SETTING AN INDUSTRY BENCHMARK • SPEAKING WITH A UNIFIED VOICE • THE ROLE OF BARGAINING COUNCILS RE-AFFIRMED • STAYING AFLOAT • 80% INDUSTRY FULL COMPLIANCE VISITS FOR 2013/14 • GAUTENG READY TO ACHIEVE NEW HEIGHTS • KWAZULU-NATAL: A UNITED TEAM • Resetting Relationships • ON THE ROAD TO AN ALL-CONQUERING BARGAINING COUNCIL • MEIBC LAUNCHES A NEW MEMBER NURSERY • INSERT: NEW INDUSTRY WAGE RATES FOR THE PERIOD 1 JULY 2013 TO 30 JUNE 2014
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EDITOR’S NOTE

During this period we are reminded of so much that has happened in our country. On 11 July 1963 the security police raided Lilliesleaf Farm in Rivonia, north of Johannesburg, and arrested nineteen members of the underground, amongst them our former President, Nelson Mandela, Walter Sisulu and Govan Mbeki. This led to the Rivonia Trial, which ran between October 1963 and June 1964, and defined South Africa’s history. We are also reminded of the great sacrifice these men made and we wish to thank Utata Madiba for his selfless efforts in ensuring that today we enjoy freedom. May he be granted good health and the desires of his dreams in accordance with God’s Will.

Our industry has had its fair share of going down memory lane, which is what encouraged us to ensure that we document our activities and don’t miss out on the significant events in our industry. This is particularly important as we are the oldest and largest bargaining council in South Africa.

Another successful roadshow was conducted in Gauteng, with a breakfast seminar filled with input that will be taken to our not-to-be-missed Annual National Conference. This will be held in Gauteng on 4 and 5 November under the 2013 focus theme of Job Creation. Please make the time to attend the conference and avail your marketing division to take up advertising opportunities by exhibiting during the conference. We will be launching an Industry Recognition Award Programme at the conference’s gala dinner. The Council’s brief corporate video, available on DVD, may be ordered from Head Office. The Council is turning 70 next year and we are documenting significant events in our industry; your input would be most welcome.

The new targets for 2013 and beyond have been launched and activated. Targets include conducting full compliance visits to at least 80 percent of the industry that falls within our scope. To ensure that our industry remains vibrant and sustainable, we have launched a New Member Nursery programme. Workshops on various topics will assist with the induction and orientation of new members. The new industry wage rates for the period 1 July 2013 to 30 June 2014 were distributed at the end of May. For ease of reference, a copy is included in the newsletter.

Our General Secretary, together with the General Secretaries from MIBCO and the Road Freight Bargaining Council, coordinated a series of meetings for all Bargaining Councils represented in South Africa.

In this first issue of volume one of FIRSTHAND we have reported on a range of activities to keep us abreast of how the Council is embarking on being recognised as the thought leader on the subject of job creation, and setting an industry benchmark. The role of the Council was reaffirmed with our Cape Town stakeholders and partners during an industry breakfast.

At a KwaZulu-Natal industry breakfast seminar we reached an understanding between all partners that job creation is everyone’s responsibility. While visiting the SA Shipyards, we also looked at how our industry is thriving during the current economic challenges.

Monki Hlutwa
Editor
The general secretary embarked on a national roadshow in line with the meibc phase 2 action plan to launch, amongst others, the council’s new strategy called siyanqoba business strategy. Siyanqoba, meaning ‘we are conquering’, is one of the main deliverables of the general secretary upon his appointment to deliver and implement the integrated group strategic plan. This is informed by phases 1 & 2 of the strategic plan developed in 2006, with the current approved strategic document in place. The strategy was inspired by the current environment of the meibc’s programme culture and policy framework.

Quoted from the General Secretary’s opinion on the way forward for the MEIBC,

“The MEIBC remains committed to promoting growth, employment and decent work in industry. The Bargaining Council has a clear mandate, which is to serve all with honesty and integrity. I look to our stakeholders for support, my management committee for guidance and my staff, without whom none of this would be possible, for their continued loyalty, hard work and dedication. There is no doubt that the future is not what we thought it would be - it’s challenging, somewhat uncertain and unclear. I and my management team will be working very hard to ensure that this Bargaining Council remains the benchmark against which all other bargaining councils can measure themselves.”

The roadshows therefore formed part of the strategy that aims to position the MEIBC as a thought leader against which all bargaining councils can be benchmarked.

THROUGH THE ROADSHOWS THE MEIBC AIMS TO
1. Translates the Strategic Plan into Phase 2 – Practical Implementation.
2. Review initiatives implemented as recommended in the 2006/7 Strategic Framework for effectiveness.
3. Assess relevance and feasibility of implementing any outstanding initiatives. Identify and evaluate reasons for non-implementation.
4. To profile the MEIBC and the Office of The General Secretary as an organisation of value and influence.
5. Fine-tune and entrench implemented initiatives within regions.

IN LINE WITH THE PHASE 2 OF THE MEIBC STRATEGIC PLAN WHICH IS STRUCTURED TO:
• Identify and accommodate the multi-dimensional dynamics of the current collective bargaining environment and the macro role that MEIBC plays in this arena.
• Shift the focus from content-identity to a context-identity as the next logical stage of MEIBC’s evolutionary development.
• To position the MEIBC as the market leader through national brand management.
• To develop a brand awareness programme to position the MEIBC as a progressive, pro-active responsive and evolving brand.
• To outline mechanisms of sharing up-to-date information about the MEIBC’s activities with stakeholders.
• Publish and share with stakeholders, cutting edge case study materials and critical implementation lessons to inform national policy decisions.
• Position the MEIBC as a niche specialist intervention that has evolved from stakeholder collaboration.

The MEIBC is still committed as a statutory body created under the Labour Relations Act (LRA) to provide for the co-regulation of stable and productive employment relations in the metal and engineering industries. The council is an industry-based forum of organised business and labour that regulates employment conditions and labour relations in the metal and engineering industry. It provides the necessary administrative infrastructure and technical expertise to ensure effective collective bargaining, industry compliance, dispute resolution and social protection services. As at the end of November 2012, the Council represented approximately 10 624 firms and 306 747 employees in the industry. The MEIBC’s scope covers a wide range of activities within the metal and engineering industries.
When formulating the message on collective bargaining for 2013, I had to bear in mind that I would be presenting it to our stakeholders during the regional visits. These took place as part of our road show activities and included pronouncements on the launch of Phase II of the MEIBC Strategic Plan. The plan was developed in 2006; Phase I was completed in 2011 and Phase II is now in process.

As a bargaining council, our perspective of this year’s bargaining environment is based mainly on what the parties expect of us. The wage bargaining process in the metal industry in 2014 will be no different to that experienced in 2011. It will be characterised as tough, uncompromising and associated with strikes and violence. However, there could be important differences in a number of key sectors engaged in wage bargaining.

Both negative and positive influences will be faced in our industry. Negative influences will be our workers bringing high expectations to the table and expecting their unions to match the high 2011 wage increases of 10 percent in metal, coal, gold and certain chemical sectors, as well as eight to 9.5 percent in most other sectors. Equally, there will be pressure on unions to match or better the high wage increases fixed in various multi-year agreements applicable last year. These were at 10 percent in coal and eight to nine percent in gold, motor, auto, metal and other sectors.

Most of us are well aware of headlines indicating that the CPI is slowing, unemployment is rising and therefore there is pressure from business to negotiate lower wage increases. High-profile wage negotiations have started (or will commence very shortly) and will set the scene for other negotiations, including metal, auto, motor and automotive components, new rubber and tyre, chemical, gold, coal and platinum.
We are faced with a post Marikana tension and fall-out, which has an inter-union rivalry impact. In 2011 workers used protected strikes to force wage concessions from employers; this will happen again this year and next year. Last year’s strikes were characterised by high levels of intimidation, violence and damage to private property (particularly as seen in the metal and mining industries). Whether or not this is a co-ordinated and intentional strategy to cause as much disruption to the workplace as possible remains debatable.

Parties expect no difference this year and next year. Bargaining council’s engaged in deadlocked wage negotiations should be aware that the Minister of Labour will no longer gazette wage increases backdated to the parties’ final settlement date. (This was the experience in the motor and engineering industries in the 2010 and 2011 negotiations.) The decision may assist bargaining council’s in expediting the resolution of wage disputes. A delay in the resolution of a wage dispute will have a direct impact on the date of actual implementation of the wage increases, once agreed.

Parties have high expectations that, as bargaining councils, we have the ability to break the impasse and broker a deal with the disputing parties. The parties expect the bargaining council to be acquainted with all the factors leading up to the impasse. There will also be expectations that bargaining council will be innovative in finding feasible, alternative solutions to options already unsuccessfully pursued at the bargaining table.

We are well aware that we should not just become a convenience. However, it is equally important to realise that, during the mediation process, parties become exhausted. They will readily fall into a comfort zone, allowing the council to become the shuttle between the disputing parties by conveying their respective (unsuccesful) messages. Bargaining councils must guard against this and undertake frequent reality checks and bring the parties together for properly facilitated, face-face engagements.

When preparing for industrial action, a bargaining council will assess the likelihood of industrial action taking place in the sector. Thereafter, the council must promote the formulation of appropriate strike, lock-out and picketing guidelines between the parties and ensure that facilitation continues during the course of the strike.

Our Council has taken the initiative to update its Vision and Mission to be in line with our key deliverables. This is also to ensure that the Council becomes proactive in matters affecting our country, especially in such areas as the challenge of job creation.

The newly appointed Exco team and members of staff are confident that, with the implementation of the Phase II Siyanqoba Strategic Plan going forward to be reviewed in 2017, the Council will be ideally positioned to celebrate being the oldest and largest council in South Africa. As part of our Communications and Marketing Plan, we are organising high-profile events to create and maintain an ongoing awareness of the value that the Council brings – not only to the industry but also to business in general. This will also contribute towards the establishment of the Council being recognised as a thought leader.

In April this year I embarked on regional roadshows as a means of introducing and workshopping our team members on the current business plan. They also provided the opportunity of launching the new visibility programmes, such as the target for full compliance visits to 80 percent of our industry. Please read more about this new target in this newsletter.

Part of my regional visits was also to conduct regional industry breakfast seminars on job creation. These sessions created a platform for our industry stakeholders, research and academic institutions, the business community and government leadership to share their views on these matters. It also enabled them to share with the Council their respective views on the role that can or should be played by bargaining councils in creating job opportunities, particularly in the metal and engineering industry. This is another initiative in the Council’s drive to increase its visibility amongst our stakeholders and to continue building strategic relationships.

Please read more about this exciting journey in this issue. I am looking forward to exciting times ahead.

Yours in collective bargaining

Thulani Mthiyane
General Secretary
general Secretary, Thulani Mthiyane, opened the seminar by sharing with delegates the importance of hearing as many voices as possible on issues of job creation and the role of bargaining councils. He noted the MEIBC has a wide range of stakeholders that all need to be given a voice and an opportunity to share their perspectives.

“There is a distinct trend towards employers utilising smaller labour forces,” he noted. “There are many reasons for this; technological advances and the increasing role of mechanisation in production are putting the work of unskilled labour in jeopardy.” He further pointed out fluctuating exchange rates, rising energy costs and increasing transport costs all contributing to an environment where both business and labour were finding themselves under financial pressure.

