creating jobs but the did not imply it was not concerned about job creation. This, he said, had to be conveyed in business’ submission to the summit process.
Centre gives new hope to unskilled

ANDREA BOTHA
Staff Reporter

Two months ago Elvelesia Williams was unemployed and unskilled. Then she went to the Bergzicht Training Centre for a training course in the hospitality industry.

She now has a job at a guest house in Stellenbosch and her happy face beams when she tells her story to partners and trustees of the Joint Education Trust, whose funds have helped institutions like the Bergzicht Training Centre to assist people like her.

The Trust is made up of corporate giants like Anglo American, AE&CI, Johnnie, Shell, SA Breweries, trade unions and political parties. At its annual review at the Waterfront, the Trust announced that it would give R80-million to further national education.

The money will be spent on teacher training programmes, development of teachers and the young, vocational training and other projects.

Mike Rosholn, chairman of the Trust's board of trustees, announced that 15 of the 18 starting partners had recommitted themselves to the Trust and had made R90-million available - to be spent over three years.

Western Cape education chief Brian O'Connell praised the Trust for its contribution to education, but said all this good work would be negated unless many South Africans changed their attitudes dramatically. "The problem in South Africa is the absence of a shared vision," he said.

However, ignorance and dependence were continuing to hamper the department, which was trying to provide quality education in spite of being saddled with a tremendous debt.

"Then I look around and see the signs of energy, see what Bergzicht is doing, and that it is not all doom and gloom, that there are wonderful things happening in the country." The Trust was set up by 18 prominent partners from corporate, political, trade union and banking circles in 1992, specifically to tackle the plight of those who where disadvantaged under the apartheid education system.

In 1992 the partners decided to spend R500-million on education over five years. At the end of 1997 the Trust reviewed its position and realised that there was more work to be done. Important partnerships with foreign donors have drawn more than R200-million for education into the country.
Skills law may see companies losing out

By Isaac Moledi

EDUCATION and training consultant Dr Ray Eberlein says companies should change their training methods before the Skills Development Bill becomes law.

He says companies are likely to lose millions of rand if they do not prepare before the law is passed.

As part of a strategy to get businesses to invest in the development of their people, the Bill makes provision for a Government-imposed levy of between one percent and 1.5 percent on the total personnel costs of each employer.

The Bill, which is scheduled to come before Parliament during the current sitting, also makes provision for 20 percent of the levies to be paid into a National Skills Fund.

In terms of the Bill, companies which pay the levies will be able to claim reimbursement of a large portion of their contribution if they provide employees with training and development which meets prescribed standards and programmes.

The education and training should meet the new National Qualification Framework (NQF) requirements.

Eberlein argues that many education and training programmes that are used by businesses today do not meet the requirements of the learner or the business.

The programmes are ineffective and do not contribute to developing a culture of learning.

“Businesses need to change the way they educate and train their personnel,” says Eberlein.
Industry to help set training standards

A body tasked with drawing up new standards for information technology training is asking industry players to contribute to the process.

"We need input not only from recognised training companies but from all sectors of the industry, including software suppliers," said Jim Yeomans, convener of the interim standards generating body of the IT National Qualifications Framework.

"We are seeking the broadest possible constituency to help write these standards and assist us in registering meaningful qualifications. We know there are a lot of good ideas and expertise in the market place and we need to tap into these." The information technology industry would benefit greatly from a regulated training environment because effective training was the key to improving productivity, he said.

The standards being developed and the qualifications they lead to must be recognised internationally and also meet local needs, said Yeomans. "The new legislative framework will shake out most of the fly-by-nights training operators that have leached off the IT industry for so long. This in itself is a critical element of the overall success of IT training and education.

Training bodies which conform to those standards will be able to apply for funding from government's proposed training levy which would skim at least 1% from company payrolls.

Any organisation developing its own training standards should work through the body to avoid duplication and ensure that its standards were internationally acceptable, he said.

A meeting for interested parties will take place at the ITA conference centre in Randburg on Tuesday.
R1m planning education scheme launched

Deborah Fine (79) 601 741 98

THE Gauteng provincial government has set aside more than R1m to fund a pilot education programme aimed at providing land development and planning skills to people from previously disadvantaged communities.

The pilot, known as the mass planning education programme, will be launched today by Gauteng premier Mathole Motshekga and Gauteng local government MEC Sicelo Shiceka.

The project is a joint venture between the Gauteng development planning and education departments and will be conducted by the Johannesburg Technical College.

Aimed at people between the ages of 18 and 50 who were unable to attend full-time courses at tertiary institutions, the programme will impart skills such as land surveying, building construction, urban land use, transportation and infrastructure development.

Successful graduates will be assisted to find employment in provincial and local governments, and the private sector will be approached to provide additional funding for the project.
No relief from skills levy for training costs

Renee Grawitzky

Employers will have to contribute towards a National Skills Fund in addition to financing their own training needs, under a revised Skills Development Bill presented to labour and business negotiators last week.

The revised bill scraps education and training boards, which were supposed to operate under the jurisdiction of sector education and training authorities. It retains the authorities.

If education and training boards have not merged to form sector bodies by the end of next year, their registration will automatically lapse and they will cease to exist.

It is understood that the bill stipulates that levy collection by such organisations cannot exceed 1% of the amount collected.

The bill provides some broad guidelines on setting up the sector education and training authorities. Such bodies could be established in industries which have similar processes, technology or render similar services; which are covered by the scope of any national strategies for economic growth and development, or where consensus can be reached between parties to define a particular sector.

These bodies will be required to design and implement skills development strategies; monitor education and training in sectors, allocate grants and collect levies, promote learnerships and perform the function of education and training qualification authorities, and liaise with the national skills authority.

Defaulters could face Labour Court action and be forced to pay outstanding amounts or any prescribed percentage. However, education and training board sources said this was insufficient as employers would continue not to pay levies as was happening at present.

Some submissions had called for penalties to be imposed.
Provinces doing little to train poorly skilled staff, committee told

By the Editor

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SUNDAY, APRIL 24, 1998

UNIVERSITY OF G.T. TOWN
Part of skills levy to fund social plan

Reneé Grawitzky

A PORTION of the training levy on companies would be used to implement a social plan broadly agreed to in the National Economic, Development and Labour Council (Nedlac), the labour department said yesterday.

Companies will be levied 1% of their payroll, of which 20% will go into a national skills fund and the remainder will be used to finance sector training.

Labour department director-general Sipho Pityana said the agreement in Nedlac on the social plan was consistent with the provisions in the Skills Development Bill. Thus ensured that funds from a national skills fund would be used to retrain workers facing retrenchment, and to train youths and the unemployed.

This came amid some opposition from employers to the retention in a revised Skills Development Bill of the provision that 20% of a training levy go to financing the national skills fund. However, the bill ensures employers who train personnel with accredited courses will be able to reclaim monies from sector education and training funds. Employers were also under the impression that government had disregarded a compromise agreement reached in Nedlac.

Pityana said government did not retract any deal. It was understood that the Nedlac parties would revert back to their respective principals with a view to getting a final mandate. The government delegation acted within this understanding.

Pityana said an incorrect impression had been created that government had agreed to drop the 80-20 split in the training levy. The cabinet considered the proposal and decided against it. The decision, he said, was not based on any suggested conflict in government over its commitment to financing the skills fund from the fiscus.

Its commitment to financing skills development was reflected in the medium-term expenditure framework which provided R200m this year to R500m by 2000 for skills development.

Pityana said there had been no element of secrecy in the process. Final negotiations on the bill began on May 4.

Industry sources and analysts said that ultimately business and the SA economy would benefit from the training levy as it would assist in kickstarting much needed skills training.

BoE Securities analyst JP Landman said a recent World Bank report on the SA labour market and the Africa Competitiveness Report identified the education and skills of SA workers as a major liability and placed a ceiling on the economy’s capacity to grow.
Eskom Sparks Job Opportunities

Technicians needed as sales of kitchen items soar.

Cape Argus, Monday, April 27, 1998
Institute challenged on public sector training
Negotiations on Skills Development Bill to be finalised today

NEGOTIATIONS on a revised Skills Development Bill presented to labour and business last month would be finalised today in the National Economic, Development and Labour Council (Nedlac), sources close to the process said yesterday.

Parties indicated that a Nedlac report — outlining areas of agreement and disagreement reached during negotiations on the bill — would be finalised today.

It is understood that business intends reserving its position on the bill’s proposal that 20% of revenue collected from a training levy of 1% of payroll will finance a national skills fund while 80% will go into a sector-specific education and training fund.

Government has indicated that the 20% directed to the national skills fund would be used for social plan purposes.

Companies engaging in the retraining of retrenched employees or other social plan activities could claim money from the skills fund.

The broad thrust of the bill is to encourage training at company level in line with an overall sector skills development strategy.

Sector education and training authorities will emerge out of the current industry training boards.

