# SEIFSA NEWS

75th ANNIVERSARY

NOVEMBER / DECEMBER 2018

## UP CLOSE AND PERSONAL WITH NEWLY ELECTED SEIFSA PRESIDENT

## ELIAS MONAGE

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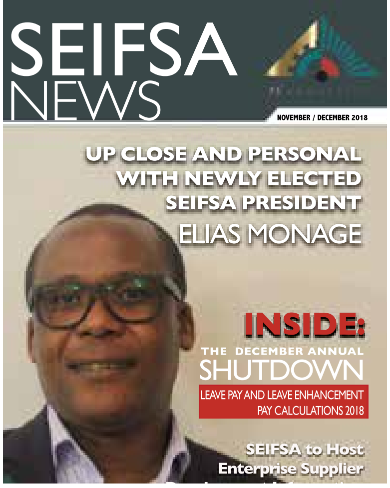


" We need to encourage companies to view transformation as a business imperative rather than forcing them and penalising them for non-compliance."

November / December 2018

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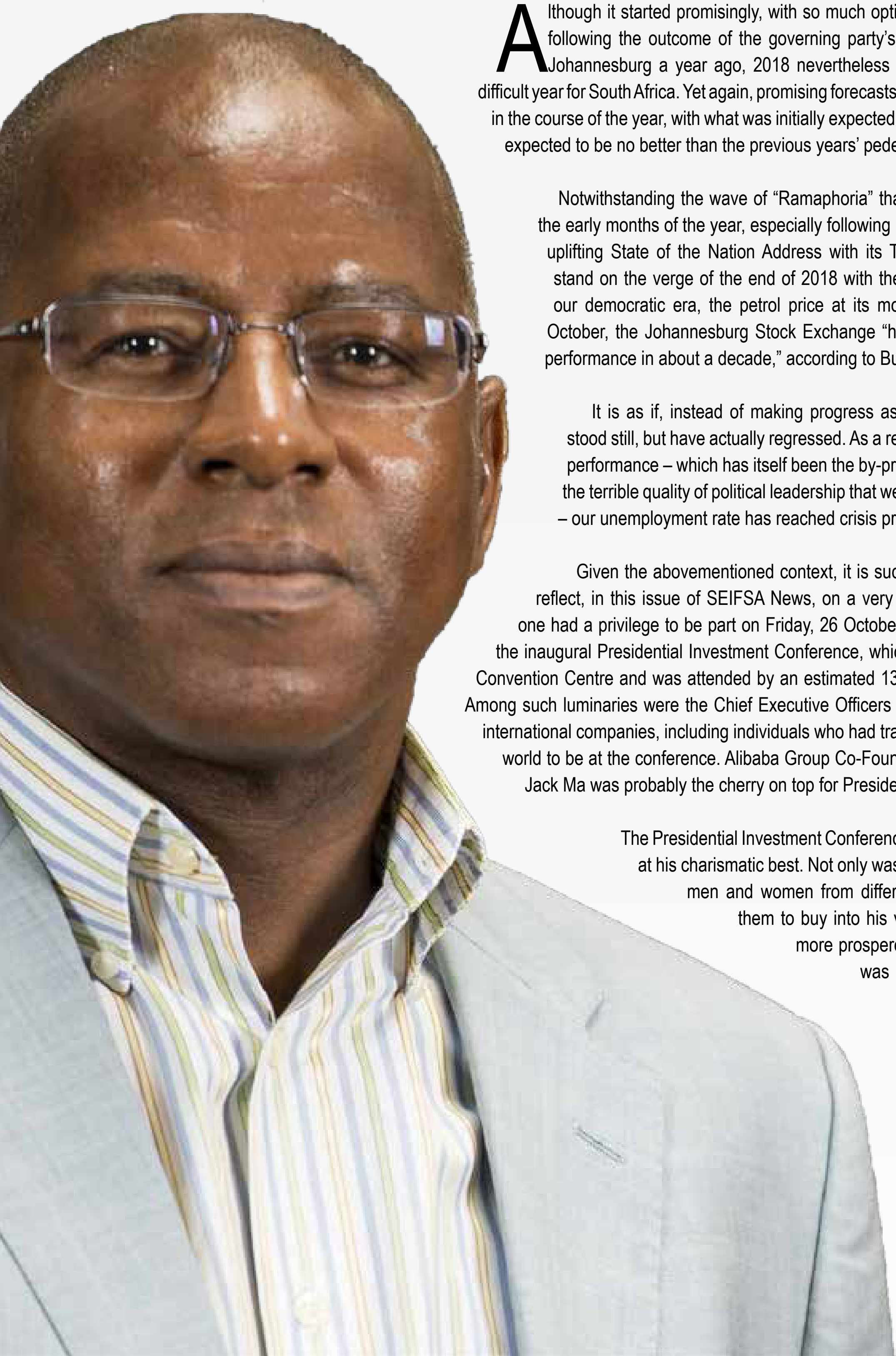
# FROM THE CHIEF EXECUTIVE OFFICER'S DESK



Although it started promisingly, with so much optimism for the future in the air following the outcome of the governing party's 54th national conference in Johannesburg a year ago, 2018 nevertheless ended up being yet another difficult year for South Africa. Yet again, promising forecasts had to be revised downwards in the course of the year, with what was initially expected to be reasonable growth now expected to be no better than the previous years' pedestrian levels of around 0,7%.

Notwithstanding the wave of "Ramaphoria" that swept across the nation in the early months of the year, especially following President Cyril Ramaphosa's uplifting State of the Nation Address with its Thuma Mina theme, now we stand on the verge of the end of 2018 with the Rand at its weakest during our democratic era, the petrol price at its most expensive and, as of 29 October, the Johannesburg Stock Exchange "headed for the worst monthly performance in about a decade," according to Business Day.

It is as if, instead of making progress as a nation, we have not only stood still, but have actually regressed. As a result of our economy's terrible performance – which has itself been the by-product, among other things, of the terrible quality of political leadership that we have had in the past decade – our unemployment rate has reached crisis proportions.

Given the abovementioned context, it is such a great relief to be able to reflect, in this issue of SEIFSA News, on a very moving experience of which one had a privilege to be part on Friday, 26 October 2018. That experience was the inaugural Presidential Investment Conference, which took place at the Sandton Convention Centre and was attended by an estimated 1300 people who were invited. Among such luminaries were the Chief Executive Officers of some of the top local and international companies, including individuals who had travelled from other parts of the world to be at the conference. Alibaba Group Co-Founder and Executive Chairman Jack Ma was probably the cherry on top for President Ramaphosa.

The Presidential Investment Conference saw President Ramaphosa at his charismatic best. Not only was he able to get into one room men and women from different backgrounds and to get them to buy into his vision of a better, stable and more prosperous South Africa, but he also was deeply convincing in making the case for investment in the country. He had the 1000-plus men and women in that room eating out of his hands and turned them – including those who may have accepted his invitation reluctantly – into enthusiastic missionaries for South Africa Incorporated.