“In the midst of these challenging times we are now also facing calls for labour market reform,” he shared. “Suggestions are made that low costs
of labour is a vital sign that government policy is business friendly. It is also suggested that cheap labour will boost employment.”

He shared the view that investors considered a government’s entire range of policies when considering investment decisions and that to single out wages and employment policies did not reflect fairly on the positive stance our government has towards promoting business.

Lowering labour costs is also out of the question, as this will create a situation where millions of South Africans would be in jeopardy of losing their jobs, as they would suddenly be priced out of the market.

“The further argument that new employees should be paid less than existing ones is also misplaced. The experience of trade unions has, over many years, shown us that new employees are only satisfied with lower salaries for a short period of time. Thereafter they become disgruntled and start agitating for higher wages, often destabilising the environment,” he advised.

The General Secretary further observed that bargaining councils like the MEIBC were also accused of hampering job growth and in some instances creating job losses.

“It is an erroneous and short-sighted view that is irresponsibly promoted by those people who do not have an appreciation for the stability that bargaining councils bring to the labour market. The enforcement of the main agreement by the MEIBC is also seen as a punitive action on our part, when in reality it is an industry agreement that we are mandated to uphold,” he shared.

Ensuring high quality, at a competitive unit price in a stable labour environment were, from his perspective, the key tenets that would be required for South Africa to further develop as a competitive country.

Andrew Layman, Durban Chamber of Commerce and Industry CEO shared with delegates internal debates within the chamber around the role of bargaining councils.

“It is apparent, as the General Secretary conveyed in his opening remarks, that not everyone understands the role of bargaining councils and many overlook the tremendously positive role they have played with the introduction of social benefit products.

“There is also a lot of misdirected negative sentiment towards bargaining councils and this is a pity because the MEIBC has taken a very progressive stance and it certainly needs to be commended for this,” he stated.
From the Chamber’s perspective one of the big challenges was the extension of agreements to non-parties. This invariably involves smaller enterprises that were often in the forefront of creating jobs. The perception currently exists that the small employer has no voice within labour matters and this was disheartening for them.

On the question of job creation he suggested that some form of incentive system be developed, which encouraged employers to retain jobs. Employers could for instance benefit from a reduction in energy tariffs, provided they maintained or grew their staff levels.

“THERE ALSO APPEARS TO BE A LACK OF SYNERGY BETWEEN GOVERNMENT INCENTIVES AND THE NEED TO CREATE JOBS. IN SOME INSTANCES THE DTI WILL PROVIDE INCENTIVES TO COMPANIES THAT ARE IMPORTING OR ACQUIRING PARTICULAR TYPES OF MACHINERY – THESE MACHINES VERY OFTEN REQUIRE FAR LESS LABOUR TO OPERATE, THEREBY UNDERMINING THE DRIVE TO CREATE JOBS,” LAYMAN STATED.

“We need to create jobs, there is no doubt about that. However, if we do not present a stable society and labour market to investors, one in which they can infer there is respect for the processes and institutions that are in place to uphold our society, they will always be reluctant to invest;” he opined.

Bargaining Councils like the MEIBC play an important role in this respect and prohibit bargaining taking place in a fragmented manner, which will ultimately harm all stakeholders. “The reality is that free market forces do not have a regulatory mechanism to uphold constitutionally entrenched rights of workers in a democratic state,” he explained. “Bargaining Councils are an important facilitator in this regard.”

Ensuring that national resources are evenly distributed is one of the key factors that needs to be addressed to ensure that job creation can gain momentum. Whilst the means of production, whether these be physical, financial or human resources remain in the hands of a few, our economy will always be challenged.

This resources imbalance invariably leads to uneven development within society. These imbalances have a knock-on effect in terms of the quality of labour and associated skills that are produced in parts of our society.

According to Mahlangu the development of our economy and the creations of jobs is inextricably bound to the development of society. “You cannot have the one without the other. Perhaps more importantly, if you look around you, there is a willingness and a resilience amongst our nation – best epitomised by children going to school seated under trees – to rise above the situation we find ourselves in and we need to make the most of this positive attitude.”

He reaffirmed the view the bargaining councils are the interface point between business and labour.

Without the platform they create there will be ongoing strife and finger pointing within any industry and ultimately the economy will suffer.

Dr Brian Mahlangu, representing the KwaZulu-Natal Office of the Premier, delivered a lecture on behalf of Professor B F Ndaki and also used this opportunity to address the audience by calling for all parties in the industry to seek common ground. He appealed to everyone to carefully consider their approach to the problem of job creation and not to take actions that further exacerbate the situation.

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He made several recommendations with respect to the way forward and these included the following:

- There should be quarterly work sessions between representatives of employer management and unions to improve relations between the two major stakeholders.
- All companies should be open in terms of providing skills requirements to the unions.
- Unions should have observer status in the strategic planning sessions of companies.
- Employers to provide yearly updated data on skills availability.
- Employers to consider unions as co-partners and shareholders in their business.

Mahlangu ended his address by stating that to take this debate forward, we need to decide what type of economy we want to create. Is it one that is inclusive and gives as many people as possible an opportunity to grow, or do we want to continue seeing potential participants on the periphery of the economy?

The General Secretary thereafter thanked the speakers for their perspectives. He took the opportunity to remind everyone present that constructive criticism was always welcome. However, all role players needed to understand and appreciate the importance of distinguishing between parties to the agreement and council employees, when directing criticism at the MEIBC.

This, he stressed, was a very important distinction, because without it unfounded accusations of bias towards labour or industry could easily be made. He then opened the seminar to questions and comments from the floor.

A number of small business owners took the opportunity to express concern that the impression was being created that they did not care about the welfare of their employees. This, they contended, was incorrect and that what they were offering their workers needed to be assessed against the backdrop of prevailing economic conditions.

The NUMSA representative took the opportunity to appeal to government to ensure that infrastructure development in the region benefitted the local and national economy, and not to source international partners for manufactured products.

He also observed that the definitions of businesses need to be revisited, in particular that which defined an enterprise as a small business needs to be reviewed.

A final comment from the floor called for greater monitoring of incentives that were given to companies and how these were utilised.

Dr Seth Mazibuko, from the KwaZulu-Natal Office of the Premier, who was present at the seminar, took the opportunity to address the concern related to monitoring and conceded that this was not as strong as it could be. “IF WE ALLOW MONITORING AND EVALUATION TO FALL BY THE WAYSIDE WE ARE CREATING A BIG SPACE TO GROW BETWEEN THE OBJECTIVES OF INCENTIVES AND THE DESIRED OUTCOME.

We should avoid this at all costs and we can all play a role in this regard,” he stated.

The General Secretary officially closed the seminar after these comments and thanked employees, employers and the KwaZulu-Natal regional office for hosting the event.
As part of the MEIBC’s drive to increase visibility and build strong working relationships with its stakeholders, the General Secretary, Thulani Mthiyane, paid a visit to the head office and production facility of CFW Fans in Parow Industria, Cape Town.

CFW Fans holds a respected market position in southern Africa, specialising in the design, manufacture and distribution of fans to the industrial, mining, power generation and the heating, ventilation and air conditioning industries.

The company was founded in 1966 and is a family concern. Mr Joe Raad, a company director; welcomed the MEIBC delegation and provided a brief outline of its activities. The company has remained true to its core business of producing fans and over the years extended its product offerings to cater for a wide variety of industries.

Cape Regional Manager, Mrs Ida Roman, advised the delegation that the company has a positive working relationship with the MEIBC. As a result, MEIBC staff members who were undergoing training to become designated agents were brought to the company in order for them to gain exposure to the variety of machine activities they would encounter in the industry. This allowed them to develop a thorough understanding of the processes involved in the work of the machine operators and assisted them in learning how to conduct accurate grading.

As was also apparent during the visit that mechanisation within the company and the industry at large, is an ongoing reality and that it is important to continuously upgrade individual skills if one wants to remain a valuable human resource within this industry.
Mr Raad noted that the company was particularly proud of its employees in its manufacturing facilities. During recent years a number of the company’s employees had left the organisation to start their own enterprises and he revealed, where possible, CFW Fans worked with and supported these entrepreneurs. “The economic environment is a very challenging one at present and it takes a lot of courage to branch out on your own. Some former employees have reached great heights, while others are finding the going more difficult. We support them where we can, because entrepreneurs create jobs and both our industry and country need them.”

The company has a manufacturing facility that occupies an area of 16 000m² and has a documented quality system that allows it to design, develop and engineer fans to exacting requirements. It also has its own aluminium foundry.

The factory visit revealed that machine operators were well versed in the various operations they had to perform and were able to conduct their work in well ventilated and safe environments. The aluminium foundry was particularly impressive.

The casting of fan blades was in full swing during the visit and the castings produced were clearly of a high standard.

The delegation engaged with a number of the company’s employees during the visit and it was apparent that they were enthusiastic about their work and aware of the role that the MEIBC played within the industry.

The company also introduced the delegation to a number of employees who had in excess of three decades of service with CFW Fans. These experienced veterans were involved in the training and mentoring of younger staff members.

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It was also apparent during the visit, that mechanisation within the company and the industry at large is an on-going reality and that it is important to continuously upgrade individual skills if one wants to remain a valuable human resource within this industry.

The visit was rounded off by an inspection of the hi-tech design facilities of the company. This is a specialised unit where the company designs and builds advanced prototype machines to order for clients as far afield as Germany and China. The delegation was particularly impressed to see such a high level of technological innovation at work

and IT SERVED AS CONFIRMATION THAT SOUTH AFRICAN INDUSTRY DOES INDEED HAVE THE ABILITY TO COMPETE WITH THE BEST IN THE WORLD.

General Secretary, Thulani Mthiyane, commented at the conclusion of his visit that, “The achievements of the company and the dedication of its staff are all a testament to the positive results that can be achieved when all role players in the industry work together.”
South Africa’s bargaining councils have agreed in principle to speak with one voice regarding the impending lawsuit by the Free Market Foundation. At a meeting held in Johannesburg the councils and their legal team agreed to work closely together to ensure that their efforts are coordinated in a uniform manner.

Among the issues discussed during the meeting were those pertaining to the coverage of legal costs by the councils. The smaller councils were assured that they will not be left out by virtue of their inability to raise a required amount but will be accommodated with what they are able to contribute.

“In considering the legal costs issue, as the MEIBC we will have to assess what is important to us and then delegate accordingly. We will come up with a feasible approach,” said Thulani Mthiyane, General Secretary of the Metal and Engineering Industries Bargaining Council. He added that the Council is prepared to pay the costs as it is mandated by law.

“We do not want a situation whereby the door is shut on the smaller councils that may have a limited ability to contribute,” said a representative of the Civil Engineering Bargaining Council.

A member of the legal team emphasised that that the sharing of resources across all fronts is paramount for success. “We will have different teams consisting of experts in their fields to assist in various aspects of the case, be it background research or constitutional law. These will all feed into the main team,” he observed.

Three legal task teams were proposed during the meeting and the members will make the final decision on this issue during the next meeting.