They will take up the function of designing and implementing skills-development strategies as well as monitoring training in sectors.
Cosatu gives in to government over training levy row

FRANK NKUMALO

Johannesburg — The central executive committee (CEC) of the Congress of South African Trade Unions (Cosatu) had reluctantly accepted the government’s argument on the division of the 1 percent levy on companies’ payrolls as proposed in the Skills Development Bill, Sam Shilowa, the general secretary of Cosatu, said yesterday.

This means the levy will be split 80 percent-20 percent, with the 20 percent going to the national fund to train targeted groups such as the unemployed, retrenched workers, women and the youth.

Shilowa said although negotiations on the skills bill officially ended on Wednesday, certain key issues remained unresolved and the CEC had decided these should be taken up within the alliance.

He said Cosatu took strong exception to the government’s refusal to split its contribution in the 80 percent and 20 percent proportions.

"The government is now clearly practising double standards and extreme hypocrisy," he said. "Throughout the negotiations the government had insisted on the 80 percent-20 percent split, but flatly refused that its own 1 percent levy contribution be split. "As if this is not enough, the government is refusing to give a clear undertaking that it shall provide adequate resources from the fiscus to the national fund."

Shilowa said the government had also rejected business’s request to match the 20 percent levy paid for rand. "It is now clear to Cosatu that the government wants to subject the contribution from the fiscus to its other macro-economic policies," he said.

Shilowa slammed the government and business for insisting on the exclusion of allowances or benefits in the calculation of the total 1 percent levy on payroll.
Bridging gap between school and jobs

MoSES MTHELELEU MACKAY

A project to help unemployed school-leavers gain skills that will assist them to find a niche in the world of work has been initiated by the Health Promotion Resource Centre in Wynberg.

The challenge to Cape Town employers to provide some skills training to young people was launched in November last year.

The project was started as a means to fill the gap between matriculating youths and finding a job.

"We know that there is just no work for young people," said one of the project co-ordinators, Ferdinand Bonvana.

Mr Bonvana, joint project co-ordinator with Felicity Ohlsen, said the first phase focused on training and placing youngsters in a work environment.

The project goes some way to meeting the concern expressed by Cape Flats leaders that previously disadvantaged youths should opt for business skills and life skills in order to survive in the modern world.

Phase Two of the project entails businesses and employer organisations exhibiting their products or services.

The second phase will be implemented on June 18 when a public event will be held where some of the youth involved will speak about their experiences.

"We are also hoping that one or two of the organisations will share their experiences of having placed these young people," said Mr Bonvana.

"Although the result for some of the youth might not be full-time employment, we will have succeeded in revealing a wider spectrum in the world of work."

A number of organisations have already offered training or work-shadow placements to young people involved in the project, including Marine de Beers, Engen, Bush Radio, Radio C-Flat, the Naco Theatre, X-Pert Project Management Services, the National Parks Board and the Community Video Education Trust.
NEGOTIATIONS on the Skills Development Bill in the National Economic Development and Labour Council (Nedlac) have finally come to an end, but uncertainty still surrounds the ratification of a report on negotiations on the Employment Equity Bill.

Labour, government and business negotiators yesterday ratified the Nedlac report on the Skills Development Bill — outlining areas of agreement and disagreement. The parties were unable to agree on the Employment Equity Bill as the Congress of South African Trade Unions (Cosatu) opposed the inclusion of a clause relating to the wage gap.

The Nedlac report on the Skills Development Bill will be presented to Labour Minister Tito Mboweni at a Nedlac meeting on Saturday. The major area of disagreement still revolves around the funding of the proposed National Skills Fund.

Business reserved its position on the bill's proposal that 20% of revenue collected from a training levy of 1% on payroll will finance the national skills fund and that 80% will go into a sector-specific education and training fund. Cosatu has opposed government's refusal to split its contribution as it has required business to do.

The bill provides that public service employers must budget for "at least 1% of payroll" for training and education, but is silent on contributions to the national skills fund.

One of the core objectives of the bill is to "provide for learnerships that lead to recognized occupational qualifications." Learnership agreements will require employers to employ a learner for a specific period and to provide him or her with specific practical work experience.

The question of payment will be decided by the minister on recommendation by the Employment Conditions Commission.
Cabinet approves bills on employment and skills development

Farouk Chothia

CAPE TOWN — The cabinet yesterday approved the revised Employment Equity Bill and the Skills Development Bill, opening the way for them to be presented to Parliament during the current session, Labour Minister Tito Mboweni said yesterday.

The cabinet also resolved to stop the payment of overtime pay to senior public service managers and professionals.

A government source said this decision would affect mainly public prosecutors and doctors. It was believed many of them should be promoted into higher public service ranks so their basic salaries became market related.

Mboweni told a media briefing the approval of the bills was a “victory” for SA. It would be welcomed by the millions of people who had been discriminated against, but it should also be welcomed by those who wanted to “dispense with our abhorrent past” Mboweni said “quite a significant” late insertion in the Employment Equity Bill was that businesses should aim at workforces that reflect national and regional demographics of the “economically active population”. The phrase included people seeking employment or those who had been discouraged from doing so.

He said agreement with business and labour had also been reached on the Skills Development Bill. However, business still opposed the provision that 20% of the funds collected from a 1% levy on payroll be diverted to a fund for financing national training priorities. Negotiations on this issue would continue while the bill went through the Parliamentary process.

Mboweni said the presidential jobs summit would take place in June or July. He could not give a more specific date because discussions were still taking place.

Mboweni said an intra-governmental meeting to be attended by members of the inter-ministerial committee, provincial finance and economic affairs MECs, and representatives of the SA Local Government Association would be held next week to finalise preparations for the jobs summit.

A short, medium and long-term strategy to save jobs would be devised, along with a proposed programme of action for discussion at the summit, he said.

He said the cabinet also expressed support for the draft National Economic Development and Labour Council framework agreement on the social plan, which would result in training and economic development to alleviate the impact of job losses.

Meanwhile, government spokesman Joel Netshitenzhe said the cabinet decided that no government official from the rank of director upwards should qualify for overtime pay. Negotiations in this regard would take place with the relevant labour unions.

Mboweni said this brought the government into line with the general practice in the private sector.
Centres of excellence will train government officials.

Reports by

General of the Union
Cabinet backs two labour bills

CABINET 14/5/98
PARLIAMENTARY CORRESPONDENT

Cape Town — Cabinet gave the go-ahead yesterday for the employment equity and skills development bills to be submitted to parliament.

The bills are likely to be passed by June or July this year, despite continued disagreements on some aspects by business and labour.

Tito Mboweni, the labour minister, said the greatest progress during negotiations in Nedlac had been made on the employment equity bill.

An important change is that firms employing 50 or more staff members would no longer have to automatically submit employment equity plans. Only employers who have turnovers higher than those used to classify small and medium-sized enterprises would have to submit plans. This was irrespective of how many employees they had.

Mboweni said that after representations from the public, it had become clear that the 18-month period in which reports had to be submitted by employers was “unreasonably long.” As a result, employers would have to submit reports within 12 months if they employed fewer than 150 people and within six months if they employed more than 150 people.

Employers with 150 staff or fewer would have to submit subsequent reports only once every two years. Larger employers would have to report back every year.

To prevent confusion over who would handle disputes, it had been decided that these would be handled by labour inspectors and the director-general of labour.

The Commission for Conciliation, Mediation and Arbitration would still handle disputes over unfair discrimination, with the labour court acting as the final point of appeal.

Factors to be considered when preparing and assessing employment equity plans had been broadened. The plans would no longer have to take into account national and regional demographics alone, but the national and regional demographics of the economically active population.

Employers would now also have to consider the equitable representation of various groups, “so that they should not focus on one particular group disproportionately”, Mboweni said.

“Other business constraints have now been incorporated in the assessing of plans, such as the labour turnover (or lack thereof) for employers, as well as current and planned vacancies.”

On the skills development bill, Mboweni said there had been “a remarkable degree of agreement” in Nedlac. He was pleased that employers had agreed to contribute an amount equal to 1 percent of their payroll towards skills development.
Banks sponsor 32 students for information technology training

Lesley Stones

THE SA Reserve Bank has launched an information technology (IT) training course for black students in partnership with the five major commercial banks and black-owned technology company PQ Africa.

The IT Banking Internship Programme is training 32 students who will qualify at the end of the year NBS, First National Bank, Standard Bank, Nedcor, Absa and the Reserve Bank are sponsoring the students at R20 000 each for the year-long course. Next year 100 students should be trained, if other banks add their financial support to the project.

“We are taking positive steps to address what is becoming a crisis,” said Reserve Bank deputy governor Tim Thakane. “Banks are losing a huge percentage of skilled information technology staff overseas and too few students are being trained.”

Without skilled staff, banks would not be able to extend their services to the poorer communities nor compete with international operations, he said.

The idea was born when PQ Africa worked on the Reserve Bank’s electronic payments and settlement system and recognised the skills shortage.