It was an immense privilege to be one of the men and women who spent the day attending the plenary sessions and some of the break-away sessions on offer at the Presidential Investment Conference. Everywhere one turned, there seemed to be men and women who genuinely believed in South Africa and who wanted to be part of the process of rebuilding our beautiful country. There was so much goodwill on that floor of the Sandton Convention Centre on 26 October 2018 that various companies seemed to be falling all over themselves to announce concrete investment proposals over the coming few months or years.

And these were not just investment pledges of the kind that have been made to Ramaphosa during the course of his international travels. Nor, in most cases, were they token investments running into some millions. Instead, they were big, billion-rand investments which added up to R290 billion!

While some of us have struggled in the past to get Cabinet Ministers to spend as much as an hour interacting robustly, in a non-staged fashion, with the business community at conferences, the biggest – and most welcome – difference during the Presidential Investment Conference is not only that the place was teeming with senior Cabinet Ministers, but that they participated actively during the break-away sessions and actually spent the entire day there. During the tea and lunch breaks, the Ministers did not spend time closeted in some private or holding rooms, but continued to engage meaningfully with conference delegates on a one-on-one basis.

Yes, one swallow does not make a summer, and Rome was definitely not built in one day. However, somewhere along the way a start has to be made – and one walked away, at the end of that long day, with a strong sense that a powerful start was made during the Presidential Investment Conference. As has since been pointed out by every media report, the Presidential Investment Conference was a run-away success: it inspired confidence in the future and showed not only that a smart, visionary government can successfully rally the business community to work with it as a reliable partner, but also that South Africa can still be rescued.

There is no telling at this stage what the outcome of the 2019 general elections will be, but two things that can be said with absolute certainty are that President Cyril Ramaphosa has been significantly strengthened, within the ANC-led alliance, by the phenomenal success of his Presidential Investment Conference, and that a post-election South Africa with a president at its helm who seeks to leverage the best that the country has to offer in government, business and labour, in the way that the current incumbent has done so far, is bound to be a much better place than we currently inhabit.

As a senior Government Communication and Information System staff member told me on the day during a private chat, racing drivers are taught to focus, in the case of an accident, on the possible escape route, however small it may be, and not on the object that may be the cause of the accident. It is important, he said, for the driver's focus to be fully on the possibility of an escape. For him, he said, the President Investment Conference had managed spectacularly to get everybody in attendance to focus exclusively on salvaging the country and to believe that such an outcome was possible. I shared his view that, at least for one day, our attention on that floor of the Sandton Convention Centre was solidly on saving South Africa, and not on the many ills that continue to rile us.

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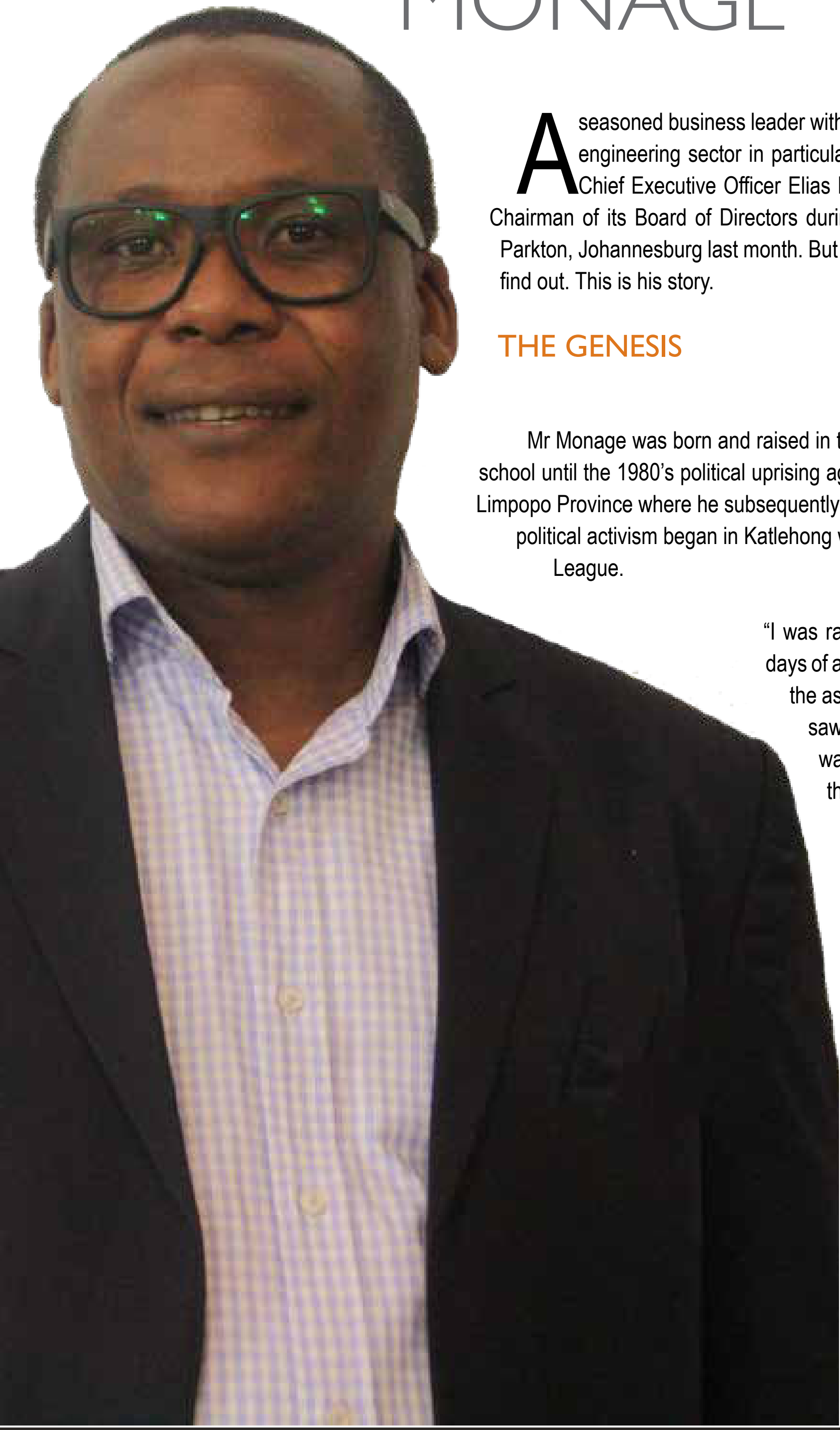
As we bid farewell to 2018, colleagues and I would like to thank you for your continued support. We wish you a good, safe rest during the Festive Season and everything of the best in the New Year.

We hope that you share our fervent belief that South Africa can – and will – be saved. For that to happen, all of us – government, business and labour – need to work together. We at SEIFSA stand ready to play our part. We hope that you are equally ready to play yours.

Come back feeling much stronger and far readier to do so next year.

Kaizer M. Nyatsumba
Chief Executive Officer

# UP CLOSE AND PERSONAL WITH NEWLY ELECTED SEIFSA PRESIDENT ELIAS MONAGE



A seasoned business leader with vast experience in business in general and the metals and engineering sector in particular, Arabela Holdings Executive Chairman and Afika Group Chief Executive Officer Elias Monage has recently been elected SEIFSA President and Chairman of its Board of Directors during the Federation's 76th Annual General Meeting held in Parkton, Johannesburg last month. But who is Elias Monage? SEIFSA News caught up with him to find out. This is his story.