A member of the legal team appealed to the respective councils to heed their call for information in order for them to build a concrete case and stressed that time is of the essence in this regard.

The meeting unanimously agreed that the case at hand is not about any particular individual council but they should focus on what each member can contribute towards a team effort.
THE ROLE OF BARGAINING COUNCILS REAFFIRMED

AS PART OF THE MEIBC’S DRIVE TO INCREASE ITS VISIBILITY AMONGST ITS STAKEHOLDERS AND TO CONTINUE BUILDING STRATEGIC RELATIONSHIPS, A BREAKFAST SEMINAR WAS HELD IN CAPE TOWN.

THE OBJECTIVE WAS TO GIVE BOTH BUSINESS AND LABOUR THE OPPORTUNITY TO SHARE A PLATFORM AND DEBATE THEIR PERSPECTIVES ON THE ROLE OF BARGAINING COUNCILS AND HOW JOBS COULD BE CREATED IN THE SECTOR.

The seminar was opened by Cape Regional Manager, Mrs Ida Roman, who welcomed the panel delegates, speakers and attendees. She stated that the good attendance at the seminar was clearly an indication that labour and business in the region were active and engaged with the challenges of the sector. She further believed that this was the start of building strong relationships within the sector.

Communications Manager, Ms Monki Hlutwa, advised all in attendance that this seminar would be the first in a series, which will be conducted around the country with the express purpose of bringing the MEIBC closer to its constituents and offering as many opportunities for stakeholders to engage with the Council as possible.

The tone for the seminar was set by the General Secretary, Thulani Mthiyane, who also welcomed all present and reminded them that in a democratic society such as South Africa, there is bound to be a range of views on issues that impact directly on society and the well-being of individuals.

He pointed out that the creation of jobs and the existence of bargaining councils are the type of issues that could raise many views and he called on all in attendance to respect the opinions that would be aired by speakers.

The Cape Chamber of Commerce and Industry was represented by Executive Director, Ms Viola Manuel. As a representative of the local business community, she observed that before job creation could be adequately
addressed, the question of preserving existing jobs and making sure they are sustainable had to be resolved.

Of concern to her and members of the Cape Chamber is that statistics reveal that in the ’80s the average business employed 34 people. By the 90s this number had declined to 24. The latest figure reveals the average commercial business employs fewer than 10 people.

The Cape Chamber’s view is that over-regulation has made the business landscape less attractive to many potential entrepreneurs. This means fewer employers who can potentially create jobs are entering the market and when they do, the challenge of paying minimum wages leads to them creating lower levels of employment.

Her call to government is to have greater faith in the business community. It has the potential to create jobs, but to do so it needs encouragement, not an environment that is heavily regulated and rife with interference.

Structural inefficiencies and the widening gap between the rich and poor were in danger of becoming institutionalised if a new approach to determining wages was not found, observed NEASA Chief Executive Officer, Gerhard Papenfus, during his opportunity to address the seminar.

He stated that a properly functioning collective bargaining system does have the potential to create labour peace and stability, but only if it takes economic realities into account and recognises the needs of small business in South Africa.

In his opinion there exists a very real danger of the agreements that are reached between unions and big business skewing the industry in favour of these players. Presently government and many other parts of society are pinning their hopes on the small business sector as potential job creators.

He believes this will not become a reality unless the constraints that small business functions under are taken into consideration when wage agreements are negotiated. He urged all role players to think about making the industry more attractive for entrepreneurs.

He further stated that official unemployment figures in South Africa stand at 25%, but this does not include the 12% that are not actively looking for work. South Africa desperately needs to create an environment that stimulates job creation. This can be done in two ways: firstly by reducing minimum wages in certain industries and secondly by deregulating the labour market. Relaxing labour laws and statutory minimum wages will encourage the growth of entrepreneurship and small business and consequently drive employment and economic growth.

CEFA Chairman, Bernard Ashlin, appealed to all stakeholders to work together to grow the sector and achieve stability within it. He acknowledged that difficult economic times often resulted in extreme behaviour. However, the industry should not allow threats, physical intimidation and violence to become the norm.

He said that ensuring there is consistency in the way the Council dealt with all the regions around the country would be a huge step in the right direction. There is also a need to recognise that engineering is not a ‘one size fits all’ undertaking. The Council is serving a wide range of industries that ranges from manufacturing engineering all the way through to the plastics industry and that the needs of each of these sub-sectors, was very different – in some instances technological changes were driving further specialisation and that this needed to be catered for.

He reminded all present that employers are under immense financial and competitive pressures. Presently, the industry was focused on job retention and that the ability to create jobs was compromised by difficult economic conditions.

South Africa’s complex and unique labour market, the existence of low
labour intensive sectors, an on-going skills deficit, disincentives to work as the result of social benefits and inflexibility in the labour market all added to the dynamic of the labour challenge, claimed FEDUSA Deputy General Secretary: Operations, Gretchen Humphries.

THE FACT THAT 61,3% OF UNEMPLOYED PEOPLE DO NOT HAVE MATRIC, WHILE ONLY 6,2% OF EMPLOYED PEOPLE HAVE A TERTIARY QUALIFICATION, POINTS DIRECTLY TO THE NEED FOR SOUTH AFRICA TO OVERCOME ITS SKILLS AND EDUCATION PROBLEM IF WE ARE TO HAVE ANY REALISTIC CHANCE OF TACKLING THE UNEMPLOYMENT PROBLEM.

She further shared with attendees that there is a mismatch between labour demand and supply, which means people are unable to take up the jobs on offer. There has been a massive growth in the services industry, but the demand is still for skilled labour. The unemployment rate has increased since 1994 and the key reason is not only the notion of jobless growth. The number of entrants into the labour market has increased far faster than the ability to create jobs.

It is her view that the key to future success will be found in all role players, including bargaining councils, working together to give, in particular the younger generation, opportunities to develop skills. In fact, continuous skills enhancement needs to become a feature of our business landscape to ensure we are a competitive nation.

A country’s wealth resides, first and foremost in its people, declared Solidarity Head of Industry: Metal, Engineering and Electrical, Deon Reyneke. The problem, he noted, is that most employers don’t want to recognise this. They are focused on short-term profits and if they can achieve these profits at the expense of developing their people, they would happily do so.

He highlighted two problems in this regard. The first is the poor quality of school leavers and graduates that FET colleges are producing. He appealed to government to intervene and ensure that our public training and development entities produce high calibre individuals in terms of their skill sets.

The second is the fact that large corporations did little to invest in developing skills that would not only benefit their own organisation, but also the economy at large. In the globalised environment he stated that the solution to most cost challenges was to outsource work to a country where it could be done more cheaply. Such behaviour in the long run only jeopardised the future success of our country.

He also turned his attention to the industrial action in the platinum mining sector last year, noting that it had now set a very difficult precedent for all parties in the economy. He feels the big lesson that should be taken from the tragic happenings that occurred last year is that the existence of a bargaining council is an absolute necessity.

The belated establishment of a process to establish a bargaining council in the platinum mining sector is, in his opinion, a huge indictment of role players in this sector. He acknowledges that the existence of a bargaining council may not necessarily have averted the strife, violence and loss of lives. However, he believes that the framework for stakeholder engagement, particularly for collective bargaining matters, which a council provides, is critical for any industry.
NUMSA Regional Secretary, Vuyo Lufele, is of the view that the hand of the MEIBC should further be strengthened. This should be done to deal with employers that have scant regard for the long-term well-being of employees and who do not ensure that provident and pension deductions are paid to the relevant schemes. The MEIBC also needed to be in a strong position in order for it to ward off suggestions that it has not been an impartial council. He feels its track record shows that it has been able to find the balance within the sector.

Looking ahead, he used the example of the export of scrap metal as one of the areas of concern for NUMSA. He said that while they appreciated government’s intervention in this area, the reality is that the export of any scrap metal in reality meant that job opportunities were being exported and that all the role players needed to work together to ensure that the jobs stayed in the country.

All the challenges speakers touched upon reflect the changing socio-economic landscape across the world and the complexities and compromises of our own history, observed COSATU, Western Cape Regional Secretary, Tony Ehrenreich.

He promoted the view that the focus needs to be on the worker and that in many instances workers were unfairly carrying the brunt of cost reductions. He shared with the attendees the fact that in the manufacturing sector, the labour component of production costs generally represented about 20 percent of total input costs. Therefore, debates around costs had to include issues such as rising energy costs and other input costs that constitute the balance of total inputs.

When one considers the full range of factors that influence production costs it quickly becomes apparent that there are many other role players that need to be drawn into the debate around wages and the creation of jobs, in order to ensure that a holistic picture is formed.

He also drew the attention of those present to the fact that Reserve Bank data reflect that some 18 percent of blue collar workers’ salaries are dedicated to remittances, which means that they are supporting family members who are unable to find work. A situation, he said, is nothing more than an unfair tax on those individuals, who must now shoulder the burden of a system that is unable to create jobs and ease the burden of the unemployed.

He noted three important considerations: the first is that bargaining councils are a critical component of a sector that is really intent on finding workable solutions. The second is that skills development is critical to the future success of industry. Thirdly, he said there should be a new realisation amongst business that labour can be a powerful ally when it comes to dealing with administrative prices and making changes within the industrial policy space. In short, it is time for new thinking because only by holding hands can we succeed in the future.

The General Secretary thanked the panellists for sharing their views and opened the floor for questions and input from the attendees. There were a number of impassioned pleas from business owners for all role players to appreciate the difficult operating environment in which businesses currently find themselves.

THE GENERAL CONSENSUS WAS THAT ACTION NEEDS TO BE TAKEN TO ENSURE THAT JOBS ARE RETAINED, while initiatives to create employment for the youth need urgent attention as they are the future of our country.

The General Secretary wrapped up the seminar by thanking everyone for their views and emphasised that the MEIBC is as committed as ever to help the industry find ways to resolve the challenges it faces.
BRINGING THE MEIBC CLOSER TO ITS STAKEHOLDERS IS ONE OF THE PRIMARY OBJECTIVES OF THE CURRENT MEIBC LEADERSHIP. GENERAL SECRETARY, THULANI MTHIYANE, PAID A VISIT TO SOUTHERN AFRICAN SHIPYARDS AS PART OF THIS DRIVE.

Southern African Shipyards is Africa’s leading commercial and naval shipbuilder and ship repair company. It provides solutions to the marine industry worldwide. Equipped with key facilities and specialised technical expertise, it has the capacity to undertake the entire works spectrum of in-voage and port repairs on all vessels.

It is located in Africa’s busiest port, the Port of Durban. The yard is strategically positioned at the northern extremity of the KwaZulu-Natal Southern Industrial Basin and is well supported by a wide range of complementary industries. This leading shipyard was the destination for the MEIBC’s industry visit.

The executive team was welcomed by company representatives who explained that the company currently has a workforce of about 200 people. The company representatives explained that shipbuilding in South Africa has been ongoing for some 30 years, albeit in a stop-start fashion. This has resulted in a pool of expertise being created which has steadily gained experience from the diversity of projects undertaken locally. In this regard the company has many years of innovative ship building expertise.