PQ Africa is co-ordinating the training, which covers financial and business skills, computer programming and life skills such as teamwork and business ethics.

“We want to recruit and train our children from disadvantaged communities and impart skills in IT and telecommunications so they can be an asset and not an liability,” said PQ Africa chairman Don Ncube. “Rapidly changing technology was altering the banking environment and creating an endless demand for skills, he said.

“When you are dealing with rapid transformation, you train as many people as you can to deal with it. Banks have never been known as Mother Theresa and are doing this out of good self-interest.”

Students are given an allowance and will be employed by the sponsoring bank after they qualify.

The Institute of Bankers will certify the qualification, with business training carried out by Damelin and Luso Zhakemi providing computer training.
Emploees with heads in the sand will be kicked in the rear.
State course to hone top skills

LYNDA LÖXTON

Cape Town — A high-level training programme to improve public and private sector management skills would soon be launched, Zola Skweyiya, the public service and administration minister, said yesterday.

Speaking during the national assembly debate on his budget vote, Skweyiya said the programme would be run by his department, the Wits Business School and Harvard University. It would be sponsored by the United States Agency for International Development. This "will directly enhance development and the economic performance of the country", Skweyiya said.

At the same time, the public service management development programme, which Skweyiya launched in November last year in partnership with the European Union, would make R3 million available over three years to provide management training to public servants.

"The funds will also be used to increase the educational and research capacity of the institutions that are part of the Joint University Public Management Educational Trust consortium," Skweyiya said.

The development programme would also develop the training capacity of the South African Management Development Institute, which had recently created a special unit to focus on the provision of training in productivity and quality management for the public sector.

Michael Ward, the director of the Wits Business School, said the first leg of the management training programme would start in August and run throughout most of next year. Harvard would send its "A-team" of 10 top academics to help run the courses, which were developed for the World Bank.

He said that World Bank funding had also been obtained for further training of trainers for senior public and private sector managers.

In his speech, Skweyiya also said that a key feature of the new human resource management approach in the public service was the development of a strong and effective performance management system.

This, he said, called for an entirely new approach to management, with particular emphasis on making managers more responsible for ensuring that staff met service delivery targets.
Kluever slams lack of training, skills

Report by auditor-general highlights lack of long-term planning and tendency to ignore procedure

BY JOVIAL RAMTANG
Cape Town

A
loss of expertise and lack of training has re-
sulted in the Government overspending by R1,1-bil-
liion, the auditor-general has reported. This situation was prevalent on national, provincial and municipal levels.

In a report tabled in Parliament yesterday, Auditor-General Henri Kluever said there was an acute lack of basic accounting systems. The financial management of departments was reliant on information systems and technology developed more than 30 years ago.

"Any further loss of skills from departments and institutions may cause grave problems. Positive steps to prevent this should be taken as a matter of urgency," Kluever warned.

He said long-term planning did not take place in a formal and structured manner. The lack of measurable objectives, performance criteria, norms, standards and indicators made performance measurement and benchmarking impossible.

Kluever emphasised that unauthorised expenditure did not mean that the money was wasted: it meant that proper procedures had not been followed.

He said although shortcomings were reported to Parliament regularly and corrective steps were being implemented by managers in the civil service, no holistic approach to rectify the shortcomings identified in the reports was followed.

"No up-to-date statistics on the appointment of financial managers and strategic planning departments were available. As in previous years, many instances of non-adherence to procurement procedures were reported on this year. The reasons range from ignorance to deliberately ignoring the rules and regulations."

"The disclosure of assets, stores and equipment is inadequate and the amount of the total investment is also not readily available. Accounting officers will increasingly have to pay attention to the effective employment of funds by limiting the investment in stock and equipment to the absolute minimum," Kluever said.

His other findings were that organisational structures are not reviewed regularly enough, the training of staff was often inadequate or unstructured, and human resource management was deficient.

Management information systems did not always provide the necessary information and often functioned in an unco-ordinated way. Internal reporting was often deficient and not regularly evaluated to ensure that it satisfied the needs of users.

Among the items highlighted as unauthorised expenditure which required further investigation are:

- The Department of Labour paid more than R500,000 in overtime to a contractor hired to maintain its computer services.
- A fraud investigation is likely to follow after the Department of Land Affairs paid more than R1-million to a software training consultancy after the contracts had lapsed.
- A total of R14-million was mistakenly paid by the RDP to the Eastern Cape province.
- "Fruitless expenditure" of R102 453 by the Central Statistical Service due to the cancellation of a workshop.
- The leasing of the World Trade Centre for the Multi-party Negotiating Process by the Department of Constitutional Development for more than R86-million.
- The Department of Health spent more than R160,000 on printing contracts without following the proper tender procedures.
New body will oversee workers’ training

Mzwandile Jacks

EMPLOYERS in the metal industry have entered into an agreement with trade unions to establish a new training board to oversee the training of workers. Steel and Engineering Federation of SA CEO Brian Angus said yesterday.

The development of training for all workers would improve labour productivity in the medium to long term. The manufacturing sector has in the past three years experienced substantial job losses, from 385 000 hourly paid workers in 1990 to 285 000 in 1996.

"The current workforce in the metal industries still stands at around 285 000 hourly paid workers and, even with sustainable growth, the prospects for any major increase in the number of workers in the industry are relatively small. However, there is plenty of room for improvement in skills level," Angus said.

If the steel and engineering industries were able to improve on their international competitiveness, the potential available in export markets would be better.

Free trade agreements would mean SA access to tendering on European Development Fund projects in African, Pacific and Caribbean countries.

SA’s manufacturing industries, especially the metal industries, were seen to be offering the most export potential to both existing markets and new markets.
WHERE'S THE R5M?

Training scheme probed

TWO BUSINESSES without the necessary accreditation won a contract to train unemployed people in a R5-million scheme in the impoverished West Coast region. Senior Writer YAZEED FAKIER reports.

A n urgent investigation has been launched into the expenditure of R5 million following the collapse of an empowerment training scheme for unemployed residents of impoverished West Coast communities.

The controversy has precipitated the premature closure of the Vredenburg area of a training centre administered by the director of the Cape Town-based Western Cape Training Centre, Johan Greyling.

Originally due to operate until the end of this month, the scheme was aimed at school-leavers and the unemployed of the so-called SVL region (Saldanha Bay, Vredenburg, Langebaan), where previously disadvantaged communities are in steady decline because of problems in the fishing industry.

"The idea was to train local unemployed people in the hope that by having a basic-trained workforce available, investment would be attracted to the region," said George Karridge, former chairperson of the West Coast Training Initiative.

Clouds started gathering earlier this year, however, when training funds totaling around R5m and meant to last 12 months from August last year dried up as early as December.

The zonaille expenditure caught the attention of the 20,000-strong Metal and Electrical Workers Union of SA (Mewusa), stakeholders in the development of the "West Coast corridor".

Many of Mewusa's members work at the multi-million-rand Saldanha Steel plant where the construction phase is nearing completion, commissioning has started and employment is now limited to skilled workers.

It was the construction phase that was the focus of the placement of trainees who had passed through the West Coast training centre.

Mewusa national president Russell Sabor told the Cape Times he had objected early on to the "extraordinary" manner in which two training companies were chosen.

At an emergency meeting in Cape Town he had pointed out his concerns to the project funders, the Department of Labour and other interested parties, that the two businesses — Simon Cape Training and Opus Training and Management Consultants — had won the training contract when neither at the time had the requisite accreditation from the Metal and Engineering Industries Educa-

tion and Training Board (MEETB). They obtained accreditation months later.

Sabor had questioned how this could have been allowed as the validity of certificates issued to trainees also had to be called into question.

He said trainee electricians had completed an six-week course, which was insufficient, at the training centre.

Many of these trainees had been employed at the Saldanha plant and surrounding industries to do piecemeal jobs that should have been done by qualified artisans and were doing the work of qualified artisans for wages well below the normal rate.

Sabor said this practice was tantamount to the locals' having been "trained for exploitation."

Attempts by the Cape Times to contact Simon Cape and Opus for replies to the claims proved fruitless.

Addressing grey flags over correspondence, telecom phone numbers are not and are not listed in directories.

Greyling, who was put in charge of the West Coast training centre, said they were appointed by Jaap Wolfardt, a senior official of the Industrial Development Corporation (IDC), which funded the training scheme. (The IDC is a parastatal institution created to provide start-up loans for businesses.)

Other well-placed sources said another senior IDC official, Reiner van Rensburg, had also had a say in the controversial appointments.

Contacted for comment in Johannesburg, Wolfardt and Van Rensburg referred the Cape Times to IDC general manager Johan Greiff. Greiff, in turn, referred the Cape Times to his boss, IDC chief executive officer Khaya Ngqula.

In an interview Ngqula sounded annoyed that the training programme had run out of funds so quickly. He confirmed that an independent audit ordered by the IDC was underway.