## THE GENESIS

Mr Monage was born and raised in the East Rand's Katlehong township where he also went to school until the 1980's political uprising against the apartheid government forced him to move to the Limpopo Province where he subsequently completed his high school education and matriculated. His political activism began in Katlehong where he was the Education Officer of the Katlehong Youth League.

"I was raised in a family that was very politically active during the days of apartheid, my family's involvement in politics, however, led to the assassination of my Brother and that's was the key factor that saw me moving to the Limpopo province. Moving to Limpopo was the only way I could survive, stay alive and continue with the struggle against the nationalist government.

However, the assassination of his Brother and his relocating to Limpopo did not stop the then young Monage from participating in national politics. Upon his arrival in Limpopo he, together with the likes of Peter Mokaba, Frank Mohlala, Ephraim Mogale and Morrris Nchabeleng among others, established Sekhukhune Youth Organisation. Furthermore, his involvement in student politics got him expelled from Sefako Makgatho Health Sciences University, previously Medical University of South Africa (MEDUNSA) merely two years after he had registered to study medicine. After his expulsion from MEDUNSA, Mr Monage went to work for a Germiston-based British steel making company where he spearheaded a rebellion against the ill treatment of Black workers by the management team.

**Elias Monage, SEIFSA President**

"Being in the British company's employ and experiencing, first hand, how Black workers were treated in comparison to their white counterparts, is what really drove me to become even more active in the fight against the apartheid system. As a result, I joined the Metal and Allied Workers Union (MAWU), which subsequently merged with other unions in the industry to form the National Union of Metalworkers of South Africa (Numsa) of today."

While still in the British company's employ, Mr Monage led a defiance campaign against designating certain facilities for White people only and this subsequently led to his dismissal.

Monage believed that the struggle for the eradication of apartheid could not be separated from the struggle for economic freedom, this was the core reason for his decision to remain politically active.

## MONAGE, THE TRADE UNIONIST

"My dismal from the British steel making company is what led me to become a full-time trade union official responsible for organising workers not only in the metals and engineering sector but across all industry sectors," he said.

As a full-time union official, Mr Monage was responsible for the entire Katlehong region, which included Alrode and Germiston, among other areas. In his role as the union's local coordinator, Mr Monage managed the union's local offices and was also responsible for the administrative, finance and legal affairs of the union.

He subsequently graduated to being MAWU's National Organiser as well as Member of its negotiating team. In these roles, he was responsible for not only organising within the engineering sector but also dealing with Collective Bargaining and policies impacting the metals and engineering sector. In his capacity as a MAWU and later Numsa official, he worked and negotiated with a number of previous SEIFSA CEOs and Presidents.

"While a union official, I championed, the first long term (three-year) wage agreement after having had interactions with other trade unions outside South Africa including unions in Canada, Sweden and the US where long-term agreements had proven favourable. I subsequently influenced the Numsa office barriers of the time to adopt the same approach and the idea was, indeed, accepted by both Numsa and the employers".

Another change spearheaded by Mr Monage was the reduction of working hours from 45 to 40 a week. This, he said, was already a global trend but South Africa was yet to catch up.

"Unlike the long-term wage agreements readily accepted by the employers, the reduction in working hours was difficult for the captains of industry to accept because it affected production but after applying for the Friedrich Ebert Stiftung fund, which came on board and financed this 'project' in such a way that it benefitted both employers and employees, the drop in working hours was accepted and phased in over five years."

Mr Monage also contributed towards the establishment of the Industry Policy Forum in which employers and employees discuss legislation and policies that impact on both industry employers and employees, such as trade agreements at the time when South Africa's economy was beginning to open itself up for the entry of international players.

"At that time, the World Trade Organisation had reconfigured tariffs and we were able to influence Government to put certain measures in place to protect local industries and also not to reduce tariffs and as a result a number of sectors managed to survive."

## THE REBIRTH – EXITING TRADE UNIONISM AND FLIRTING WITH BUSINESS

In 1997, when the new NUMSA leadership emerged, Mr Monage decided to leave trade unionism and joined the world of business establishing Khuluma Communications, a telecommunications company, which traded until 2002.

"In 2003, I established Arabela Holdings, which, in turn, had three divisions. One specialised in manufacturing granite, another was a consulting division, which focused on providing turnaround strategies for organisations and the third division was a payroll systems division, which was subsequently acquired by Matla Financial Services."

In 2006, Mr Monage joined J Pema and Associates, a company that specialized in insolvency and liquidation. He left that company in 2009 and bought shares in Steloy Castings an engineering firm based in Bronkhorstspruit with a division in Krugersdorp.

"During that time, I also had other business interests that led to the establishment of Afika Group, which acquired Powertech Switchgear and Powertech QuadPro. Other Engineering entities manufacture metal parts, components and product solutions including specialised locking mechanisms," he said.

## BECOMING THE SEIFSA PRESIDENT AND TRANSFORMING THE METALS AND ENGINEERING SECTOR

The rebirth of Mr Monage that saw him become a business man also led him to become a member of the SEIFSA Council in 2014. After joining the Council as a member, Mr Monage said he immediately took an active role and assisted past SEIFSA Presidents and Executive team to shape the metals and engineering industry.

"As the current President who has also been actively involved in the Council affairs over the last four years, I've identified a challenge…that the SEIFSA Council is not playing an active role outside Collective Bargaining, as a result I have decided to invite Associations to play a more meaningful role in terms of influencing policy direction and shaping the industry. Going forward, I will have strategic sessions with all SEIFSA-federated Associations to carve out a way forward for our sector."

Commenting on the slow pace of transformation within the metals and engineering sector, Mr Monage says he is of the view that a different approach needs to be adopted when dealing with this issue.

"The transformation of the industry is something that needs a refocus and a different approach. I am of the view that we need to encourage companies to view transformation as a business imperative rather than forcing them and penalising them for non-compliance. Most industry players I've engaged with are keen and willing to transform if they are engaged amicably. It is, indeed, of paramount importance that we see patterns of ownership change in the industry and we need to start at individual company level. I do believe that the industry can and will transform if we engage properly."

## CONTINUING THE LEGACY

Mr Monage believes that every SEIFSA President should take SEIFSA to new heights. He is of the view that SEIFSA needs to continue positioning itself as the alpha voice of the metals and engineering sector and continue to lobby Government actively for policies conducive for the growth of the industry.

"We also need to continue balancing the interest of both small and big businesses by, among other initiatives, encouraging and facilitating more collaborations between small and big businesses through for instance, enterprise and supplier development programmes."

## GETTING SOUTH AFRICA ON A GROWTH TRAJECTORY

Asked what needed to be done to get South Africa's economy on a growth trajectory, Mr Monage said he is of the view that the current political administration has demonstrated willingness to root out corruption and re-establish South Africa's stable political environment, a prerequisite for economic growth.