Heather Watson, the designated agent who conducts inspections at the company told the delegation that when conducting an inspection at this facility she normally spends about five minutes with each employee during the process. During the visit, it was revealed that the company was waiting for the go-ahead on a tug building project for Transnet that will keep it busy for three to four years. Typically the building of a tugboat takes about 16 months from commissioning. The longest part of the building process is the assembling of the engine for the tugboat.

Once the General Secretary’s delegation had donned the appropriate safety gear; they set off for an inspection of the facility.
It was apparent that the company has impressive facilities geared toward the shipping industry and during the visit many of the production units were in full swing with refurbishing tasks – which is currently the main activity in the shipyard.

A number of female artisans were present in the production facilities and they were obviously skilled at the work they were conducting.

Once the tour of the extensive facilities was completed, the General Secretary thanked the company representatives for their time and facilitating the visit. He encouraged them to continue flying the flag for shipbuilding in South Africa, despite the challenging conditions at present and thanked them for the contribution they were making as an employer in the region.

**EQUIPPED WITH KEY FACILITIES AND SPECIALISED TECHNICAL EXPERTISE, IT HAS THE CAPACITY TO UNDERTAKE THE ENTIRE WORKS SPECTRUM OF IN-VOYAGE AND PORT REPAIRS ON ALL VESSELS.**
Gauteng ready to achieve new heights

JOHANNESBURG – THE SIYANQOBA STRATEGY WAS PRESENTED TO THE JOHANNESBURG REGIONAL OFFICE BY THE COUNCIL’S EXECUTIVE AND MANAGEMENT COMMITTEE. THE STRATEGY WAS WELCOMED BY ALL PRESENT AS AN IMPORTANT STEP IN SECURING THE FUTURE OF THE COUNCIL AND ENSURING THAT INDUSTRY ENJOYS QUALITY SERVICE FROM THE COUNCIL’S STAFF.

Communications Manager, Ms Monki Hlutwa, welcomed all present and advised them that the workshop would be an opportunity for them to share their perspectives with their colleagues and leadership on the direction the MEIBC is taking.

“In the current environment, remaining relevant to the needs of stakeholders and ensuring that the path the Council is on will serve the needs of all role players in the future, is more important than ever,” stated General Secretary, Thulani Mthiyane.

He explained that the decision to move forward with the Siyanqoba Strategy was reached after a thorough internal consultative process where the managers and executive committee agreed that the strategy would best serve the organisation’s future needs.

“I would like to thank those of you who have taken the time to have friendly, robust discussions with me. I hope that I was able to clarify most of the issues you raised,” commented the General Secretary. “Sometimes it helps if you give each other the right to speak plainly and I think the discussions we have had helped inform the way we are going to be implementing our strategy.”

Monki Hlutwa, Manager, Communications, opened her presentation by sharing with delegates the fact that the MEIBC is one of the country’s oldest and most respected bargaining councils. As such, there would be a plan to build its profile going forward.

The Council has reached the point where it can capitalise on the work done already and focus on better implementing the available systems and processes. Most of this has been achieved and the primary focus is on monitoring and evaluation.

“We are now moving into the second phase of the strategy,” she revealed. “The phase does not represent a radical departure from the original strategy as the consensus is that the strategy is still relevant to our future. We are simply going to fine tune areas that need attention and implement those plans that are not yet actioned.”
One of the most important changes going forward is the new vision that was developed as a result of the need to ensure that the Council can deliver on that which it says it does. The new mission reads:

“TO SUSTAIN COLLECTIVE BARGAINING THROUGH ADMINISTERING AND ENSURING COMPLIANCE WITH INDUSTRY STANDARDS.”

“This speaks directly to an important part of our business strategy aimed at facilitating and positively influencing the relationship between labour and business,” explained Hlutwa. “It also helps re-inforce the understanding within the industry that we are responsible for enforcement of the implementation of agreements.”

Another key objective of the business strategy is branding the MEIBC as being of equal value to labour and business. This dovetails with another component of the strategy, which is to educate stakeholders in the effective implementation and maintenance of agreements and, where appropriate, implement value added training and development.

“The overall aim of the strategic plan is to create greater levels of visibility and acceptance of the MEIBC’s value in business, beyond legislation and compliance aspects,” stated Hlutwa. There will also be a strong drive in the media to bring the MEIBC closer to its stakeholders and position it as a thought leader in the market.

The General Secretary is the official spokesperson for the Council and at this point there are a number of opportunities that he is making use of to lift the visibility of the brand.

“It’s important to note that we are trying to create a thought leadership community around the MEIBC,” revealed Hlutwa. “In particular, the electronic platforms we have created, along with social media platforms, bring opportunities for ongoing engagement.”

Nomsa Mofokeng, HR Executive, explained that the HR department has set itself the goal of becoming a credible and important business partner to the Council. The department conducted a SWOT analysis and based on this there are defined processes and procedures that have been developed.

“This is probably one of the most important steps we have taken,” said Mofokeng. “We now have performance management systems, policies and procedures in place that are a good basis upon which to build our human resources relationships.”

Putting these structures in place has also placed the HR department on the path to contributing towards developing human capital to the extent that the MEIBC can grow and maintain its leadership role within the industry.

“We are no longer solely focused on transactional activities such as recording leave and sorting out queries related to payroll,” Mofokeng explained. “We have aligned policy and practice and can now start addressing weaknesses in HR planning such as talent management and succession planning.”

There are a number of threats facing the Council. At present, companies are de-registering or new companies are not being brought into the fold. These are but two examples of the macro-level challenges that need to be addressed. In this regard the HR department has set itself the goal of assisting the Council in addressing these challenges. One of the ways this can be done is through putting performance charters in place that ensure at individual level people are doing everything they should be doing and in this manner helping to address the challenges the Council faces.
“As the HR department we want to exercise a positive influence. We want to empower people to live up to the challenges. Managers are therefore going to be assisted, through mentoring and coaching, to reach their full potential.

“We are also going to partner with certain institutions to provide us with training that is going to enhance their leadership skills. The partnership with Map4Life is indicative of the new approach that we are going to be taking to training and development in the Council. We want everyone to have a defined development path that is aligned with the Council’s goals.

“It is an opportunity to set important self-development goals and we want to encourage all of you to move forward on this, because we don’t want to leave any of you behind or dictate to you what you should be doing.”

Recruitment processes will also be reviewed and employment equity forums need to be activated. The purpose of this is to underpin effective succession planning and ensure that there is ongoing transformation at the Council.

“We are also going to ensure that new employees are inducted within three months. A compensation structure for agents will be put in place to cater for entry, mid and senior levels. We are also going to roll out a climate survey to determine what makes it difficult for you to achieve the desired results in your work.

Many people are apprehensive about the climate survey. There is no need for this. It is going to tell us what you are experiencing and inform the actions we take to support you.

“The message form the HR department is a simple one. We are not a closed shop. Come and talk to us, we want learn from you, so that together we can help you move forward.”

Humphrey Molemoeng, GM Finance and Administration, told attendees at the workshop that the Council’s finances were currently on an upward trajectory after the poor financial performance in 2009 and 2010. The poor performance was in part due to the difficult economic climate that businesses find themselves in.

“We need to realise that if there are significant strikes in the industry it can impact us negatively,” shared Molemoeng. “Ideally we should have about six months of reserves available to us. This means that during that period, although there may be no levy collections, we will still be able to operate comfortably.”

He pointed out that employees can expect better budgeting in the future as this is the cornerstone of good financial planning. The Council is also investigating the possibility of establishing a call centre as a first line of resolution that will free up agents to do important work within industry, such as conducting compliance visits.

“The technology front we will be bringing together Siyandiza and Phoenix. We know that there are challenges and that this is causing frustration. We are not ignoring this: it is receiving attention. Similarly, the challenges with the Employee Self-Service system are being ironed out – we anticipate that this will make life a lot easier for people in terms of routine administrative activities.”

The Council will also be moving towards the use of online banking and the utilisation of an ‘e-wallet’ to make transactions.

Ensuring that agents visit 80 percent or more of all the companies that they are responsible for in the year ahead will be the key objective for all agents, stated Compliance Manager, Johan van der Walt.

“It is important to note that this 80 percent target is not an indiscriminate target generated by the MEIBC to make things difficult for agents. It is a target our stakeholders have set for us. We acknowledge that it is going to be hard work. However, we have a strong and competent group of agents.

“There is also a strong desire within the MEIBC to contribute towards the ongoing sustainability of the industry. I therefore know that agents are going to do their utmost to achieve these goals.”

He urged agents to ensure that they were properly prepared and in a position to do proper routine inspections when they visited an organisation, so that they did not have to visit the same company more than once.

“There are sometimes issues on which employers want clarity and this can take up a lot of time. The envisaged call centre will possibly be one way for agents to spend more time doing routine inspections, instead of answering questions.”

He also took the opportunity to thank Nic Faasen, General Manager Operations, for the assistance and support he had given over the years. Mr Faasen will be leaving the MEIBC at the end of May and Mr van der Walt wished him good fortune for the future.

Personal goals and constant professional development are important characteristics of a professional approach to work and all MEIBC staff members need to consider the value of such an approach, shared General Manager: Operations, Nic Faasen.

“If you set goals for yourself, then you know what you are working towards,” Faasen observed. “At present we have an 80 percent goal set for us and we should not view it in a negative light. It is an opportunity to build a reputation and awareness of the MEIBC in this region and we should go all out to maximise this opportunity.”
“The Council is pursuing 10 percent membership growth. One of the ways this is going to be achieved is a new member nursery. In terms of this process a firm will be issued with a new registration file. This is to ensure that the firm is invited to Council events, like training workshops and ensure there is a follow up visit within two months to assist and guide a firm if there are queries.

“The follow up visit will also ensure the firm is making deductions and paying over contributions to the various funds. We believe that this process will allow new companies to come on stream with our processes much more quickly. It is also an opportunity to show to them the value we can add to their companies.

“The CDR capacity will be increased with the appointment of a manager and assistant. Training will also be provided to CMOs and the Council wants to maximise the effective use of the commissioner and ensure uploading of arbitration outcomes on the website. We have appointed funds agents to help.

“Going forward, the success of the MEIBC is going to revolve around good communication between ourselves and our stakeholders. If we keep the channels open we will be bound to succeed.”

Gauteng Regional Manager, Mr Vice Ngonyama, addressed the workshop attendees on the question of the 80 percent inspections and how agents can best utilise their time to reach this target. Based on some work studies that had been conducted he determined that a pre-inspection discussion should be around 30 minutes. Interviews with workers should be limited to five minutes per worker.

The time set aside for the post-inspection discussion is 30 minutes. “Theoretically speaking this will allow an agent to interview 70 workers every six hours. If one considers that we have some 204 000 workers in our jurisdiction, this means that each agent will have to interview 7 560 employees per annum,” he shared.

Turning to the question of what constitutes a good interview, he advised agents to use the elements contained in the standard interview form and reminded them that the most important part was making sure they obtained the worker’s signature.

“We are cognisant of the time absorbed by travelling between home and companies, geographical location, processing of information and report writing. We will take this all into consideration when assessing individual performance.”

Mxolisi Nxumalo from the satellite office in Pretoria addressed the workshop and reminded agents that a higher level of inspections will, over time, also yield a higher level of compliance. “We need to understand that as individuals we need to remain committed. If we slack off, we are going to miss our targets,” he stated. “We need to promote team work so that we can achieve more together.”