Documents in possession of the Cape Times indicate that Simon Cape and Opus delivered training for up to five and six months respectively before receiving accreditation from the MEETB.

Greyling claimed that after the two companies had gained accreditation, "the IDC got the training providers to re-evaluate the trainees and to re-certificate them." Ngqula, however, denied that the IDC had been responsible for initiating the re-evaluation process.

Sabor said the union found developments surrounding the project "disgraceful" and eagerly awaited the IDC report.
NO TRACE OF TRAINING COMPANIES

‘Artisans’ far from qualified

CERTIFIED BUT NOT necessarily qualified. That’s the predicament of jobless trainees of a R5-million West Coast project. Senior Writer YAZEED FAKIER reports

CERTIFICATES issued to trainees in a controversial R5-million training programme for jobless West Coast residents could be “misleading.”

And those who were given the certificates are now under the mistaken impression that they are qualified artisans.

This warning, by the Metal and Electrical Industries Education and Training Board (MEETB), follows a Cape Times exposé earlier this week on the “extraordinary” manner in which two companies secured a tender for the training programme in Vredenburg, on the West Coast.

The award of the tender raised suspicion when it came to the attention of the 20 000-strong Metal and Electrical Workers’ Union of SA (Mewsas) that neither company was accredited by the board at the time.

The companies are Simon Cape Training and Opus Training and Management Consultants.

The training programme, run under the direction of Johan Greylings, head of the Western Cape Training Centre, has collapsed amid searching questions concerning the administration of the project.

As administrator of the project, Greylings was given the responsibility of ensuring the quality and standard of its services.

An investigation has now been launched into the entire project, including the expenditure of the R5m funding package, which was to have lasted 12 months but dried up last December — seven months earlier than planned.

It has been established that training by the two companies continued for another four months, until April this year, before action was taken by the Industrial Development Corporation, the parastatal organisation which funded the project.

Additional payment is presently being sought for the four-month period of training as well.

The West Coast training project was to serve as a “feeder” for the giant Saldanha Steel development, to help jobless residents in the economically-depressed SVL region (Saldanha Bay, Vredenburg, Langebaan). The training was to have set them on a career path that would have led to their eventual permanent employment in all phases of the Saldanha Steel development.

The collapse of the training programme, amid a raging controversy, appears now to have put paid to that plan and dealt a blow to the West Coast corridor development initiative.

In the latest development, Hamsa le Roux, a spokesperson for the Cape regional office of MEETB, to which the two training companies belatedly applied for accreditation, said that subsequent to the board’s approval of their application, it had heard concerns “from the learners (trainees) themselves and from trade unions in our industry” about the training being offered at the Vredenburg training centre.

“The certificates issued to learners by these providers could be misleading — which we recently pointed out to the Western Cape Training Centre, requesting them to indicate clearly that the training offered only the first phase of a broader training schedule,” Le Roux said.

“The learners appear under the impression that they are qualified as artisans, especially after undertaking the (centre’s) six-week course.”

Concerns were raised by the trainees themselves and by trade unions

MEETB was also aware that the companies wanted to recall trainees who were trained during this period, to retest them and award them new qualifications being issued.

But, said Le Roux, “We are not in a position to comment on the quality or advisability of such a process.”

Greylings has claimed that those trained before accreditation was obtained had been “re-evaluated and re-certified” by Simon Cape and Opus at the instruction of the IDC.

But Mewsas national president Russell Sabor has questioned the standard and quality of these evaluations and the validity of the certificates.

Sabor said the programme had unfolded in contrary to the spirit in which the training initiative was first mooted by the various parties — which was to address empowerment among the previously disadvantaged by way of creating jobs for the poor, the unemployed and the underprivileged.

Now we have a situation,” he said, “where there are people walking around with certificates which they have no idea will not get them a proper job anywhere. They will continue to be exploited.”

Le Roux said a remaining concern was whether and how the trainees who had already received training would be linked significantly to infra-structural development on the West Coast and how opportunities for further skills development could be ensured.
W Coast row deepens

A PROMINENT Saldanha Bay community leader has exposed a telling discrepancy in versions about training provided in a R5-million training scheme for jobless West Coast residents.

The scheme, administered by Western Cape Training Centre director Johan Greyling, is under investigation by the Industrial Development Corporation (IDC) after it folded several months prematurely.

The collapse robbed thousands of desperate job-seekers in the Saldanha Bay-Vredenburg-Langebaan (SVL) region of an opportunity for skills training.

Paulina Mali, chairperson of the West Coast training committee, a sub-committee of the West Coast Training Initiative (WCTI) which kicked-started the project, revealed this week that the final certification ceremony was held on April 3 at the West Coast Training Centre premises in Vredenburg. She was adamant that no training was given after that date.

However, a Department of Labour official in Pretoria told the Cape Times that Opus Training and Management Consultants — one of the two training companies which ran the classes — was paid R825 740 for services delivered between January 5 and April 3.

He said the money was paid from a R1,9m allocation the department had made for the project and that a claim was still being awaited from the other company, Simon Cape Training, for services delivered during the same period.

Later, however, he told the Cape Times that the period of training was from January to March and that "there's another lot of training that happened from April to May" — after the certification ceremony.

Asked whether the April-May "training" period was in respect of both companies, he said: "We're not sure — the provincial office (of the Western Cape) will know exactly who's done the training, but it's either Opus or Opus and Simon Cape."

A claim or claims in this respect from either or both companies was being awaited by the department, which it would receive via the Western Cape provincial office once checked by its training advisers, he said.

Mali said WCTI project involved working "hand in hand" with George Kerndige, an industrial relations manager at Saldanha Steel who served as chairperson of WCTI.

She said she was surprised when Kerndige, with whom she had worked closely, resigned unexpectedly last year.
Trainees feel 'used' by training scheme

YAZEED FAKIER
SENIOR WRITER

THESE among the first batch of trainees at the controversial West Coast training centre claim they were used as a "camouflage" to encourage others to attend the centre's courses and lend it credibility.

"And when we started asking awkward questions, we got into trouble," said 25-year-old trainee Andre Prins of events preceding the premature closure of the training centre in Vredenburg.

The training scheme is under investigation by the Industrial Development Corporation, which funded the programme for jobless West Coast residents, to determine why and how a total of R5 million ran dry months before it was meant to.

When Prins and other fellow trainees were interviewed this week by the Cape Times in Vredenburg's suburb of Louwville, a disturbing number of unemployed men stood in groups outside match-box houses in the early morning cold, hands in their pockets, soaking up the sun.

Elton Pretorius, 21, a security guard for two years, has now been unemployed for two months; Ivan Bothman, 29, a painter, has been unemployed for five months; Henry Mahappy, 24, an electrician, has been unemployed for 10 months; the list goes on.

Prins himself has been unemployed for six months. A pipe-fitter, he is forced to get by on odd jobs to help his mother care for his father, who suffered a debilitating stroke several years ago, and two siblings.

"What the training centre sold us was so good," he says, "that working people with families but who had a very low income, left their job for this training course. They believed they would be able to improve themselves and earn a little more at the end of it."

In cases where trainees ditched the course mid-way through to resume their old jobs for an income, they had been told by the centre's management to collect their training diplomas anyway, said Prins.

Around R300 per person for a total of around 500 trainees had been spent, he estimated, but this has been disputed by Paulina Maliti, chairperson of the West Coast training committee, who said the numbers were much higher.

Maliti said the training "was just a step forward".

Prins says he was among the first batch of 150 trainees who were made to transform dilapidated premises into a proper training centre, with no pay.

"Our reward was the promise that we would be semi-skilled artisans and would get work at the end of our training session."

But when they arrived at the site "the promises they made changed totally. We got the impression later on that we had been 'sold' — but with a style — as labourers to companies."

Another welding trainee, Cathleen Boois, 27, told the Cape Times she was used as a painter on site instead.

Furthermore, says Prins, those who were promoted, as he was, "were just a camouflage to the others in the community so that they would feel it's okay to take the training course and give it credibility."

Commented neighbour Adam Bester: "I was also supposed to get training but when I got there, I found the centre had closed. That money (R5m) was supposed to have been invested in people like me and it was not — and who are the losers? We in the community."
Opening the way to the world of work

Moses Mthethwa, Eelli Mwagay
Staff Reporter
AKG 29/6/98

Unemployed school-leaver
Phindiwe Kampie, 25, of Lower Crossroads is taking the opportunities that she sees - but life is tough in the competitive labour market.

Ms Kampie and 49 other school leavers are finding ways to use the skills they gained in a project initiated by the Health Promotion Resources Centre in Wynberg.

The project was designed to help unemployed school leavers gain skills that would enable them to find a niche in the world of work.

Miss Kampie, who passed biology, biblical studies, geography and languages in matric at Ikamva Lethu High School in Langa, registered for a retail business management diploma at Peninsula Technikon but had to drop out in 1995 due to lack of money.

She, her two sisters and six brothers were supported by their pensioner parents.