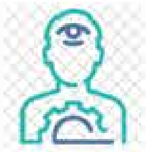
"As business, we need to develop a clear plan and strategy to engage Government on issues of economic growth and employment creation. A wait and see approach will not help anybody and it will not move the country forward. We, as the business community need to assist Government in creating a conducive environment for businesses to grow and for the economy to thrive.

I really believe that we can achieve true greatness when we work together. In 2008, when the economic meltdown happened all over the world, our Government didn't fold its arms and waited, it developed a plan and put it in place to cushion the recession, which is why its impact was sustained. If we could do that then, I have no doubt that we can turn around South Africa's economic fortunes, especially now that we have initiatives such as the Africa/China cooperation and Africa Free Trade Agreements."

# FUN, FACT BOX

## How would you describe yourself?

Polite, humble, a visionary and a strategic thinker.

## What are your major accomplishments to date?

Starting Khuluma Communications in 1997, with no significant financial resources, and succeeding.

## How would you describe your leadership style?

Consultative, Decisive, Pro-active and Thinkig through

PROFILE

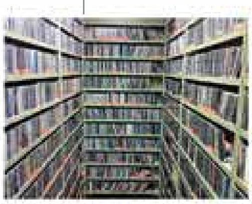
# Elias Monage
## SEIFSA President

## Where did you receive your education?

I obtained a degree in Insolvency Law and Practice at Rand Afrikaans University, now known as the University of Johannesburg. I also studied Telecommunication, Regulation Policy and Management at the University of the Witswatersrand and holds a qualification in Executive Coaching from the University of California in Berkely (Berkely Centre of Executive Education). I am also currently completing a Master's Degree in Engineering Business Management.

## What do you do for fun?

I listen to music, particularly jazz. I have a collection of more than 3000 CDs from all over the world. I also play musical instruments with my daughter, who is an upcoming musician.



## Things most people don't know about you?

I have a passion for sport cars. Fellow in the World Confederation of Productivity Science (2008).





Maserati

# SEIFSA ELECTS ITS **MOST TRANSFORMED BOARD TO DATE** AS ELIAS MONAGE ASSUMES THE PRESIDENCY


*Newly elected SEIFSA Borad*

Arabela Holdings Executive Chairman and Afika Group Holdings CEO Elias Monage was elected President of the Steel and Engineering Industries Federation of Southern Africa (SEIFSA) and Chairman of its Board of Directors last month.

A seasoned business leader with vast experience in business in general and the metals and engineering sector in particular, Mr Monage was elected President during SEIFSA's 76th Annual General Meeting in Parkton, Johannesburg on Friday. ArcelorMittal South Africa Marketing Director for Africa Alpheus Ngapo, Babcock International Africa Division Company Secretary Neil Penson and Auto Industrial Group CEO Andrea Moz were elected as Vice Presidents.

Mr Monage has also served as the Black Business Council's Convener at NEDLAC and is the former President of CAPES and a former Director of Steloy Casting. He was first elected onto the SEIFSA Board in 2016.

Other Board Members also elected at Friday's AGM were South African Mint Company Managing Director Tumi Tsehlo, MphoNo Energies Managing Director and KSB Pumps & Valves Board Member Nonhlanhla Ngwenya, Lixil Africa Chief Legal and Human Resources Officer Seneca Lutchmana and Murray & Roberts Power & Energy Human Resources Executive Patrick Metswi. They join Africa Steel Holdings Founding Director Mayleen Kyster and Zimco Group Human Resources Manager Ellen Veldhoven on the SEIFSA Board.

SEIFSA Chief Executive Officer Kaizer Nyatsumba congratulated Mr Monage as President and the others as Board Members. He said that this was the most diverse that the Federation's Board has been in its history.

"We commend SEIFSA membership Associations for having elected the most transformed Board in the Federation's history, both in terms of race and gender. Colleagues and I are encouraged by this development, which we believe to bode well for transformation in the metals and engineering sector. We look forward to working with the new President and Board Members," Mr Nyatsumba said.

Delivering the Presidential Address, outgoing Interim President Alpheus Ngapo said although production in the metals and engineering sector was generally increasing alongside international commodity prices, the cluster was still going through a structural adjustment and its challenges were still prevalent.

"Its growth pattern still fluctuates, productivity is generally poor, capacity utilisation is still below the required 85% and investment and profit levels are low. Domestic production costs have also been rising alongside output levels," Mr Ngapo said.

He added that although these challenges signal the resilient nature of businesses in the metals and engineering sector, regrettably the optimism and hope for better future business prospects was not shared by all purchasing executives. He said there continued to be understandable concern among a number of stakeholders and observers that the country is de-industrialising.

"That concern is a direct consequence of the ongoing decline of broader manufacturing's contribution to South Africa's GDP over the past few decades, at a time when other sectors such as finance, real estates and business services and wholesale and retail trade, catering and accommodation grew at a higher pace," he said.

Mr Ngapo said other challenges currently facing the sector were South Africa's lacklustre economic performance, followed by continuing significant imports of cheap products and skills as well as the manufacturing sector's apparent lack of international competitiveness.

"These challenges will continue to stare us in the face, and maybe even worsen, until such time that Government, business and labour get together to address them constructively, putting the country's interests above all else, and then implementing the solutions agreed to," he said.

University of Johannesburg's Pan-African Institute Associate Professor Mcebesi Ndletyana, a keynote speaker at the AGM, provided an insightful analysis of the country's political economy.

*Outgoing Interim President Alph Ngapo delivering his presidential address.*


*Political Analyst, Mcebisi Ndletyana delivering a keynote address.*

_continues on page 12

He said while the initial optimism that came about as a result of the replacement of Jacob Zuma by Cyril Ramaphosa as President of the country in February has since subsided, he remained hopeful that a new dawn and a promise of renewal was still possible, but only if the ruling party worked hard to distinguish itself from Zuma's ANC.

"The ANC Ramaphosa inherited was not only riddled with corruption, but it had also turned South Africa into a clientelist state that served as client for the Gupta family. For the current administration to stand a chance of securing victory at next year's election, it is of paramount importance for it to cleanse itself of corrupt leaders, including Ministers implicated in State capture," Professor Ndletyana said.

He said for a different ANC to emerge, a new, morally-conscious leadership would have to rise and reform the ANC, adding that failure to do so would result in the organisation losing the 2019 elections.

# SEIFSA BOARD OF DIRECTORS

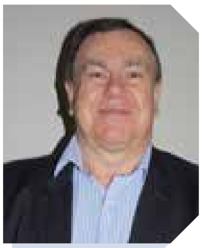
## NON-EXECUTIVE DIRECTORS

**E Monage**
President

Arabela Holdings (Pty) Ltd and Afika Holdings (Pty) Ltd Executive Chairman

**A Ngapo**
Vice President

Arcelor-Mittal South Africa Marketing Director

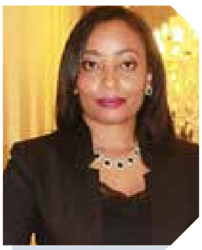


**N Penson**
Vice President

Africa Group of the Babcock International Group Company Secretary

**A Moz**
Vice President

Chief Executive Officer of Auto Industrial Group



**M Kyster**
Board Member

Africa Steel Holdings Founding Director

**S Lutchmana**
Board Member

Lixil Africa Chief Legal and HR Officer

**P Metswi**
Board Member

Murray and Roberts Human Resources Executive

**E Veldhoven**
Board Member

Zimco Group (Pty) Ltd Group HR Manager

**T Tsehlo**
Board Member

SA Mint Company (Pty) Ltd Managing Director

**N Ngwenya**

Board Member

MphoNo Energies Managing Director

# SEIFSA **VALUES**

## INTEGRITY

Integrity is paramount to us. It informs everything that we do and how we do it.