The General Secretary then provided the workshop with his closing remarks. He observed that there were many challenges ahead. For instance, NEASA was claiming that it was the only representative voice for employers and that the Council only represented 25 percent of employers.

“The benchmarks are there for a reason and they need to be achieved because we are entering a new era in the life of the MEIBC. It is one where we are shifting our organisational culture to match the performance expectations of our stakeholders,” he concluded.

It is not something we are going to leave unchallenged. We will meet challenges, legal and otherwise, head on and we have set aside enough funds to do so.”

“I believe that, as a bargaining council, we are in a good space. However, there is always room for improvement and the strategy shows us where we need to go. I know it will not be easy to achieve our goals. However, rest assured that you are not alone. We will support you and give you the resources you need to attain the new benchmarks. We must be honest with each other.
DURBAN – THE SIYANQOBA STRATEGY WAS UNVEILED TO THE KWAZULU-NATAL REGIONAL OFFICE BY THE COUNCIL’S EXECUTIVE AND MANAGEMENT COMMITTEE. IT RECEIVED A POSITIVE RESPONSE AND OUR COLLEAGUES IN THIS REGION ARE KEEN TO MAKE IT WORK.

Monki Hlutwa, Manager Communications, opened the session by advising everyone present that the workshop would be an interactive session. Questions were most welcome as they presented an opportunity for engagement, which is what the strategy workshops are all about.

General Secretary, Thulani Mthiyane, told everyone present that the workshop was a continuation of the road shows conducted last year during which new management members were introduced to the team.

“We made a commitment during those road shows that we would start addressing the challenges we have within the Council,” he stated. “These strategy workshops are part of delivering on that commitment and give our employees a clear understanding of where we intend heading in the future.”

He noted that that the Siyaqoba Strategy was the second phase of the strategy launched in 2006 by the previous CEO, Alistair Smith. “He was mandated by stakeholders to develop this strategy and I think it is important to acknowledge the progress that was made during his tenure. What we are focusing on in the second phase is fine tuning some of the processes, looking at parts of the strategy that were for some reason not implemented and positioning the MEIBC as an important role player in the sector.”

While the second phase was also an opportunity for the General Secretary to bring his own vision to bear on the Council, he stressed that he was only interested in creating new objectives that will be relevant to the future of the Council.

Key in this regard is raising the profile of the MEIBC. However, to achieve this, several matters first need to be addressed. Chief amongst these is ensuring that role players within industry understand the role of the Council and its mandate. If there is clarity on the MEIBC’s responsibilities, some of the criticism aimed at the Council would start to dissipate.

“It is not only big events and seminars that will raise our profile,” the General Secretary stated. “If we make sure that we are active amongst our members, doing inspections and ensuring compliance with the main agreement, all our stakeholders will increasingly become aware of us and our role. The easiest way for us to achieve this is simply by doing our work in the way it is meant to be done.”

The MEIBC’s new vision is to sustain collective bargaining through administering and ensuring compliance with industry standards. This means that the onus is now on all the MEIBC’s
employees to provide the service the industry needs. This in turn will support the drive to lift the Council’s profile.

“As the oldest and leading bargaining council in the country, there is in many respects an onus on us to lead efforts aimed at gaining recognition for the role bargaining councils play in the economy,” revealed Monki Hlutwa, Manager: Communications.

The MEIBC represents over 10 624 firms and over 306 747 employees within the industry. The KwaZulu-Natal region represents 22 percent of the total industry and is therefore one of the key regions for the Council.

“While the numbers are strong, the reality is we need to grow membership,” Hlutwa urged everyone to remember that standing still and simply trying to protect what the Council already had in terms of membership was not a long-term recipe for success.

“THE GREATER VISIBILITY WE ARE PURSUING WILL ALSO CREATE AN IDEAL PLATFORM THAT WE CAN UTILISE TO GROW OUR MEMBERSHIP BASE. AS WE GO ABOUT OUR WORK, THERE WILL BE OPPORTUNITIES TO IDENTIFY NEW EMPLOYER AND WE NEED TO CAPITALISE ON THOSE.”

Building the profile of the MEIBC will see the communications team utilise a variety of technology platforms, print and electronic media. Consideration is also being given to the publication of a book that will track the contribution of the MEIBC to industry throughout its history – the content will serve as an important industry reference guide.

“There is a lot of work that needs to be done to develop our brand and cement its position in the market,” explained Hlutwa. “We all have an important role to play, if we are passionate and committed about the work that we do, we are automatically going to be taking the right step towards building a positive brand.”

There will also be an internal drive to build a culture of performance that will underpin the Council’s branding efforts and establish it as a market leader. To achieve this, employees in the Council will need to give their all to ensure that targets are being met.

Members of the KwaZulu-Natal region who were present at the workshop were in agreement that building the profile of the MEIBC was important. They all felt that the track record of the Council and its reputation as one of the best bargaining councils is something that needs to be further developed.

Moving HR from a purely transactional activity to a strategic role where there would be a focus on the development of human capital is one of the key focus areas for the HR department, explained Nomsa Mofokeng, HR Executive.

In the future there will be an HR officer and a payroll officer. These two functions would be separated in order to streamline processes in the department and ensure that there would be adequate focus on each area.

“We are also going to ensure that our policies are properly documented and that there is a procedural manual to help guide managers with respect to decision making,” Mofokeng shared. “We are faced by our own skills challenges and it has become apparent that we need to address these to avoid even greater problems in the future.

As a result, each manager will also be responsible for developing a succession plan for their office.”

She revealed that individual development will in the future be closely aligned with performance charters – the HR department will be launching a product called Map4Life to assist with talent management in the Council. Managers are assuming responsibility for people development and it will also form a part of their performance charter.

We need to be clear with respect to professional development plans – if these are not completed or submitted to HR, it is not possible for us to support you. The type of professional development you want to pursue also has to make sense for the organisation; add value or address the skills shortages that we have.”

Mofokeng said that while there were several challenges that had to be addressed in the HR space, all staff members could rest assured that there would be a greater focus on meeting their needs in the future and assisting them to reach their organisational goals.

The General Secretary noted that the shortage of specialist skills within the Council did necessitate the recruitment of individuals from outside the existing structures. “We need to get these skills to ensure we can continue functioning as we should. I want to make it clear though that these people are appointed purely on the basis of their qualifications, aptitude and ability to do the job – nothing else.

“I KNOW THERE ARE PEOPLE IN THE ORGANISATION THAT WOULD LIKE TO TAKE ON DIFFERENT ROLES. IT IS NOT PRACTICALLY POSSIBLE IF YOU DON’T HAVE THE RIGHT SKILLS. PRESENTLY WE HAVE TO FOCUS ON PEOPLE WITH THE RIGHT SKILLS.”

He also stated that employee equity committee meetings and the establishment and maintenance of workplace forums is high on his agenda and that if necessary he would ensure his personal involvement in these areas to ensure they gained momentum within the Council.

Staff from the region were happy to learn of developments in the HR space and were of the view that improving the systems and creating opportunities for development would be critical to future success.
While the MEIBC is in a sound financial position, Humphrey Molemoeng, GM Finance and Administration, observed during his presentation that it is not immune to the pressures of the economy.

The Council is cognisant of the economic pressures that its members labour under and consequently it has asked for a levy increase of three percent. The budgeted revenue for this financial year is R1 12 million, of which R50 million will be allocated to salaries, which is traditionally one of the biggest expenditures.

He took the opportunity to tell those in attendance that the challenges with the Siyandiza system were not being ignored and that resources had been dedicated to resolving the problems in this area.

The rise of fraudulent transactions within the banking system whenever cheques are used has seen the Council move towards online banking. “Once a cheque leaves our hands it moves through a process where many opportunities exist for it to be manipulated. It just makes no sense for us to place the Council and our employees at risk. As a result we are moving to the greater security of online platforms.”

In the future agents will receive petrol cards, which will greatly reduce the administration load in terms of tracking expenses and help manage costs more effectively. This petrol card will take the place of the per kilometre allowance that was previously paid to agents and bring the Council in line with SARS requirements in this regard.

Nick Faasen, GM Operations, started the last presentation of the workshop by challenging all in attendance to carefully consider where their passion lies. He said that without passion, the work that one does can easily become drudgery. If you love what you do, then you will add value and rise above the challenges that cross your path.

He also said that agents need to be relationship builders. It is impossible for an agent to do its work if he or she does not build a good relationship with employers.

“Communication is a vital element in building a good relationship. You can’t build a relationship if you don’t communicate,” he explained. “When you are doing an inspection you must communicate to the employer and the employee representative what it is you are going to do and what the outcomes are that you seek to achieve. This is an important first step in building a good relationship; openness and transparency is very important.”

In terms of targets it is expected that agents visit 80 percent of their members for compliance inspections and visit 100 percent of SMEs in their regions.

“We need to reach these benchmarks because the role players in the industry are asking us to be more visible within industry and to make our presence felt,” he shared. “It is important that we respond to this stakeholder request in a positive fashion. We know that there will be practical challenges in this regard. However, if we tackle this challenge with the right attitude, anything is possible.”

He encouraged agents to make sure that they only conducted one visit to a company. In order to do this they needed to ensure that they completed all the paperwork on the spot and did both the routine and compliance inspections in the manner prescribed. In his opinion agents often waste their own time going back to a company two or three times, when one visit would have sufficed.

Faasen also emphasised the need to speak to each and every employee in the organisation. “Nobody likes to be ignored. Don’t make assumptions about the work people do, speak to each and every employee and you will have the satisfaction of knowing that you have done your job well and to the best of your ability.”

Ms Heather Watson - The KZN Designated Agent

Ms Aruna Ishwarlall - The KZN Trainee Agent

“COMMUNICATION IS A VITAL ELEMENT IN BUILDING A GOOD RELATIONSHIP. YOU CAN’T BUILD A RELATIONSHIP IF YOU DON’T COMMUNICATE.”
He touched on the development of the new member nursery, where new members would receive added attention to ensure that they understood the value of being Council members. It is believed that the establishment of a call centre has the potential to alleviate some of the pressure placed on agents to respond to queries. Its establishment is currently under investigation, but will only become a reality if it is a feasible undertaking.

The General Secretary wrapped up proceedings by saying that it was obvious to him that the team in this region was united and supportive of each other. He thanked them for the role they played in making the regional seminar a reality and said they certainly exemplified the passion that Nic Faasen had spoken about.

"Thank you for making our stay in your province unforgettable and please keep up the good work that you are doing," was his parting message to this regional team. Part of the visit was to strengthen internal ties, gain an understanding of any challenges staff might face, and develop his relationship with staff in this region. We took the opportunity to get input from staff on their MEIBC experience."

According to Carol Mayes, who spent more than 30 years in the printing industry before joining the MEIBC, there is a lot of job satisfaction to be found by working at the Council. She revealed that her work as an agent provides her with the opportunity to bring all the prior work experience she has gained over the years to bear on the industry. "I look forward to playing my part in bringing the benefits of the main agreement to as many companies as possible in the year ahead."

Johan Mussman, senior agent at the Durban office, has been with the Council since 1985 (barring a short two-year break). During this time he has seen a number of changes – the vast majority of these he says have been positive. "You have to move with the times and I think the General Secretary is moving us in the right direction."