Like many township youths, she roamed the streets of the central business district looking for work in 1996.

Last year she got a six-month job at Tricor, a marketing company in Khayelitsha, as a promoter.

Then she heard of the Health Promotion Resources Centre project, and through them she completed a computer course studying Windows '95 and Word for Windows at X-Pert Project Management Services.

Ms Kampie said: "I feel hijpny about the training I got and I hope to get a job at a computer company."

Another school leaver, Khanyiswa Kilele, 24, of Nyanga, was taught business skills for five months at Southern Life and obtained a certificate of competence in 1997.

Mr Kilele, also a former pupil of Ikamva Lethu High School in Langa, did accounting, business economics, economics and languages for matric.

After her stint with Southern Life she contacted the Health Promotion Resources Centre, who placed her at De Beers Marine for a three-week training course.

During this time she packed video cassettes and catalogued them on a computer.

Ms Kilele said she had had no problems at the company as she had a computer background. She had enjoyed her time at De Beers Marine.

Ms Kilele said she had gained filing skills, computer skills and had learnt how to use the Internet.

Now she is hoping to find a company prepared to offer her a one-year bursary to study computer programming.

"I would like the one-year course due to time constraints. I want to work. The time is moving on."

Ferdinand Bomvana, co-ordinator of the Resources Centre, said the short training courses were free of charge.

Pupils in grade 11, matriculants and school leavers were encouraged to take part.

Mr Bomvana said the project had begun with pupils and school leavers from Nyanga, Gugulethu and Langa.

The plan was to approach organisations and stakeholders in other areas such as Khayelitsha to get involved in the project next year.

Mr Bomvana said currently little assistance was available from other communities to address the plight of school leavers.

Many unemployed youths were reluctant to do voluntary work. They wanted to be paid a wage, or at least transport expenses.

For more information about the Health Promotion Resources Centre project phone Mr Bomvana at 799 4233 or Felicity Nhlon on 799 4222.
Skills Development Bill must be split — Mbweni

DURBAN — Labour minister Tito Mbweni said yesterday problems had arisen around the Skills Development Bill.

Addressing delegates at the 11th annual labour law conference, Mbweni said the bill would have to be divided into two separate pieces of legislation.

This was the result of the fact that the constitution granted powers only to the finance minister to raise taxation or money bills. The skills bill proposes a training levy of 1% on payrolls.

Mbweni said one of the two bills would deal with the training levy and the other with policy issues around the implementation of skills development.

He said the job summit process was taking place and job creation was the central national task.

However, he warned against unrealistic expectations. “A day after the job summit it will not be raining jobs,” he said.

Addressing structural unemployment, he required both social and economic restructuring.

Until that was addressed, short-term measures had to be introduced.

Mbweni called on labour and business in all sectors to follow the example set by the National Union of Mineworkers in calling for a gold mining summit to address the sector’s specific issues.
R5m training scheme 'flawed from the start'

YAZEEED FAKIER
SENIOR WRITER

THE intrigue surrounding the collapse of a R5-million training scheme for unemployed West Coast residents has deepened with the disclosure that the project was flawed from the start.

The scheme was funded by the Industrial Development Corporation (IDC) and run in Vredenburg by the Western Cape Training Centre but collapsed amid controversy, several months earlier than anticipated.

Key figures in the training debacle have given conflicting accounts of the reasons for the premature closure of the training centre and an independent auditor's investigation into all aspects of the project is under way.

In an interview with the Cape Times, Cheryl Pearce, chief executive officer of the National Access Consortium (NACWC), disclosed that her organisation had been approached by the IDC early last year to join it as a partner in the training venture but that it had later withdrawn due to serious reservations it had about the project.

"It (training scheme) was supposed to be a joint initiative between NACWC and the IDC and we were very concerned that any kind of new training should be in line with new policy guidelines," said Pearce.

As a body dedicated to piloting a new education and training policy and to give immediate access to marginalised youth and adults, the NACWC has access to RDP funds and is also supported by funding from the Western Cape Education Department and the Danish government.

NACWC had held initial talks with the IDC and the Department of Trade and Industry (DTI). The project was later launched at an official ceremony.

However, said Pearce: "We soon withdrew because it was quite clear to us that the IDC was looking for a partner, an apparent partner, but was really looking for extra funds.

"We had discovered things we were not aware of— that they'd already contracted certain organisations to do the training, that the training had already started, that the process was already well on its way.

"We said that if we were a partner in this project and there are things happening that we didn't know of, then we are obviously not an equal partner.

"We also understood initially that the local unemployed residents (of the Saldanha Bay-Vredenburg-Langebaan area) were to be trained and taken on at Saldanha Steel with a view to long term employment but discovered that there was no social contract between the training initiative and Saldanha Steel."

A meeting was later held with the IDC, the DTI and the Department of Labour at which the NACWC had made it "quite clear" why it could not be part of the project, Pearce said.

"We eventually said we could not put RDP money into an initiative which we didn't believe changes the way in which education and training happens.... As far as we were concerned, the parties were not involved in serious reconstruction, especially with regard to the reconstruction of education and training. It was short term, narrow skills training, obviously not training for employment or for the full development of the participating individuals."

As a reconstruction and transformation organisation, the NACWC's mandate was to implement new policy and its fund therefore could not be used "to continue business as usual."

Questions Pearce hoped the independent auditor’s report would answer included: How was the R5-million spent, if there were, in fact, expenses to the value of R5-million; how many learners benefited from it?
On-the-job training to give youths a chance

(179)

STARFISH

2000

On-the-job training to give youths a chance

STAFF REPORTER

ARG 11/9/98

Starfish 2000, an internship programme to give young, jobless people workplace experience, kicks off in earnest next week when potential candidates get the first opportunity to enter their names for selection.

If you are between 18 and 30, jobless, and looking for an opportunity to get on-the-job training, Starfish 2000 is for you.

Application forms for the programme will be published in the Cape Argus Job Shop supplement next Wednesday, and every Wednesday thereafter until the end of August.

The programme aims to give 2,000 interns on-the-job training for between three and six months.

Interns will be given vital skills and work experience to better equip them to compete on the job market.

They will not be guaranteed jobs at the end of their internship, but they will be mentored throughout the process, and emerge with a recognised certificate confirming their experience, a CV and practical guidance on career choices.

Interns will not be paid, but companies are invited to contribute to their travel and meal expenses.

Key incentives for companies taking on interns are positive media exposure, enhancing their social responsibility profile, and earning reconstruction and development programme points in competing for State tenders.

Interested companies should send their details to the Careers Research and Information Centre (CRIC), giving a telephone number and a contact name.

The project is being run by the CRIC, and other key partners in the Starfish 2000 Trust are the Cape Argus, the Cape Chamber of Commerce and Industry, the Association for Personnel Service Organisations, Radio Good Hope, the Departments of Public Works and Labour, local government, Job Scene, the NGO Coalition, Alpha Community Services, the Youth Commission, Pentech, Stellenbosch University Business School and the Skills Training for Employment Centre.
Business to help
foot skills training

Quality of working life, productivity are priorities

SAPA AND STAFF REPORTER

Controversial draft legislation which proposes that companies pay a compulsory levy - equal to 1% of their payroll - to be used for staff training, has been tabled in Parliament.

The Skills Development Bill suggests that 80% of the levies collected should be paid out as grants to firms which conduct accredited training, while the remaining 20% should be paid into a national skills fund.

The money in this fund should be used for projects identified as priorities in a national skills development strategy, or for other projects which the labour director-general determines necessary to achieve the aims of the legislation.

"The Skills Development Bill seeks to develop the skills of the South African workforce and thereby increase the quality of working life for workers, improve the productivity of the workplace, promote self-employment and the delivery of social services," a memorandum to the bill says.

"The bill also seeks to encourage employers to use the workplace as an active learning environment, and to provide opportunities for new entrants to the labour market to gain work experience."

Among other things it proposes that existing industry training boards be replaced by sector education and training authorities.

These would be responsible for developing sectoral skills plans and targets in line with national skills strategies.

These authorities would be funded primarily from skills development levies collected in the relevant business sectors, but they may also obtain funding from other sources, including the National Skills Fund.

Econometrix chief economist Dr Azar Jammie welcomed the introduction of the bill and said the country desperately needed to improve the skills of its workforce.

"It's the most important thing in the entire economy at the moment, but it will be seen as being imposed on business, which will act as a disincentive for employing more labour."

Jammie said the burden had been "watered down" from the original 4% of a company's payroll that Cosatu had mooted.
Cool business reception awaits Skills Development Bill

Cape Town — The Skills Development Bill, which will force companies to pay a levy of 1 percent of their payroll for skills training, was tabled in parliament yesterday, but the money bill will have to be considered by the portfolio committee on finance as well as the labour committee, possibly in joint sessions.

Twenty percent of the levy will go towards a national skills fund, with the balance being paid as grants to firms carrying out training needs that meet certain criteria linked to the skills plan in their particular sector.