## DIVERSITY

We embrace, value and leverage diversity.

## EXCELLENCE

We seek to do everything right the first time, with excellence.

## STEWARDSHIP

We take responsibility for our actions and treat SEIFSA's assets with respect.

## PASSION

We approach every task, however small it may appear to be, with passion.

## INNOVATION

We always strive to improve our performance and to come up with new products and services.

# FEEDBACK ON THE TWO AUSPICIOUS MEETINGS OF THE JOINT SEIFSA – TRANSNET WORKING GROUP

Hitherto, SEIFSA held two meetings with Transnet during the first quarter of 2018 to discuss logistics costs and other challenges facing the sub-industries of the metals and engineering (M&E) cluster. The issues raised by SEIFSA spans four broad themes of importance including: logistics costs, trade and infrastructural constraints, specific areas of concerns, and designation and localisation. The feedback from Transnet was that its role is to assist the local industry and logistics costs should not be a hurdle in a company's operating environment. Both parties ultimately agreed on the formation of a Working Group (WG) with specific time-bound deliverables.

Amongst other imperatives, the objective of the WG is to explore various means of improving operational and logistics efficiencies between individual companies within the M&E cluster towards, amongst other benefits, lowering domestic logistics costs in doing business.

## OUTCOMES OF THE FIRST WC MEETING:

On the 12th of July 2018, a first meeting of the WG was held at Transnet's offices and included industry experts from SEIFSA-affiliated Associations, non-SEIFSA member companies and colleagues within specialised business units of Transnet.

During this meeting, the expert panel brainstormed and identified three main workstreams, namely: competitiveness of industries, benchmarking and logistics efficiency. The objectives of the workstreams are to investigate the challenges under each heading and to map a way forward. Each workstream team is led by a technical specialist who is conversant with the identified challenges to be addressed. The competitiveness workstream is led by Mr Sakhile Sgudu, and the benchmarking workstream is led by Mr Mashudu Makatu. Until recently, the logistics efficiency workstream was led by Ms Siyanda Mba who has changed departments within Transnet and will, therefore, no longer form part of the WG or the logistics efficiency workstream. As a result, a new leader would be elected for the logistics efficiency workstream during the next meeting which during the time of writting was yet to be scheduled.

After the first WG meeting, the leaders of the three workstreams along with some of the respective team members had a teleconference meeting on the 1st of August 2018 whereby specific deliverables were identified as outlined below:

## WORKSTREAM 1 AND 3 – COMPETITIVENESS AND LOGISTICS EFFICIENCY:

- Need to develop a flow chart of the entire value chain – which will enable the WG to identify which industries have the biggest impact on the value chain.
- Key industry drivers – to determine what drives particular industries.

## WORKSTREAM 2 – BENCHMARKING:

- Understand the macro factors impacting on the value chain – it is important to understand which macro-economic variables impacts on the value chain as these factors might have an impact on the proposed solution set to improve

competitiveness and logistics efficiency in the industry; and
- From the flow-chart, articulate the best-in-class – look at the value chain to determine if a particular country or regional community is competitive or not. During this exercise the information will be disaggregated because not all countries or regional communities are superior across the value chain and one might find pockets of excellence along the value chain.

All workstream leaders undertook to provide progress feedback on the second WG meeting. On this note, the teleconference meeting was concluded by the Chair of the WG, Mr Alph Ngapo.

## OUTCOMES OF THE SECOND WC MEETING

During a second WG meeting held at SEIFSA offices on the 5th of September 2018, the team leaders of the different workstreams provided feedback on the deliverables.

Below is a summary of the feedback given by the team leaders of each of the respective workstreams:

## WORKSTREAM 1 AND 3 – COMPETITIVENESS AND LOGISTICS EFFICIENCY:

- The analyses gave a low-level overview of the value chain, and as a next step the workstream will supply a more detailed schematic representation of the value chain during the third WG meeting (scheduled for the 7th of November 2018).
- Moreover, three major Key Performance Indicators (KPIs) were listed. These include; scheduling and the benefits it holds, cycle time to determine if loading is done at the correct speed and payload to determine whether trains are loaded to capacity.

The competitiveness and logistics efficiency workstream highlighted the following areas of importance:

- The need to reflect the entire steel industry in reporting standards by taking care of the up and downstream steel sectors;
- The need to engage with stakeholders/industry players nationwide and create awareness of the WG's existence and its objectives;
- There is a need to factor-in the middleman (third-party logistics) of the value chain in the process;
- The aim is to improve on-time delivery from 60% to 70% in year 1 and to 85% in year 2; and
- Reduce logistics costs by R5 billion in year 1 and R10 billion in year 2.

It was unanimously agreed that logistics costs should decrease with an improvement in on-time delivery.

## WORKSTREAM 2 – BENCHMARKING:

- In the analyses by this workstream, the entire value chain was considered and various factors were extracted that could potentially affect each stage of the production process in the value chain.

The benchmarking workstream highlighted the following areas of importance:

- The need to find a way to monitor the impact of the macro factors that impacts on the value chain. It was agreed that the process will be pursued in an alternative plan of action; and
- The workstream also indicated that feedback on the best-in-class to be given during the meeting of the 7th of November 2018.

## CONCLUDING DISCUSSION

Members of the WG highlighted the need to include a fourth workstream that focuses on localisation. All members highlighted that anything that can be manufactured locally, should therefore be ringfenced for local manufacturing. The process of putting the localisation workstream together is currently underway and it was suggested that it be led by Mr Kobus de Beer.

At the third meeting of the WG scheduled to take place at Transnet's offices, members will decide on the process and frequency of reporting on progress made, back to both the SEIFSA and Transnet hierarchy.

# EVOLVING POWER MANAGEMENT FOR TODAY'S INTELLIGENT BUILDINGS

Schneider Electric is a member of Electrical Engineering and Allied Industries Association that is federated to SEIFSA.

Without a doubt, managing energy costs while driving sustainability and efficiency is one of the biggest power management challenges that facility professionals face today. While advances in technology are making building power management and electrical maintenance more efficient, there are new obstacles that come along with these improvements.

For example, one of the biggest trends impacting power management in a facility is the growth of complex electrical networks that include distributed generation like solar, battery storage and backup generation, and voltage disturbances from harmonic emitting sources like variable frequency drives and LED lighting. In the past, every building was more or less designed in the same way from an electrical perspective with the main source of power coming directly from the electrical utility. Now, we have much more complex buildings that have different needs in terms of where they consume energy and also how they manage the different sources from where that energy is being distributed. This adds a layer of complexity for facility managers, because now they are not just a consumer of energy, but also a producer of energy, and have to manage those two different sources in parallel.