Heather Watson is also feeling good about the changes that the second phase of the strategy will bring. "I like the idea that we are building on what has been achieved, it means there is continuity, which I believe is an important element if we want to be successful." She also believes that it will be unlikely for her to find another job that gives her the same amount of job satisfaction as her work as an agent, as she can see the difference her work makes.

Case management officer, Samantha Cripps has been with the Council for 21 years. "I have been fortunate to have a number of opportunities come my way over the years and I have been able to make the most of them, which has helped me get to my present role." During her time with the Council she has also seen many changes and believes these have mostly been good because they have been aimed at improving Council service to stakeholders.

Personal Assistant to the Regional Manager, Aruna Ishwarlal, enjoys her job tremendously. "Working at the Council gives one insight into economic trends and developments in the manufacturing sector. We also get to work with all levels of stakeholders within the industry which makes our work interesting." Looking ahead she hopes to make the most of any opportunities to grow that come her way this year.

"In many respects we are fortunate in this region as the collective experience of our agents exceeds 100 years," said Regional Manager, Radé Alberts. The region has managed to produce good statistics in the past year. Its compliance activities are standing at 96 percent, routine inspections at 65 percent and new registrations at 131 percent of target.

"I think the new targets represent an interesting challenge and I know our team is keen to prove that they can deliver on them. We have a good track record of working as a team, and I therefore believe that we will be able meet them and help deliver on our new strategy."

Considering the positive attitude and team spirit in this region, there is every chance that they will succeed...
As part of the MEIBC’s efforts to play a supporting role in the South African manufacturing sector, it hosted a breakfast seminar in Gauteng. This afforded key role players in the province the opportunity to share their views on the challenges of job creation in this region.

Participants at the seminar were welcomed by Gauteng Regional Manager, Mr Vice Ngonyama. He thanked everyone present for making the time to attend the function and encouraged them to share their views. Francois van Heerden, MEIBC Committee Chairperson, then took to the podium and expressed appreciation towards those people who had made the effort to be present. “We need to discuss the challenges we face as a sector; so that we can start mapping a way forward.”

After these brief welcomes, Communications Manager, Ms Monki Hlutwa, introduced the MEIBC’s General Secretary, Thulani Mthiyane, who told the audience that the Council has decided that as the oldest private sector bargaining council in the country, it has an important leadership role to play and that it will endeavour to increase its visibility amongst members so that they can understand and appreciate the role it plays in the sector.

“We are hosting these breakfast seminars around the country with the view to encouraging people to share the challenges they are experiencing in their sectors,” he explained. “It is an opportunity to learn from each other’s challenges and to find common ground from which we can find solutions.” He observed that too often people viewed the MEIBC as some sort of policing body that was anti-business and was focused on closing down companies. This impression is incorrect; the Council exists to ensure all role players understand how to conduct themselves in terms of the industry agreement.

“We don’t have any interest in closing down companies - they represent a source of income for us and many thousands of employees. It simply won’t make any sense for us to pursue their demise.”
Turning his attention to the debate around job creation and the stimulation of the economy, he noted that there are a number of perspectives on this problem. Some people suggest that growing the economy is going to be difficult because you need to give people very good salaries to increase their purchasing power. This argument is then further expanded to suggest that the cost of labour in South Africa is too high and that companies will be able to employ more people if they can pay them less.

This approach, he said, does not take into consideration the fact that there are many unskilled people in the job market who also need to be absorbed and that lowering wages is not a panacea for job creation, as it can open up a host of other socio-economic challenges.

“I don’t think there is a simple answer to this challenge. It’s something that is going to require careful consideration and that is why a seminar of this nature is so important and why I thank all the speakers who will be sharing their views with us.”

Terry Booysen, Chief Executive Officer: CGF Research Institute (Pty), was then invited to the podium by the General Secretary to share his perspectives on the role good corporate governance plays in job creation.

According to Booysen, corporate governance is, at a simplistic level, about the people who control companies and the actions that they take in controlling that company. It is also about behaving in a responsible and respectful way – not just a box ticking exercise.

“It’s about being intellectually honest when one takes a business decision,” he explained. “It is not an abstract exercise, where decisions are taken in isolation of reality. It is about exploring the interconnectedness amongst various elements. It is about finding the balance between profit, the planet, people and leadership. If you don’t achieve this balance, you find disfunction occurring as we are currently seeing in South Africa.”

He shared with the audience his view that the ‘Rainbow Nation’ and the spirit of Ubuntu (with its associated connectedness), were often undermined in the business world because of a tendency to isolate processes and activities in the commercial environment.

“If you look at some of our challenges in isolation you find a weakening Rand, weak competition in product markets, increasing unemployment, education and skills mismatches, environmental challenges and a host of other issues.

“These manifest themselves in slower per capita income growth than other emerging nations, low GDP growth and inflationary pressures. This can be addressed if we increase our productivity levels. However, it is not simply a function of labour to achieve this. Our institutions, policies and other factors need to work in harmony.

“For this to be achieved there needs to be a connection between governance, risk and compliance. These are not separate functions. We should be asking ourselves whether we are taking responsibility for ensuring that things are happening as they should. Are we all acting in an ethical manner? Are we doing what should be done to achieve results? Or are we disdainful of what we have, and have we become greedy?

“The economic challenges we face are immense: the ranks of the unemployed have grown to unacceptable levels. If one also considers that we are coming out of a recession into a flat economic environment – one that can even be described as recessionary – we need to abandon our ‘winner takes all’ mentality.

“We need to revisit our thinking and our approach to governance that affords all our economic stakeholders an opportunity to participate in an inclusive, sustainable economy.”

The role of bargaining councils in this environment is critical because the social backdrop in South Africa is of such a nature that many people don’t know their rights as employees. The councils therefore have an important governance role to play. In concluding his presentation Booysen said if we look back over the past twenty years, it is obvious that we have only been able to right the wrongs of apartheid in those instances where we have applied strong governance. He also noted that twenty years is not enough to have corrected these wrongs.
private sectors, is strengthened, because this is one of the important keys in ensuring we have a stable and growing economy that will contribute to job creation.”

Mr Matodzi Rathumbu, Chief Director: Economic Planning, Gauteng Department of Economic Development, was the next speaker to address the audience. He shared some interesting statistics and revealed that Gauteng produces some 35 percent of the country’s GDP and that it is the most populous province in the country.

The province has the target of creating 150 000 jobs per year. It needs to do this if it wants to achieve the job targets it has for 2030. “If you take into consideration that, as a country, we create about 200 000 jobs per annum you start to understand the enormity of this task,” he commented.

Gauteng currently has about 4,1 million employed individuals within the province. As a result of many people around the country and from outside our borders seeing Gauteng as the province that holds work opportunities, there is a strong migration towards it. This creates a number of social problems and with the number of people now living in the province reaching 12,3 million, without any clear sign that this rise in population is abating, the pressure to kick start job growth is more acute than ever.

In the short term the Gauteng Government is supporting direct work creation and subsidisation of employment. In the medium term it is supporting labour absorbing sectors. This is being done in an effort to support job creation.

“From a broad strategic perspective, there are a number of areas we are looking at growing in Gauteng,” stated Rathumbu.

“We are looking towards technologies that will allow us to manufacture energy-efficient products that can be used in the province and be provided to other regions of the country. The ‘township’ economy also represents an opportunity because we can create light manufacturing facilities in these areas that can contribute towards overall growth.

“Economic infrastructure is also important. The industrial development zone around OR Tambo International Airport can be used for mobilisation of logistical hubs. In a similar fashion we are going to capitalise on the ICT zone that was built for the World Cup, to build skills in the technology sector.”

He also appealed to all present to consider entering into sectoral development projects with the Gauteng Government and highlighted automotive flagship projects, such as the ones at Rosslyn, as an example of what can be achieved.

“We have programmes that are designed to support tool and die making; we have about 200 apprenticeships that graduate next year. This will never work if we don’t form clusters where we support each other and there are enough resources for everyone to have an equitable share.”

He informed the audience that the Gauteng Strategic Procurement Framework, which represents about R6 billion is going to be used to transform Gauteng Government procurement into an important stimulus for local manufacturing industries.

“We find ourselves in a difficult environment,” said Rathumbu. “Our main trading partners in Europe are under pressure and this affects us. We can’t look elsewhere to find solutions to our problems, we need to look at what we have available and work with that to create a sustainable job environment.”

Breaking our dependency on the Eurozone markets is one of the first steps that can place us on a new path, where we think more broadly and start to explore new economic sectors said

“We THINK THE GREEN ECONOMY PRESENTS AN OPPORTUNITY.”
Mr Dean Mogale, Vice President, Business Unity South Africa.

“I am not suggesting we move back towards isolation. I am suggesting that we use a combination of strategies,” explained Mogale. “One such strategy is to take a sector specific approach and target these sectors aggressively. However, we cannot do this if we don’t have an over-arching strategy as a country, and presently we lack one.”

He continued by telling the audience that one can have aggressive industrial strategies, such as the one adopted by the United States, or one can have a more peaceful approach such as China and Brazil.

“It doesn’t really matter whether you agree with their approaches or not. The lesson we need to learn from them is that they have strategies in place and they work these to the benefit of their nation. We need to do the same if we want to make significant progress.”

In his view we have become too complacent and comfortable with our status as Africa’s leading nation. We should be directing our efforts at building strong relations on the continent. It is already apparent that our African brothers and sisters are not simply going to welcome us with open arms. They have ambitions of their own and we need to demonstrate that we can add real value to their economies before they will work with us.

“We need to accept that we live in a world where foreign relations cannot easily be distinguished or separated from industrial relations,” he maintained. “While our government needs to pay attention to the question of our foreign relations, there are also a number of steps it can take to stimulate the economy.

“The first is to address issues in the micro economy – creating opportunities on the ground. The second is to create easier access to finance. The third is to prevent high labour costs from becoming institutionalised. The fourth is to create political stability and the fifth and final point is to pay much more attention to skills development.”

Politicians are there to create an enabling environment, Mogale stated. He said they cannot be creating the playing field and then also want to participate in systems designed to benefit business.

He concluded his address by stating: “We are no longer in the same situation we were in during the apartheid years. The power to change now lies in our hands – with all of us. We need to change our approach if we want to see different results.”

The General Secretary, Thulani Mthiyane, then called on James Gabanakgosi, MEIBC Committee Chairperson, to provide his perspectives and close the seminar.

Mr van Heerden thanked presenters and distinguished guests for sharing their views and attending the seminar. In his opinion it was important to highlight the need to create a tripartite alliance between government, employers and employees. “MY MESSAGE TO LABOUR IS THAT POST-1994 A CERTAIN METHODOLOGY DEVELOPED IN OUR LABOUR RELATIONS THAT SERVED US FOR SOME TIME, BUT IT NO LONGER WORKS. MARIKANA HAS SHOWN US THIS.

Lives have been tragically lost and in the end, job losses were unavoidable.

“As organised labour there is a lot to consider. I often use the analogy of employees asking employers for loaves of bread. If employers don’t supply the bread we are disgruntled. However, we need to look further and understand where the flour comes from for the bread and what our role is in baking the bread.