Bill Lacy, the SA Chamber of Business senior economist, said although he was not fully acquainted with the details of the proposal, it was unlikely that business would be "overly enthusiastic" about it.

He said this was especially the case because about 17 other levies and taxes were being proposed, in addition to the company tax, which was already high.

The additional taxes and levies included the skills development levy, a land tax, health insurance, a road tax, electricity levy, waste water charge and capital transfers tax.

"The proposal is a worthy one, as are all these additional taxes and levies. But clearly, business will be a bit punch-drunk if they were to cough up more money by way of this proposed levy.

"Further to that, if the proposed contribution is to have the impact envisaged, it is unlikely it will be voluntary meaning that there will be no choice for participation in the fund. The question to ask is where will this all stop," he said.

Credit guarantee economist Luke Doig said any proposals with a developmental goal had to be considered.

"I like the notion in theory, but it should not be seen as punishing companies, whose tax burden is already high," he said.

The memorandum attached to the bill said it aimed to "develop the skills of the South African workforce and thereby increase the quality of life for workers, improve the productivity of the workplace, promote self-employment and the delivery of social services."
Skills initiatives aim at wrong target

Skills upgrading is not enough to meet the needs of the manufacturer's workforce. The factory floor is about to be inundated with employees who need remediation. It is critical to identify the skills deficiencies and to create training modules that will fill the identified gaps. Without a proper understanding of the current skills base, it is impossible to design effective training programs. The company must first conduct a thorough skills gap analysis to identify the specific skills that need to be addressed. This analysis will help determine the training needs of the workforce. The training should be tailored to the specific requirements of the job, and it should be delivered in a way that is relevant to the employees. The goal is to create a skilled workforce that can meet the demands of the company and the market. Without this, the company may struggle to compete in a rapidly changing environment.
New training choice
for SA accountants

By Isaac Moledi

Training chartered accountants will no longer be required to perform three-year apprenticeships in public practice firms. The South African Institute of Chartered Accountants (Saica) is encouraging accounting trainees to adopt a new option called the financial management route (FMR), which it initiated last January.

The FMR allows apprentice chartered accountants to carry out their three-year training period within a private corporation in commerce and industry as opposed to a firm in public practice which was previously the only option.

The initiative is aimed at providing a structured programme for equitable development and transformation. Saica chief executive Ken Mockler says since its introduction eight months ago, the new route has been successful.

Although the two routes are of an equivalent standard and value, the new route is of particular advantage to accounting trainees who wish to be involved in financial management in a commerce and industry environment", according to Mockler.

"It is critical that the accounting profession provides as many routes as possible to enable prospective accountants to qualify," he adds.

To carry out the Saica training initiative, 20 local corporations (comprising more than 120 individual companies) have registered with the institute as approved training organisations.

The corporations are mainly in Gauteng and include Nedsor, Vodacom, Anglo American Corporation, Absa, Transnet, Toyota South Africa, South African Breweries, The Automobile Association of South Africa, Dobyl Engineering and Barlow.

Training will extend to aspirant accountants who, while wishing to practise as accountants, do not necessarily wish to become chartered accountants.

Corporations are able to choose the level or levels at which they would like to offer training.

These levels, also referred to as colleagues, are the College of Chartered Accountants, the College of Associate General Accountants and the College of Associate Accounting Technicians.

Mockler says the three-year training period applies to aspirant chartered accountants who are in possession of a degree or an academic equivalent.

Non-graduates are required to complete a five-year training period, he says.

"A far greater number of accountants will be required in South Africa if the economy is to grow at the rate which will provide sufficient employment in the future," Mockler says.
Jobs summit ‘will be held by October’

Reneé Grawitzky

THE presidential jobs summit and the alliance summit — both of which have been postponed numerous times — would definitely be held by October, African National Congress (ANC) secretary-general Kgulema Motlanthe said yesterday.

These two issues will form the basis of intense debate at the start of the Congress of SA Trade Unions’ (Cosatu’s) executive committee meeting today. This is especially so in view of government’s attempt to ensure the jobs summit process is not bogged down in controversial and divisive macroeconomic policy debate.

Labour sources said the federation could agree not to discuss issues such as the growth, employment and redistribution strategy (Gers) as a separate agenda item, or ensure government seriously considered its 21 programmes and projects tabled recently, some of which had implications for Gers.

It is understood that these projects include youth programmes, job sharing initiatives, support for the unemployed, monitoring job losses and a national public housing programme that could cost billions.

Financing mechanisms could include raising funds from the fiscal; workers each contributing one day’s pay; a solidarity tax or job creation levy on companies; and the introduction of a prescribed investment requirement on pension and provident funds.

Trade and Industry Minister Alec Erwin said at an ANC briefing yesterday he was confident that parties were getting down to constructive discussions. The summit had to be about sustainable programmes, although parties agreed that structural economic changes were necessary.

The executive committee will also debate an SA Municipal Workers’ Union proposal calling for a strike on October 1, to protest against the privatisation of municipal services. At the same time, Cosatu has served notice on the National Economic, Development and Labour Council of planned action against the same privatisation.
Government and business clash over compulsory skills levy
Real power is economic

Employers reject levy proposal

EMPLOYER organisation Business South Africa (BSA) yesterday rejected a proposal contained in the Skills Development Bill whereby 20 percent of a one percent compulsory payroll levy would be paid into the National Skills Fund (NSF).

In a presentation to the National Assembly’s labour portfolio committee, which is currently discussing the new Bill, BSA said the proposed 20 percent “skim-off” distorted the price mechanism and investment environment in South Africa.

The organisation submitted what it called a compromise proposal, in which it agreed to a 10 percent off-budget tax of the one percent levies collected, subject to certain conditions. These included:

- Revision of the tax after three years;
- Having a limit placed on the period over which the NSF would be funded, as this funding violated a number of the BSA’s economic principles, and,
- That Government should contribute a pro rata amount to the NSF.

“Government should contribute to the National Skills Fund an amount equal to what business is required to contribute,” BSA’s Roger Baxter said.

“Donor funding will be over and above the pro rata contribution.”

A 10 percent skim-off would raise about R250 million from business annually, and if Government paid the remaining percentage, about R500 million could be raised, he said.

Andre Dippemuur of BSA’s committee on education and training told the committee: “BSA believes that such a compromise will effectively meet the needs of all social partners and contribute to a sustainable, effective development programme for South Africa.”

The Congress of South African Trade Unions (Cosatu) urged the committee to ignore those it said were opposed to the transformation of the apartheid labour market.

Cosatu’s research unit coordinator Mike Tshekhuia said: “We believe that this Bill – coupled with other measures – will go a long way in improving the life of ordinary South Africans, as well as contribute towards economic development.”

Concern

He expressed concern over what he called the Bill’s oversight on community representation and participation, and proposed mechanisms for inviting community involvement in the Sectoral Education Training Agency (Seta) deliberations.

The union pledged its support for the Bill, which was an important element of the Labour Ministry’s five-year plan to transform the labour market.

“We are aware that a daunting task lies ahead,” he said.

Discussions on the Bill will continue today – Sapa.
Cosatu hails new skills law

The labour federation Congress of SA Trade Unions (Cosatu) says the Skills Development Bill is an important historical landmark that could eradicate the nation's skills deficiency.

The Labour Ministry bill is being discussed by Parliament's Labour Portfolio Committee. It proposes a Sector Education and Training Authority (Seta), through which specific industrial sectors would determine the skills they need and how to develop them.

To finance the project, a National Skills Fund would be set up with the employers paying a levy.

In its submission, Cosatu said the skills deficiency was a product of under-investment in cheap labour by companies and skewed provision of general education.

Cosatu said the skills development strategy should redress past imbalances in education and training, improve the quality of life of workers and create greater synergies between institutions of learning and the labour market.
Starfish jobs project gets R1/2-m boost

MICHAEL MORRIS
Special Writer

Job skills training in Cape Town has been given a major boost with a gift of R500 000 to the Starfish 2000 internship programme by the Open Foundation Society.

The contribution comes as the Starfish project – a joint business, government and community initiative – gears up to place the first batch of young, jobless people in internships with a wide range of businesses from next month.

Scores of aspirant interns have been submitting applications over the past few weeks, and a huge selection and recruitment process is about to begin at the Athlone offices of the Careers Research and Information Centre.

The R500 000 from the Open Society Foundation sets the project well on its way to meeting the huge demand for skills training and workplace experience among young people battling to find jobs.

Foundation project officer Laurie Watson said the organisation was "very keen to get involved in the youth sector because of the pressing need to tackle unemployment and set young people on the path to lasting careers."

Matt Esau, chairman of the Starfish 2000 board, welcomed the funds boost. He said: "The fact that this is a stakeholder putting its money where its mouth is, is an assurance that what started off as an idea is growing into a major initiative."