Additionally, the face of the facility manager is changing. Traditionally, a facility manager was someone who was an engineer and in many cases had been stationed in the same building for years. Now, we are seeing a shift in that profile as older workers retire and a new generation of facility managers emerge who may not know the ins and outs of a particular facility, but bring unique backgrounds and skill sets.

> Now, we have much more complex buildings that have different needs in terms of where they consume energy and also how they manage the different sources from where that energy is being distributed

It's also important to consider that a growing number of facilities are viewing electricity as a critical resource. Hospitals, for example, have always considered electricity as mission critical as the loss of power becomes a life safety issue, but now even facilities like shopping malls are viewing it with the same magnitude. If the building loses power and stores have to close, that outage can drive customers to competitor stores and significantly impact the bottom line.

Facility managers are continuously being challenged with how to address these forces of change and run their buildings more efficiently. To do this, they are increasingly relying on system integrators and support teams to help optimize electrical equipment and energy performance, improve electrical system reliability and manage energy costs. This means that systems integrators now need to be fully up to speed and knowledgeable on the latest electrical and energy system technology to deliver the best service for their clients. This can be a challenge for integrators who have spent years learning one set of products and technologies, and now need to quickly change direction.

To ensure they are up for the task, system integrators should focus on the following key tactics:

## 1. TRAINING

Conduct regular, specialized training on the most critical challenges facing building owners and facility managers and the solutions that can solve them. This will help system integrators broaden their expertise to offer their clients a greater range of products and solutions and help them stand out from the competition.

## 2. NETWORKING

Seek out an open network of fellow system integrators that promotes idea sharing and best practices implementation. With a built-in network of partners to work with, system integrators can more easily take on collaborative projects that might otherwise be beyond their reach and open up new opportunities for growth.

## 3. TECHNOLOGY

Gain access to the industry-leading technology solutions that will drive the future of intelligent buildings – and the highly-skilled people needed to design, install and support those solutions.

These days, facility managers need a full range of technologies and an army of experts to optimize operational efficiency and management of energy and electrical systems. Nobody can go it alone anymore. By partnering with a system integrator that's constantly expanding their expertise and has the right partnership ecosystem in place, it will make the challenge at hand much easier for facility managers to tackle.

James Calmeyer is the Vice President of Schneider Electric's Southern Africa Buildings Division


# SEIFSA WELCOMES **NEW MEMBERS**

The following companies became members of associations federated to SEIFSA during August to November 2018:

### Constructional Engineering Association (South Africa)

- Abacus Space Solutions a div of Waco Africa (Pty) Ltd
- Aveng Manufacturing Automation & Control Solutions
- Bicacon (Pty) Ltd
- Dalian Steel (Pty) Ltd
- Future Africa Consulting & Training
- Gee 2 Kay (Pty) Ltd
- Lady Of The Waters 46cc t/a Spatan Technical Services
- Mikarth Group (Pty) Ltd
- Odessey Investments (PTY) Ltd t/a
- Osborn Engineered Products SA (Pty) Ltd
- Phooko & Sons Enterprise
- RLMT Construction & Engineering
- Siyanda Engineering (PTY) Ltd
- Sizwe Placements (Pty) Ltd

### Electrical Engineering and Allied Industries Association (EEAIA)

- Afika Power (Pty) Ltd
- MAE Manufacturers cc
- Tellumat Integrated Solutions (Pty) Ltd

### Kwa-Zulu Natal Engineering Industries Association

- JTZ Engineering

### Lift Engineering Association of South Africa

- IFE Elevators South Africa

### Light Engineering Industries Association of South Africa

- Commercial Shearing (Pty) Ltd
- Fedatech Engineering Holdings (Pty) Ltd
- Flender (Pty) Ltd
- International Stainless Steel Fabricators (Pty) Ltd
- JH Myburgh Engineering
- Megarollers Industries (Pty) Ltd
- Rapp Engineering Works (Pty) Ltd
- Tholo Steel Works cc
- Trade Pro Manufacturing Reef (PTY) Ltd
- W M C Sheet Metal Works cc
- Ysterman Sandblasting Industrial Cleaning

### SEIFSA Associate Membership

- Alos Business Solutions
- Baitumetse Bahlakoana (Pty) Ltd
- Letsholo Towing Services
- PH Marketing (Pty) Ltd

### South African Valve and Actuator Manufacturers' Association (SAVAMA)

- Landley Valves SA (Pty) Ltd
- Zithembile Engineering (Pty) Ltd

# THE DECEMBER ANNUAL SHUTDOWN: LEAVE PAY AND LEAVE ENHANCEMENT PAY CALCULATIONS 2018

Below are some of the main provisions regarding annual shutdown and the calculation of leave pay and leave enhancement pay (leave bonus):

The dates of the annual shutdown are determined by the firm's management however, the shutdown must take place as close as possible to the previous year's shutdown, as stipulated in clause 16 of the Main Agreement. It appears, however, that most companies will be closing down on 15 December, just before the public holiday on 16 December, which is the Day of Reconciliation. Some companies may close a week earlier on Friday, 8 December.

The annual shutdown must allow employees to take three consecutive weeks' paid leave, which must be taken over an unbroken period and must include four weekends. In addition, the three weeks' leave must be extended with full pay for each public holiday which falls during the shutdown period and which would otherwise have been an ordinary working day. This year, depending on the start of the annual shutdown, the following public holidays fall into this category:

- Friday 16 December - Day of Reconciliation
- Sunday 25 December - Christmas Day
- Monday 26 December - Day of Goodwill
- Tuesday 27 December - (Additional Public holiday - no name)
- Friday 1 January - New Year's Day

## LET'S CONSIDER WHAT THE MAIN AGREEMENT SAYS:

The Main Agreement says that all employees are entitled to their full leave pay and leave enhancement pay on completion of 234 shifts worked on a five-day week basis or 283 shifts on a six-day week basis, excluding overtime. If a company's financial situation is such that it cannot afford the annual leave enhancement pay, companies can apply for an exemption to not pay the LEP. The exemption deadline is 31 October each year, however for good reason the company can apply for a late condonation of their exemption application.

## CALCULATING SHIFTS AND WHAT COUNTS AS A SHIFT?

Section 12 of the Main Agreement states that the qualification for paid leave shall be 234 shifts actually worked on a 5-day week basis or, 283 shifts actually worked on a 6-day week basis as these are the maximum amount of shifts that an employee can work in a year to qualify for leave. The table below explains this further.

| | 5-day week | 6-day week |
|---|---|---|
| Number of days: In a year | 365 | 365 |
| Less: Saturdays and Sundays | 104 | 52 |
| Less: Three weeks'annual leave (working days) | 15 | 18 |
| Less: Normal Public holidays | 12 | 12 |
| Total number of shifts | 234 | 283 |

The shift system is a way of encouraging employees to strive for full attendance at work and if you are sick to bring a valid sick note, if this happens the employee is rewarded with full leave pay and enhancement pay, if this does not happen the employee is penalised.