“What I am saying is that we all have a role to play in the economy and the businesses we work in. Whether it be on the governance front, spotting opportunities or simply ensuring you are as productive as you should be.

If as labour we start paying attention to these basics, we will already start moving the economy forward,” he concluded.

General Secretary, Thulani Mthiyane, unveiled the new future focus to the Cape region during a strategic workshop held at the Cullinan Hotel, close to the V&A Waterfront. The key message from the General Secretary was a simple yet important one, “The successful implementation of this strategy is our collective responsibility.”

The current strategy is based on a review of the previous strategy formulated in 2006/7, along with inputs from the management team that were obtained at a workshop hosted by the General Secretary in December 2012. “The main focus of the review and workshop was to determine what had worked successfully in terms of implementation. What goals had been reached and what strategies were still relevant for the future.

“We need to build on past successes and, importantly, also consider the areas where our implementation was not up to scratch,” the General Secretary observed during the workshop. “Our current strategy has been updated to encompass the latest developments in the sector and also reflects stakeholder expectations.”

One of the most significant aspects of the Siyanqoba strategy is the roll-out of the Council’s new vision. This is fundamental to the future positioning and direction of the MEIBC.

The General Secretary believes the new vision, “To sustain collective bargaining through administration and ensuring compliance with industry standards” brings into alignment the capabilities of the Council with its mandated role in the sector.

“Our role is to underpin the processes and the systems in this sector. It is our responsibility to ensure that industry agreements are adhered to and implemented,” the General Secretary explained to workshop attendees. “Our previous vision held us accountable for job creation. While we recognise the importance of creating jobs, it is not something we are structured to do.”

He pointed out that the previous mission had on occasion put the Council at odds with some employers who challenged the MEIBC to prove how it was contributing to the creation of employment.

“Our previous vision resulted in us often finding ourselves in the midst of heated debates, which we could not influence. Our new vision helps us focus on those activities that are core to our role and opens up the opportunity for us to facilitate on-going discussions around the future of our sector.”

Participants in the workshop were in agreement that the new vision would better serve the Council and help it to deliver on its values of serving with commitment, fairness and integrity.

Monki Hlutwa, Manager Communications, explained that new leadership invariably brings with it a new type of thinking and that everyone will, in the months ahead, be challenged to change their way of doing things.

In her presentation she highlighted the fact that the Council’s mission statement would become a critical guiding light in terms of day-to-day activities. Above all, the pursuit of the Council’s mission statement will help re-affirm its reputation as a body that treats both labour and employers with complete equality.
She also discussed the practical implementation of the strategic planning framework. “The strategic approach adopted in 2006/7 provided the Council with the systems, tools and processes that are needed for it to meet stakeholder expectations.”

Now that this is in place, the focus has shifted to the development of organisational culture, marketing and branding, and service delivery. From a marketing and branding perspective, she emphasised the need for the MEIBC to start speaking the ‘language’ of its stakeholders, whether this be business, labour or other role players. She noted that this will be very important in ensuring that the Council enjoys greater levels of visibility and acceptance of its value in business, beyond legislation and compliance aspects.

“The development of our interactive website and the General Secretary’s blog are but two examples of the type of activities we are undertaking to not only build a wider base of relationships in the sector, but also position ourselves as thought leaders.”

The enhanced presence of the MEIBC in the digital space was greeted with much enthusiasm by representatives from the region. In particular, the potential of the website to serve as a resource platform for MEIBC employees and other interested parties is viewed as a highlight.

As part of the focus on the organisational culture, the Council is looking to position itself as an employer of choice. Nomsa Mofokeng, HR Executive, stated that MEIBC would be professionalising its human resources management. As a result, greater attention would be paid to employment equity, staff training and development.

In order to ensure that a new high performance culture can take root in the organisation there will be opportunities for staff to develop their skills through further studies. This will ensure that service and quality standards within the MEIBC will improve in order to ultimately benefit its stakeholders.

Members from the region welcomed the focus on staff development but expressed frustration at delays in getting bursary approvals. In some cases they found that their applications for bursaries were turned down and individuals were instead offered study loans.

The General Secretary pointed out that he and his management team are acutely aware of the need to afford everyone in the Council the opportunity to develop. His view in this regard is that existing and new staff members should be able to map out a career path for themselves and be empowered to pursue this.

He noted however, that the MEIBC functions in the open market, where the scarcity of skills and the propensity for people to change jobs impacts on the Council in the same way it does any other business. This means that the Council has to find a balance between attracting and retaining critical skills, while catering for the development needs of its staff.

He stressed that, going forward, creating development opportunities that could contribute to on-going transformation within the MEIBC, would enjoy top priority.

Nick Faasen, GM Operations, shared perspectives on the final focus area: service delivery. In particular, he explored the impact of the 80 percent target that has been set for designated agents. In terms of this target, agents are expected to visit 80 percent of their members for compliance inspections and visit 100 percent of SMEs in their regions.

Many agents present at the workshop expressed concern that achieving this target would be almost impossible for them, as the number of visits they would have to conduct on a daily basis could not be practically achieved. “The targets that have been set are not intended to be punitive. They are there to, amongst other things, foster teamwork, increase the MEIBC’s visibility in the sector, help cleanse our database of defunct or non-existent companies and ensure that we make the most of our resources and time,” he explained. “In terms of performance charters, it will be easy to determine if an agent has really been committed to their work during the course of the year. The 80 percent target is not the only yardstick against which performance will be measured.”
He also revealed that the clean-up of the Siyandiza database and its merger with the Phoenix system were all aimed at streamlining processes and IT functions within the MEIBC. In the future, staff members could look forward to a database of arbitration decisions being made available electronically, which will aid them in giving assistance and support to stakeholders.

While the MEIBC is in a sound financial position, Humphrey Molemoeng, GM Finance and Administration, observed during his presentation that it is not immune to the pressures of the economy. “We rely on contributions from members for our income and the reality is that when they feel pressure, we also feel it in terms of our own bottom line,” he stated.

While we will be sharpening up on our collection processes, it’s incumbent on us to continue being responsible with respect to our spending and be prudent in the way we employ our finances.”

A new payroll and administrative system has been rolled out in order to make administrative tasks easier for both employees and managers. While there are still some challenges that need to be sorted out in this regard, the implementation has been successful.

A process for dealing with travelling expenses is being implemented. In terms of this, agents will receive petrol cards, which will greatly reduce the administration load in terms of tracking expenses and help manage costs more effectively.

The workshop was wrapped up by the General Secretary who thanked everyone for their attendance. He also re-affirmed that the MEIBC was on the road to remaining the standard-setting bargaining council for the industry and that the many changes that are currently being implemented are all intended to help keep us at the forefront of bargaining councils.

The visit provided an important opportunity for staff members to engage directly with the General Secretary and share their perspectives on the way forward for the Council. During the visit we spoke to some of the team members to obtain their impressions of the MEIBC.

Cape Regional Manager, Ida Roman, is in many respects the rose amongst the thorns. As one of the only female regional managers, she has had her fair share of challenges based on gender bias in favour of males within the industry.

“One becomes accustomed to the challenges and you rise above them,” she shares. “We are certainly seeing more women taking up apprenticeships within the industry and respect for what women can contribute is certainly growing. However, we need more women in technical roles, both within the industry and the MEIBC.”

When she joined the Cape Town office a few years back she was confronted with low morale and significant backlogs. Today the situation is very different and the office has even succeeded in improving its fund collections.

“Our biggest challenge at present is to continuously find ways to improve our service in a changing industry and economic climate. I certainly think we are on the right path, if we all work in unison, the results will be there for all to see.”

A few Designated Agents also took time out of their busy schedules to share their experiences.

Takalani Nethavhakone believes that the role of the Council is about more than grading jobs and ensuring agreements are enforced. “There is a significant socio-economic impact the MEIBC brings to the sector.”
Victor Heshu joined the MEIBC from Volkswagen in 2009 and believes it is one of the best moves he could ever have made. “One becomes accustomed to seeing the industry from a particular perspective and my work at the Council has exposed me to different viewpoints that make it an enriching experience.” He has set himself the goal of getting on top of all his deliverables so that he can take on more responsibility and help the Council achieve its overall objectives.

After three years with the MEIBC, Michael Sinclair feels that he is thoroughly settled into his role. “All the staff at the MEIBC made me feel at home and I am surprised at how quickly time has passed. One thing I have learnt during my time here is that the compliance management side of the industry needs constant attention - companies are willing to co-operate. However, you need to constantly draw their attention to their responsibilities.”

After six years with the Council, Gwen Anderson has not yet tired of the on-going challenges she experiences in the male dominated industry. “Change takes time and I believe that ultimately the work that I and other women in the industry are doing, will eventually create a platform for the next female generation that wants to enter into this industry.”

Basil Petersen, former CNC programmer, has been with the MEIBC since 1995 and says that he has seen many changes over the years – most of these, in his opinion, have been positive. “I think the most constructive change has been to focus attention on the worker. A simple thing, such as allowing us to interact directly with employees, has made a major difference in how we go about our work and what the Council is able to achieve.”

It is clearly ‘all systems go’ at the Cape Regional Office and we can no doubt expect big things from its team in the months ahead.

“ONE THING I HAVE LEARNT DURING MY TIME HERE IS THAT THE COMPLIANCE MANAGEMENT SIDE OF THE INDUSTRY NEEDS CONSTANT ATTENTION - COMPANIES ARE WILLING TO CO-OPERATE. HOWEVER, YOU NEED TO CONSTANTLY DRAW THEIR ATTENTION TO THEIR RESPONSIBILITIES.”

Ms Lindiwe Magenuka - The Designated Agent
Benefits of participating at the metal & engineering industry conference on job creation

- Marketing to industry consumers, the private sector, research and academic institutions, the business community and government as your target audience for the duration of the conference
- Network opportunities with industry suppliers, entrepreneurs and producers
- Meet & greet with the industry at large
- Exposure to industry discussion topics in the plenary
- Branding opportunity: your company logo will form part of the printed programme documents, invitation and sponsors page.

Keen to participate? Please send an e-mail to monkih@meibc.co.za
NEW INDUSTRY WAGE RATES

FOR THE PERIOD 1 JULY 2013 TO 30 JUNE 2014

In accordance with the wage model as per the Industry Settlement Agreement (published per Government Notice R268 in Government Gazette 36338 dated 12 April 2013) as corrected by Government Notice R314 in Government Gazette 36393 dated 26 April 2013, industry wage rates will increase as per tables below with effect from 1 July 2013. Please refer to the attached schedules for the new minimum general and subsidiary wage rates.

NEW INDUSTRY WAGE RATES

7% to 8% for rates A to H

Please note that the Gazette publication provides for the percentage wage spread between the respective grade will be the same as previously applied, i.e. equal percentage increases between the higher and lower levels.

The increases may be set off against any interim increases granted on or after 1 July 2013.

Any employee earning more than the specified minimum wage must receive the percentage increase mentioned above on the actual amount earned for a particular grade.

It should be noted that the deadline for wage exemption applications is 31 July 2013.

The new wage rates are also available on the Council’s website at www.meibc.co.za.