Star turn: Cape Argus editor Moegsien Williams, left, with Open Society Foundation project officers Laurie Watson, right, Linda Olayi-Matu, second from right, and other Starfish 2000 trustees.
Union opposed to skim-off on payroll levy

Cape Town - The Federated Unions of South Africa (Fedusa) yesterday told Parliament's labour portfolio committee it was opposed to the inclusion of a section in the Skills Development Bill whereby 20% of a 1% compulsory payroll levy would be paid into the National Skills Fund.

"Fedusa will agree only to a skim-off on a rand-for-rand basis, where, for every rand that business contributes to the fund, Government will put up the same amount ... towards the development of skills," said Gretchen Humphries, the union's assistant secretary-general.

In its presentation to the committee, the union also objected to a closed sector list and argued that the National Skills Authority should not have the power to take decisions on sectoral demarcation.

The draft legislation provides for South Africa's industries to be divided into sectors.

"Humphries said Fedusa proposed that a number of factors should be considered when looking at existing or future sectors.

These include: the involvement of provident, pension and medical aid funds, the nature of the business; legislative restrictions, the degree of consensus in the formation of the sector in question, existing collective agreements; and allocations or divisions by the Trade and Industry Department."
Proposal to help disabled

Cape Town – Disabled People of South Africa (DPSA) has a vested interest in the Skills Development Bill because of the potential it holds for the empowerment of the disabled, the National Assembly’s labour committee heard yesterday.

"The development of skills for people with disabilities has an important contribution to make to the paradigm shift from a welfare to a developmental approach to disability," the DPSA’s P Linders said.

The skills development strategy sought to redress these imbalances and she welcomed the fact that it was supported to ensure meaningful livelihoods for disabled people to enter the mainstream labour market.

The Government, she noted, was putting its contribution to the National Skills Fund and, to which business and labour would also be contributing.

The DPSA called for the establishment of a research unit whose function would be to help identify training needs specifically for the disabled. - Stew 20/3/98
New labour force profile requires different skills base

ANALYSIS

The portfolio committee on transport examiner this week

Silvio development strategy needs a social entrepreneur's ear. However, the concept of applying the need for appropriate facilitation to create the right balance between funds and needs is crucial for the implementation of the new strategy.

The committee heard about a range of strategies and tools that could be used to support the development of a new labour force profile. These include the development of skills training programmes, the creation of job opportunities for young people, and the implementation of flexible working arrangements.

However, the committee also raised concerns about the potential impact of these measures on existing labour markets. They highlighted the importance of ensuring that any new initiatives are aligned with the needs of existing businesses and the economy as a whole.

The committee recommended that the government develop a comprehensive strategy that takes into account the unique needs of different regions and industries. This should include a focus on creating a more inclusive workforce and ensuring that all individuals have access to the skills and training they need to succeed.

The committee also called for the government to invest in new technology and innovation, which could help to create new job opportunities and support the development of a more skilled workforce.

Overall, the committee emphasized the importance of a well-planned and inclusive approach to the development of a new labour force profile. They said that the government must work closely with businesses and communities to ensure that any new initiatives are effective and sustainable.
**LABOUR**

**Time to change the skills landscape**

Sipho Purewa

The shortage of skills is a major handicap to our country's growth opportunities. We have a skills profile that is not in sync with the needs of our country. The economy simply no longer generates the same large numbers of unskilled jobs it did in the days when the mining and agricultural industries were dominant.

In the 20 years from 1993 to 1999, the proportion of highly skilled jobs (needling at least a matric qualification) has risen from 10 percent to nearly 15 percent, and the proportion of skilled jobs has risen from 20 percent to 25 percent. However, the semi-skilled and unskilled categories have declined from 61 percent to 48 percent.

Of the economically active population in South Africa, only 3 million are skilled or highly skilled (some 50 percent), 7 million are employed in so-called "semi-skilled" or "unskilled" jobs (some 60 percent of the economically active population), and 4 million are unemployed. In other words, only one out of five South Africans is formally qualified to perform highly skilled work.

This compares poorly with other middle-income and advanced countries. For instance, professionals constitute fewer than 5 percent of the labour force, as compared with 8 percent in other middle-income countries and 10 percent in advanced industrial countries.

This shortage is evident in craft and related trades, where South Africa's 12 percent compares with 18 percent and 25 percent respectively.

There is little doubt, therefore, that we have a skills crisis. We must understand how this situation arose and how it can be remedied.

Many reasons are for this collapse, but some are complex and require a more profound understanding of the true causes. However, the collapse of the apprenticeship system has clearly meant fewer and fewer people are entering the skilled labour market from a "workplace-linked route." There are many reasons for this collapse, but complex and complex, some of which are insufficient funding, rapid labor market downturns, lack of responsiveness to new technology and wage issues.

As a result, the alternative has become increasingly oversubscribed. Given the lack of choice, it is hardly surprising that young people queue up to enter tertiary educational institutions.

Most matriculants face unemployment when they leave school. To delay this, many stay on at school. By the end of their matric year, many young African men and women get their first jobs only in their late twenties.

Those who do leave school find that they are caught in a "catch-22" situation. They cannot get work because they have no work experience, and they have work experience because they have not worked.

There is clearly a need to overcome this barrier and provide a way for many more young people to gain relevant learning and work experience when they leave the formal schooling system in preparation for a formal entry into the labour market.

Too much for first-time entrants. If employers require the skills, why do they not simply train their workforce to meet their needs? Extensive research over the past few years has shown that the skills gap in South Africa is significant. Many young African men and women get their first jobs only in their late twenties.

In my view, the government needs to create some form of catalytic to improve the demand for skills for all people.

The low skill base of our country means that we are all acutely affected by the shortages. Many young African men and women get their first jobs only in their late twenties.

Employers are then moving towards a two-tier system in our economy — with falling standards, changing commodity prices and a general increase in competition for markets and trade.

Moving from basic commodity exports to more value-added exports requires a different labour force than the low-skilled labour for commodity export and a poor understanding of the complex relationships between knowledge, skill, innovation and technology change.

On the other hand, there are traditional market determents such as high labour turnover of skilled workers — meaning one employer trains and another employer benefits. It is clear, therefore, that the government needs to create some form of catalytic to create the demand for skills for all people.

The Skills Development Bill aims to create an enabling environment within which these key problems can be addressed.

In the context of the constraints facing first-time entrants to the labour market, the skills bill aims to place a new framework system which combines learning and work experiences for job experience in areas where there is a clear skill demand.

The opportunities will be identified by employers and workers in forward-looking planning frameworks, and will be put into practice through simplified agreements entered into between employers, learners and training providers.

Special agreements will be developed to assist those seeking to become self-employed, where skill and business capability will be woven together. Both employers and more general skills programmes will also become more extensively available to those already in work — to enhance productivity and competitiveness and employment security.

The increased "availability" will be based on increased demand for skills. This demand is to be stimulated by the introduction of the levy/grant system. The Skills Development Bill does not address this — the levy/grant component of the skills development strategy has had to be treated as a money bill in the Constitutions. All employers have to pay a levy but only those who employ can be able to qualify for the grant.

The detailed arguments pertaining to the proposed bill will be presented when the Skills Development Levy Bill is tabled shortly.

Sipho Purewa as the director-general of labour
Govt rejects plan to share skills development costs

Vuyo Mvoko

CAPE TOWN — Government rejected a Business SA proposal yesterday that the state and business contribute equally to finance the country’s skills development programme.

In terms of the skills development bill before Parliament, government wants business to budget 1% of its payroll for the cause, with 20% of the money credited to a national skills fund for a social plan and the Coega project. The rest will go to sector-specific education and training.

Last week, business proposed government and business should share the 20% equally, that the funding mechanism be reviewed after three years, and that all stakeholders and not just the labour director-general be given full control over the funds.

Adrienne Bird, chief director for human resources in the labour department, gave government’s responses yesterday to interested parties’ concerns raised last week.

Bird told the parliamentary labour committee: “The government cannot commit itself to a matching grant as this would undermine the normal budgetary processes.”

However, government had agreed to business’s suggestion to review the skills development process after three years.

Government had also proposed an amendment to the draft legislation by placing a clause which setting April 1, 2000 as a tentative date on which the levy would become effective.

Bird said government had rejected a suggestion by the Congress of SA Trade Unions and the Federation of Unions of SA for the National Economic Development and Labour Council (Nedlac) to deliberate further on demarcation lines for the sector education and training authorities responsible for training programmes.

Labour had suggested Nedlac should consider the matter and then make recommendations to the labour department.

Bird reminded the committee that it was the cabinet that finally decided on sector demarcation, following failure by Nedlac partners to make progress on the matter after two years of talks.

Noting concerns by the SA Local Government Association that the labour minister could develop regulations without consultation, Bird said a section of the bill specifically required that “all” regulations pass through the National Skills Authority.
Budget for training (179)

KERRY CULLINAN
PARLIAMENTARY BUREAU

AT LEAST one percent of the personal budget of all public service departments should be set aside for employees’ skills development by April 1, 2000, according to the Department of Labour.