Importantly, however, please note that, an employee who works all available shifts during the year is entitled to full leave pay and a bonus, even where the shifts amount to fewer than 234 shifts (5-day week) or 283 shifts (6-day week) respectively. This provision accommodates a situation where the dates of the annual shutdown change from year to year at your company. New employees and others who have not worked all available shifts during the year are entitled to pro-rata leave pay and pro-rata leave enhancement pay.

Table 1.

| LEAVE QUALIFYING SHIFTS | Five-day week worker | Six-day week worker |
|---|---|---|
| Minimum number of shifts to be worked | * 234 shifts | 283 shifts |
| Minimum number of shifts to be worked before pro rata leave pay and leave enhancement pay is paid upon:<br>• Termination<br>• Resignation | <br>10 shifts<br>20 shifts | <br>13 shifts<br>25 shifts |
| Marine work and turnaround work upon:<br>• Termination<br>• Resignation | <br>no minimum<br>20 shifts | <br>no minimum<br>25 shifts |
| Periods of absence because of sickness counting towards leave qualification purposes (provided employee produces a medical certificate for each absence) | 43 shifts | 52 shifts |
| Short Time (Clause7) | Short shifts worked whilst working short time shall count as shift actually worked. Employees working 24 hours or more, spread over three or four days, and employees on a three-shift system working three or four shifts per week shall<br>- Be credited with the full shifts for an ordinary week for purposes of the paid leave referred to in this clause, for up to three (3) moths in any calendar year; and<br>- Thereafter, be credited with one additional shift per week and above those shift actually worked for purposes of the paid leave referred to in this clause. | |
| Periods of absence falling within the scope of the COID Act | Full number of shifts during absence | |
| Absences whilst on the additional week's paid leave or accumulated additional leave | Periods of absence whilst on this additional paid leave count as shifts worked | |
| First 6 weeks of lay-off | Full shifts | |
| Absences while on protected strike (section 64 of LRA) | Full number of shifts while on protected strike | |
| Shop stewards training leave | Periods of absence whilst on shop steward training count as shifts worked | |
| Shop stewards elected as Trustees and/or representatives of MIBFA, MEIBC and/or merSETA | Periods of absence whilst attending a MIBFA/MEIBC and/or merSETA meeting count as shifts worked | |
| Absence whilst on family responsibility Leave (clause 42 of the Main Agreement) | Shifts do not count | |

* 365 calendar days - 52 Saturdays - 52 Sundays - 12 public holidays - 15 days' leave = 234

## DOES SHORT-TIME EFFECT THE SHIFT ACCUMULATION?

Due to the difficult economic times that companies find themselves in, many have had to implement short-time. Are the shifts effected by short-time? The answer is yes. Let's consider what the Main Agreement says on the matter.

Firstly, short shifts ( for instance, shifts where the hours have been reduced) worked while working short-time count as shifts actually worked.

Secondly, employees working 24 hours or more spread over three or four days and employees on a three-shift system working three or four shifts per week:

- must be credited with the full shifts for an ordinary week for purposes of paid leave for up to three months in any calendar year; and
- thereafter, must be credited with one additional shift per week over and above shifts actually worked for purposes of paid leave.

_continues on page 22

But, what happens where employees are working less than 24 hours in a week? The Main Agreement, states, to obtain a shift for leave pay and leave enhancement pay, one needs to work a shift, in addition, short shifts worked while working short-time count as shifts actually worked, therefore, employees are credited with only the shifts that they have worked in the week. So, if the company is working less than 24 hours in a week, however number of days the employees come to work, whether it be one or two or three days or more than that is the number of shifts that they are accredited with.

As has already been stated, an employee who has worked all available shifts from the first day after the previous year's annual shutdown up to and including the last shift preceding the current shutdown is entitled to full leave pay and a bonus.

## WHEN DOES AN EMPLOYEE QUALIFY FOR THE ADDITIONAL PAID LEAVE?

An employee qualifies for an additional week's paid leave after qualifying for his fourth and subsequent annual leave and by mutual arrangement between the employer and employee, the annual shutdown may be extended by an extra week or the employee may be paid out the monetary value of this extra week's leave. Alternatively, and again by mutual agreement, the extra week's leave may be accumulated until the employee qualifies for such extra three weeks' paid leave. The fourth week's leave may also be taking as ad hoc leave in the following year, but this is taking at the employer's convenience and with the employer's permission.

In cases where employees doing essential work continue working during the shutdown, the relevant MEIBC regional office must be informed of the names of these employees at least one month in advance. These employees must be given their paid leave within four months of the date of the shutdown.

### LEAVE PAY:

Every employee is entitled to leave pay calculated on the following basis:

Table 2.

normal weekly wage rate (excluding allowances) X 3 weeks (4 weeks where employee is entitled to additional leave) X number of shifts worked / 234 shifts (five-day week worker)

### LEAVE ENHANCEMENT PAY:

Every employee is entitled to leave enhancement pay calculated on the basis of 8,33 percent of actual earnings, excluding allowances (calculated on a 40-hour work week or upon actual normal hours worked) on the date the employee actually goes on leave, and in the case of termination, at the actual rate at the date of termination.

Table 3.

normal weekly wage rate (excluding allowances) X 52 weeks X 8.33% X number of shifts worked / 234 shifts (five-day week worker)

For more information on these and other Main Agreement matters:

## WORKSHOPS:

SEIFSA is conducting Main Agreement workshops during the month of November 2018, please contact either: Natalie Fourie, Thabiso Lebea or Michael Lavender to make a booking.

The training is being conducted in: Boksburg, the SEIFSA office (Johannesburg), and Cape Town.

**In-house training and consultation is also available.**

## QUERIES

Should you have any queries please contact SEIFSA Industrial Relations & Legal Services on 011 298 9400.

# ACCREDITED LABOUR BROKERS

## CEA (LBD) Accredited Companies as at 15 November 2018

- Adcorp BLU a div of Adcorp Workforce Solutions (Pty) Ltd (Adcorp BLU)
- Adcorp Blu a division of Adcorp
- ALOS Holdings (Pty) Ltd
- AMT Africa Recruitment
- AMT Placement Services
- Assign Services (Pty) Ltd
- Babanango Recruitment Services cc
- Bathusi Staffing Services (Pty) Ltd
- Boardroom Appointments
- CAP Personnel Placements (Pty) Ltd
- CDR Contracts (Pty) Ltd
- Consortium Personnel Consultants cc
- Eduardo Construction (Pty) Ltd
- ESG Recruitment cc
- Fempower Personnel (Pty) Ltd
- Global Industrial Consultants 2 cc
- Global Isizwe Placements cc
- Inqaba Services (Pty) Ltd
- Intelli Staff (Pty) Ltd
- Ithemba Langemphela
- ITL International Task Labour cc
- Khuboni Placements TES (Pty) Ltd T/A Express Employment Professionals Parktown
- Lady of the Waters 46 cc t/a Spartan Technical Services
- Lapace Construction (Pty) Ltd
- Lekang Projects & Security Services cc
- M & S Projects
- Mabhele and Associates cc
- MECS Growth (Pty) Ltd
- Molapo Quyn Outsourcing (Pty) Ltd
- Monyetla Services (Pty) Ltd
- Phakisa Technical Services (Pty) Ltd
- Primeserv ABC Recruitment (Pty) Ltd
- Primeserv Staff Dynamix (Pty) Ltd
- Quyn International Outsourcing (Pty) Ltd
- Scribante Labour Consultants (Pty) Ltd
- Sebcon Contracting Services
- SFG Engineering
- Sindawonye Services
- Sizuluntu Staffing Solutions (Pty)Ltd
- STAFFATACLICK (PTY) LTD
- Staffing Solutions (Pty) Ltd
- Stratostaff (Pty) Ltd
- Swift Human Resources (Pty) Ltd
- Tedoc Industries (Pty) Ltd
- The Workforce Group (Pty) Ltd
- Themba Njalo Camden
- Transman (Pty) Ltd
- Uthingo Mndeni Services cc
- Valorem Recruitment (Pty) Ltd
- Vusithemba Mpumalanga