The Jutas publication of the Consolidated Main Agreement is available from any of the Council’s Regional Offices @ R95.00 per copy. (This publication will only incorporate the new wage schedules later in the year – a notice will be published on our website)

For further information, kindly contact the MEIBC regional office in your area, or visit the council’s website at www.meibc.co.za.

Yours sincerely

Thulani Mthiyane
General Secretary
### 1. General Wage Increases

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<td>2.46</td>
<td>33.94</td>
</tr>
<tr>
<td>G</td>
<td>29.83</td>
<td>7.92%</td>
<td>2.36</td>
<td>32.19</td>
</tr>
<tr>
<td>H</td>
<td>28.34</td>
<td>8.00%</td>
<td>2.27</td>
<td>30.61</td>
</tr>
</tbody>
</table>

Whichever is the greater personal increase

### 2. Electric Cable (Schedule F)

<table>
<thead>
<tr>
<th>Rate</th>
<th>Current Minimum Wage Rate R c</th>
<th>Increase on Actuals and Scheduled Wage Rates</th>
<th>Increase on Scheduled Wage Rates R c</th>
<th>New Minimum Wage Rates R c</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rate Z</td>
<td>52.41</td>
<td>7.00%</td>
<td>3.67</td>
<td>56.08</td>
</tr>
<tr>
<td>Rate Y</td>
<td>41.08</td>
<td>7.10%</td>
<td>2.92</td>
<td>44.00</td>
</tr>
<tr>
<td>Group IX</td>
<td>38.86</td>
<td>7.20%</td>
<td>2.80</td>
<td>41.66</td>
</tr>
<tr>
<td>VII</td>
<td>37.72</td>
<td>7.30%</td>
<td>2.75</td>
<td>40.47</td>
</tr>
<tr>
<td>VII</td>
<td>36.43</td>
<td>7.40%</td>
<td>2.70</td>
<td>39.13</td>
</tr>
<tr>
<td>VI</td>
<td>35.22</td>
<td>7.50%</td>
<td>2.64</td>
<td>37.86</td>
</tr>
<tr>
<td>V</td>
<td>33.99</td>
<td>7.60%</td>
<td>2.58</td>
<td>36.57</td>
</tr>
<tr>
<td>IV</td>
<td>32.76</td>
<td>7.70%</td>
<td>2.52</td>
<td>35.28</td>
</tr>
<tr>
<td>III</td>
<td>31.97</td>
<td>7.80%</td>
<td>2.49</td>
<td>34.46</td>
</tr>
<tr>
<td>II</td>
<td>30.90</td>
<td>7.90%</td>
<td>2.44</td>
<td>33.34</td>
</tr>
<tr>
<td>I</td>
<td>30.06</td>
<td>8.00%</td>
<td>2.40</td>
<td>32.46</td>
</tr>
</tbody>
</table>

Whichever is the greater personal increase

### 3. Structural engineering

<table>
<thead>
<tr>
<th>Rate</th>
<th>Current Minimum Wage Rate R c</th>
<th>Increase on Actuals and Scheduled Wage Rates</th>
<th>Increase on Scheduled Wage Rates R c</th>
<th>New Minimum Wage Rates R c</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>52.41</td>
<td>7.00%</td>
<td>3.67</td>
<td>56.08</td>
</tr>
<tr>
<td>4</td>
<td>47.80</td>
<td>7.20%</td>
<td>3.44</td>
<td>51.24</td>
</tr>
<tr>
<td>3</td>
<td>41.11</td>
<td>7.40%</td>
<td>3.04</td>
<td>44.15</td>
</tr>
<tr>
<td>2</td>
<td>36.11</td>
<td>7.60%</td>
<td>2.56</td>
<td>36.29</td>
</tr>
<tr>
<td>1</td>
<td>28.22</td>
<td>8.00%</td>
<td>2.26</td>
<td>30.48</td>
</tr>
<tr>
<td>1(a)</td>
<td>23.37</td>
<td>8.00%</td>
<td>1.87</td>
<td>25.24</td>
</tr>
</tbody>
</table>

Whichever is the greater personal increase
4. Apprentices

<table>
<thead>
<tr>
<th>Year</th>
<th>Current Minimum Wage Rate per Week</th>
<th>Increase on Actual Rates</th>
<th>Weekly Increase on Minimum Rates</th>
<th>New Minimum Weekly Wage Rates</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Year</td>
<td>1035.42</td>
<td>7.00%</td>
<td>72.48</td>
<td>1107.90</td>
</tr>
<tr>
<td>Second Year</td>
<td>1142.89</td>
<td>7.00%</td>
<td>80.00</td>
<td>1222.89</td>
</tr>
<tr>
<td>Third Year</td>
<td>1361.30</td>
<td>7.00%</td>
<td>95.29</td>
<td>1456.59</td>
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<tr>
<td>Fourth Year</td>
<td>2016.52</td>
<td>7.00%</td>
<td>141.16</td>
<td>2157.68</td>
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</tbody>
</table>

Whichever is the greater personal increase

5. Five Grade Schedule

<table>
<thead>
<tr>
<th>Grade</th>
<th>Current Minimum Wage Rate R c</th>
<th>Increase on Actual and Scheduled Wage Rates</th>
<th>Increase on Scheduled Wage Rates R c</th>
<th>New Minimum Wage Rates R c</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>52.41</td>
<td>7.00%</td>
<td>3.67</td>
<td>56.08</td>
</tr>
<tr>
<td>4</td>
<td>45.13</td>
<td>7.00%</td>
<td>3.16</td>
<td>48.29</td>
</tr>
<tr>
<td>3</td>
<td>38.86</td>
<td>7.00%</td>
<td>2.72</td>
<td>41.58</td>
</tr>
<tr>
<td>2</td>
<td>33.47</td>
<td>7.00%</td>
<td>2.34</td>
<td>35.81</td>
</tr>
<tr>
<td>1</td>
<td>28.83</td>
<td>7.00%</td>
<td>2.02</td>
<td>30.85</td>
</tr>
</tbody>
</table>

Whichever is the greater personal increase

6. Vehicle Drivers

<table>
<thead>
<tr>
<th>Rate</th>
<th>Main Agreement Symbol</th>
<th>Current Wage Rate R c</th>
<th>Increase on Actual and Scheduled Rates</th>
<th>Increase on Scheduled Rates R c</th>
<th>New Minimum Wage Rates R c</th>
</tr>
</thead>
<tbody>
<tr>
<td>Forklift driversF</td>
<td></td>
<td>31.48</td>
<td>7.83%</td>
<td>2.46</td>
<td>33.94</td>
</tr>
<tr>
<td>Code 08 E</td>
<td></td>
<td>33.06</td>
<td>7.75%</td>
<td>2.56</td>
<td>35.62</td>
</tr>
<tr>
<td>Codes 10 &amp; 11 DD</td>
<td></td>
<td>36.63</td>
<td>7.58%</td>
<td>2.78</td>
<td>39.41</td>
</tr>
<tr>
<td>Codes 13 &amp; 14 C</td>
<td></td>
<td>40.82</td>
<td>7.42%</td>
<td>3.03</td>
<td>43.85</td>
</tr>
</tbody>
</table>

Whichever is the greater personal increase

7. Gate and Fence Manufacturing (Division D/7)

<table>
<thead>
<tr>
<th>Rate</th>
<th>Current Minimum Wage Rate R c</th>
<th>Increase on Actual and Scheduled Wage Rates</th>
<th>Increase on Scheduled Wage Rates R c</th>
<th>New Minimum Wage Rates R c</th>
</tr>
</thead>
<tbody>
<tr>
<td>B</td>
<td>27.71</td>
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<td>2.03</td>
<td>29.74</td>
</tr>
<tr>
<td>C</td>
<td>26.75</td>
<td>7.42%</td>
<td>1.98</td>
<td>26.73</td>
</tr>
<tr>
<td>D</td>
<td>26.30</td>
<td>7.51%</td>
<td>1.98</td>
<td>26.28</td>
</tr>
<tr>
<td>DDD</td>
<td>26.29</td>
<td>7.67%</td>
<td>1.98</td>
<td>26.27</td>
</tr>
<tr>
<td>E</td>
<td>26.27</td>
<td>7.75%</td>
<td>1.99</td>
<td>26.26</td>
</tr>
<tr>
<td>F</td>
<td>25.17</td>
<td>7.83%</td>
<td>1.97</td>
<td>27.14</td>
</tr>
<tr>
<td>G</td>
<td>23.89</td>
<td>7.92%</td>
<td>1.89</td>
<td>25.78</td>
</tr>
<tr>
<td>H</td>
<td>21.27</td>
<td>8.00%</td>
<td>1.70</td>
<td>22.97</td>
</tr>
</tbody>
</table>

Whichever is the greater personal increase

<table>
<thead>
<tr>
<th>Grade</th>
<th>Current Minimum Wage Rate R c</th>
<th>Increase on Actual and Scheduled Wage Rates R c</th>
<th>Increase on Scheduled Wage Rates R c</th>
<th>New Minimum Wage Rates R c</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>52.41</td>
<td>7.00%</td>
<td>3.67</td>
<td>56.08</td>
</tr>
<tr>
<td>4</td>
<td>47.77</td>
<td>7.17%</td>
<td>3.43</td>
<td>51.20</td>
</tr>
<tr>
<td>3</td>
<td>41.03</td>
<td>7.33%</td>
<td>3.01</td>
<td>44.04</td>
</tr>
<tr>
<td>2</td>
<td>33.64</td>
<td>7.50%</td>
<td>2.52</td>
<td>36.16</td>
</tr>
<tr>
<td>2(a)</td>
<td>27.78</td>
<td>7.67%</td>
<td>2.13</td>
<td>29.91</td>
</tr>
<tr>
<td>1</td>
<td>17.28</td>
<td>8.00%</td>
<td>1.38</td>
<td>18.66</td>
</tr>
<tr>
<td>1(a)</td>
<td>15.68</td>
<td>8.00%</td>
<td>1.25</td>
<td>16.93</td>
</tr>
</tbody>
</table>

Whichever is the greater personal increase
The MEIBC’s scope covers a wide range of activities within the metal and engineering industries. Including the following sectors:

- The production of iron, steel, alloys and metallurgy (e.g. Arcelor Mittal)
- General engineering (e.g. Dorbyl Heavy Engineering)
- Manufacturing engineering (e.g. Defy)
- Building and repairs of ships and boats (e.g. Southern Wind Shipyards)
- Certain sections of the electrical engineering industry (e.g. Siemens)
- The lift engineering industry (e.g. Otis); and
- The plastics industry (e.g. Nampak).

Our core main objectives still remain within:
- Collective Bargaining
- Compliance Management
- Dispute Resolution
- Social Protection.

Among selected activities of the MEIBC we also offer the following services nationally:
- Convening MEIBC Meetings
- Managing Registration of Companies
- Facilitating Wage Negotiations
- Drafting and Processing of Agreements
- Investigating Complaints;
- Carrying out Site Visits
- Dealing with the Administration and Enforcement of Agreements
- Providing Dispute Resolution
- Dealing with Exemptions
- Managing the Labour Brokers’ Register
- Managing various Social Protection Projects
- and Communicating with the Industry.
MEIBC launches a new member nursery with full compliance assistance and training programmes aimed at providing support to our new members who are covered within our scope.