Department official Adrienne Bird proposed this amendment to the Skills Development Bill at yesterday’s portfolio committee on labour.

Bird also recommended that the committee reject Business South Africa’s (BSA) proposal that only 10% of the levy collected from employers for skills development should go towards the National Skills Fund (NSF).

The bill proposes that the NSF be given 20% of the levies collected to fund skills development projects identified by government as “national priorities”.

BSA had recommended that businesses’ contribution be cut in half and that government contribute “a matching amount” to the NSF.

Bird said that while it would not be possible for government to do so, her department was prepared to review the funding of the NSF after three years.

Opposition party MPs said they were concerned that the bill, which will set out how levies will be collected, had not yet been tabled.
Teacher training gets a multimillion-rand boost

Primarshni Pillay

The training of teachers in outcomes-based education has received a major boost after the launch yesterday of the multimillion-rand Shona Education Foundation, which uses technology to convey training programmes to pupils and teachers in all parts of SA.

The foundation, launched at the Teachers' Training Centre in Soshanguve north of Pretoria, is a collaborative project drawing on the skills of companies such as M-Web, Orbiwon, Multichoice and M-Net.

M-Web GM Bruce Cohen, whose company funds the foundation, said Shona had supplied about 25 computers to schools in the Western Cape and KwaZulu-Natal and to the Soshanguve Teacher Training Centre.

Teacher training programmes can be transmitted through a satellite link from Randburg, Johannesburg, to the Internet facility of computers in the three provinces serviced by the foundation. Transmissions can also be received on television.

To ensure accessibility and equality, each centre will get the same broadcast message and the same level of access to resource material on the Internet.

"Through the Internet, teachers can download the programmes and store them as a resource,"

He said participants had gone through a nine-week pilot project based on aspects of the schools' curriculum.

The project was constantly being assessed and adapted and there was a possibility that it would be expanded into other parts of the country.

The technology could also be used in health initiatives.

Education Minister Sibusiso Bengu, who addressed the foundation's launch via a link-up from Cape Town, welcomed the initiative and said government "needs and deserves the material support of business in the reconstruction and development agendas our unequal past has created for us.

"Fortunately, there are businessmen and -women who are cognisant of that and who have therefore proactively assumed leadership roles in that direction."

Postal Telecommunications and Broadcasting Minister Jay Naidoo warned that "putting more money into education doesn't mean that education will get better.

There was a need for enthusiasm among teachers and pupils.

"We need that missionary zeal we had when we defeated apartheid policies," Naidoo said.

He called on people to abandon a "culture of entitlement" and start making a contribution to transformation.
Institute aims to correct apartheid mindsets

THE African Institute for Personal Excellence and Leadership was launched in Johannesburg yesterday, aimed at correcting negative mindsets inherited from the apartheid era, Aipel founder Ngila Michael Mwende said.

A former Robben Island prisoner and secretary-general of the Pan African Congress, Mwende said: "We have established that the mindset that is characteristic of African behaviour in this country arises from deliberate social engineering initiated by those who shaped the Union of South Africa."

—Sapa (179)
Consultancy aims to boost IT skills among blacks

Lesley Stoner

NEW Africa Technology Holdings (Nath) has formed a new company to help boost black information technology skills.

Nath, the technology arm of New Africa Investments (Naii), will work with SAP, a software company that specialises in enterprise resource planning systems.

In order to house the operations of SAP, Nath has formed Independent Technology Enterprise Solutions (ITES)

Income for ITES will be boosted when it takes over the computer centre of a soon-to-delist multinational.

ITES MD Tony Hunter declined to name the SA-based multinational, as it did not want to disclose details of its unbundling.

ITES would use the centre to offer SAP outsourcing services, said Hunter.

Naii deputy chairman Cyril Ramaphosa said ITES would train new entrants to the industry and would fight the brain drain by providing incentives for skilled professionals to stay in SA.

"Through our partnership with SAP we are looking to expand our country's skills within this dynamic, high-growth sector," he said. "We are going to actively take those from disadvantaged communities, give them the necessary skills and enable them to plough their knowledge back into the country."

ITES will be the first black-owned consultancy in SA specialising in SAP.

Nath is a multimillion-dollar global company employing more than 450 technicians in SA and 14 foreign countries. The enterprise systems market is estimated to be worth about R300m locally and $12.8bn globally a year.
Business backs R1bn jobs trust

VERA VON LENNS

Cape Town — Tourism and schooling were crucial areas where business could make a decisive contribution to job creation and skills development, Johann Rupert, the chief executive of Rembrandt, said at a joint government-private sector business initiative yesterday.

The initiative aims to create a business trust to generate at least R1 billion for job creation, education and skills development projects over five years.

It was officially launched in Midrand in September and is now being presented to corporate leaders around the country.

Rupert said actions taken by business had to be clearly focused and sharply targeted.

Tourism and schooling were areas where business could make meaningful contributions.

A prospectus of the initiative was outlined to business leaders from a cross section of Cape Town companies yesterday.

Michael Spier, the executive director of Anglo American, said there was "a sense of excitement among business leaders at the proposition of acting in partnership with government" on the initiative.

The vehicle for the initiative would be a trust, scheduled to be set up by the end of November.

"We will have to have formal trustees drawn up and (be) deliberate on what projects to choose," Spier said.

The initiative currently consists of a steering committee which is seeking a commitment from companies. About 100 companies have indicated their support for the initiative.

"We are very encouraged," Spier said.

The proposal is that listed companies contribute 0.15 per cent of market capitalisation, or the equivalent of 2 per cent in after-tax earnings for non-listed companies.

Rupert said the initiative could begin to change the way business and the government related.

Saki Macozoma, the managing director of Transnet, said it was the first time that business across the spectrum in South Africa had worked together to conceptualise such an initiative with the government.

The project is backed by the National Business Initiative, the South Africa Foundation and the Black Business Council.

Macozoma said it was developed in close consultation with a government task team convened by the office of Deputy President Thabo Mbeki.
Building industry approves skills bill

Sibongile Ndlovu

GOVERNMENT’s Skills Development Bill has received the thumbs-up from the Building Industry’s Federation of SA (Bifsa).

The bill requires that companies contribute the equivalent of 1.5% of their total wage bill to training and a skills development scheme.

The federation has further suggested a commodity levy as one other way in which government can gather funds for training and skills development.

Within the building industry, government has authorised the Building Industries Training Scheme, placed under trusteeship of Bifsa, to collect training and skills development levies from companies.

Bifsa executive director Ian Robinson said the bill had the potential to have a positive effect on the industry. This could, however, be hindered by the difficulty of reaching companies to make them contribute.

He said there were more than 8 000 employers who should be contributing to the scheme, and their contribution in total should amount to about R60m a year. Only about R25m a year was collected, however, and R15m was used for administration.

He said the scope of collection was further reduced by the use of subcontractors who were difficult to identify and did not contribute to the training levy.

Robinson suggested a commodity levy that he characterised as an easier and efficient system compared to the “cumbersome” payroll percentage system.

He said industry sectors could add a particular percentage to the cost of their products and gather the money accumulated and hand it over to the Sectoral Education and Training Authority.

Robinson said Bifsa, government and other players in the building industry were discussing solutions for levy collection.
Builders will struggle to gather training levy

Johannesburg — Ian Robinson, the executive director of the Building Industries Federation South Africa (Bifsia), said the industry would battle to collect the R60 million required by the proposed Skills Development Bill and the new requirements of the labour department.

The new bill will authorize the Sectoral Education and Training Authority (Seta), through the labour department, to collect 1 percent, or the equivalent thereof, of wages and salaries. Robinson said he expected the bill ultimately to bolster training in the industry once a solution was found.

Until now, the Building Industries Training Scheme, which is placed under the trusteeship of Bifsia, has been empowered by the government to collect levies based on 1.5 percent of the total industry wage bill. This gives the training scheme the right to collect about R60 million in training funds. In practice, the scheme collects only about R25 million, with the administrative costs for this collection amounting to R5 million.

“The problem becomes more acute in that the labour department requires that only 1 percent of the total funds collected are to be spent on administration,” said Robinson.

The easiest way of solving this problem would be to impose a commodity levy such as adding 3 percent to the cost of cement. The three cement companies would then take the added-on percentage and hand it over to Seta for expenditure on training.

Robinson said an initial approach to cement companies had not met with support, largely because the cement industry believed it would be prejudiced in its competition with other products.

MISGIVINGS Bifsia's Ian Robinson predicts problems arising from the Skills Development Bill
UWC course could serve as model for other countries

Breaking new management ground
Pretoria - A R50-million European Union grant for economic and social development in South Africa's black communities was announced at Technikon Northern Gauteng in Soshanguve today.

Chancellor Cyril Ramaphosa said the money would be used to fund a project called Technical and Business Education in South Africa. The money would be used to set up technology enterprise centres, which would develop technology-based small business firms in turn, said Mr Ramaphosa.