# THE PRIVATE SECTOR SHOULD TAKE A LEAF OUT OF THE BOOK OF STATE-OWNED COMPANIES WHEN IT COMES TO GENDER TRANSFORMATION, ARGUES MELANIE MULHOLLAND.

Twenty years after the promulgation of the Employment Equity Act, transformation –particularly the advancement of women – in the metals and engineering sector is still painfully slow, as indicated by the 18th Commission for Employment Equity Annual Report, *Workforce profile for Manufacturing by race and gender.*

Published in June this year, the Report compared 2015, 2016 and 2017 statistics on race and gender and the picture, in terms of gender diversity, remains particularly discouraging, with a mere 33.8% representation of women at senior management level.

The exclusion of women and their skills in the workplace, especially in senior management positions, is not unique to South Africa. Entry into such decision-making positions is replete with well-known barriers. Women have to fight cultural stereotypes, ingrained mindsets and stubborn forms of behaviour to break through into leadership roles and positions.

According to the 2017 Business Women's Association South Africa census, the share of JSE-listed companies with women Directors decreased from 35.9% in 2015 to 25.6%. This is in spite of the fact that companies with the highest percentage of women on Boards tend to outperform those with lower percentages of women on Boards – in terms of higher returns on sale, a greater return on invested capital and a higher return on equity.

Clearly, representation of women at the top of leading organisations needs to increase exponentially through, among other initiatives, upskilling the available talent pool at the lower organisational levels. Businesses also need to empower more women not only to step up, occupy leadership positions and be heard, but also to contribute their knowledge, talent and skills to organisatons. In this regard, I am of the view that the inclusion of a minimum of three women on companies' Boards should be compulsory.

The Government has deemed gender equality and women's empowerment central to its transformation agenda. For example, access to formal employment for women is facilitated through the Employment Equity Act, the Broad-Based Black Economic Empowerment (BBBEE) Act and Sector Charters through which employers are legally required to work towards more equitable representation based on gender, race and disability.

The 2017 report by Women Board Directors of Africa's Top Listed Companies highlighted the fact that South Africa has, since 2005, succeeded in ensuring that at least 30% female

Directors serve on the Boards of State-Owned Enterprises (SOEs). The 2012 Business Women's Association Census recorded 33% women's representation on SOE Boards, proving the effectiveness of this mandate. This is meaningful transformation and companies in the private sector should take a leaf out of the SOE book if we are to truly tackle the challenge of gender transformation in the workplace, particularly in the metals and engineering sector.

Business, Government and other social partners must not cease to advocate and campaign to provide opportunities to ensure that women get the experience they need to be appointed to top and senior positions and that they are represented on Boards. Training interventions could include work-integrated learning training, executive coaching, as well as mentoring and sponsorship programmes, to name but a few.

If transformation does, indeed, make business sense (and I believe that it does), then we should also hold Government and business to account as we move towards real and lasting change in the interests of moving South Africa forward. At the pace at which transformation has taken place so far, would we have to wait another twenty years for equitable representation in the labour market to take effect?

I would hazard a guess that the businesses that are transforming and succeeding are doing so because they have implemented policies and practices within their organisations that are based on a genuine conviction about the benefits of gender diversity.

Today being untransformed poses significant reputational risk for any business. Trying to achieve employment equity and BBBEE targets in the absence of an integrated employment equity and diversity management strategy could be one of the main reasons for the lack of progress.

Finally, imagine if all businesses enabled inclusive and empowering work environments? Most certainly the outcome would be the achievement of effective employment equity and diversity implementation, reflecting more women in higher occupational levels and on Boards within the labour market.

Melanie Mulholland is SEIFSA's Human Capital and Skills Development Executive

# THE SELLING PRICE INFLATION FOR INTERMEDIATE MANUFACTURED PRODUCTS OF THE METALS AND ENGINEERING SECTOR CONTINUES TO IMPROVE

The Steel and Engineering Industries Federation of Southern Africa (SEIFSA) welcomes the continual improvement in the Producer Price Index (PPI) for intermediate manufactured goods as published by Statistics South Africa (Stats SA). The data has consecutively improved from March this year alongside the PPI for final manufactured goods, with the latter slowing down in September 2018. This is good for businesses in the Metals and Engineering (M&E) cluster against the backdrop of increased volatility in imported inputs prices as a result of a generally weak exchange rate.

The Stats SA data showed that on a year-on-year basis, the PPI for intermediate manufactured goods increased to 7.7 percent in September 2018, from 5.9 percent recorded in August 2018, while the PPI for final manufactured goods for the broader manufacturing sector also registered an almost lateral increase of 6.2 percent in September 2018 on a year-on-year basis.

A generally higher trending PPI for intermediate manufactured goods augurs well for domestic producers in the cluster, especially in light of the continued volatility in input costs. The generally higher trending PPI leaves producers with more lee-way to pass cost increases into the market which in turn has a positive impact on the margins of companies.

Since the start of 2017, there were however two periods (January 2017 to July 2017 and November 2017 to March 2018) where both the PPI for final manufactured goods and the PPI for intermediate manufactured goods, exhibited a generally downward sloping trend (as illustrated in the graph below).

Figure 1: Producer Price Index for final and intermediate manufactured goods


A stronger exchange rate during the periods under observation reduced the costs of imported inputs of companies in the M&E sector, thereby contributing to the lower trending PPI for final and intermediate manufactured goods.

Figure 1 opposite also illustrates that between January 2017 and April 2017, the PPI for intermediate manufactured goods (slowing down from 6.7% to 5.0%) trended higher than the PPI for final manufactured goods (a slowdown from 5.9% to 4.6%) largely as a result of the volatility of the exchange rate along with increasing input costs.

Thereafter, the annual PPI for final manufactured goods showed a steady increase from 4.4% in April 2018 to 6.2% in September 2018. The PPI for intermediate manufactured goods also increased from 0.1% in April 2018 to 7.7 % in September 2018, with the latter again trending higher in September 2018. A generally weaker rand made imported inputs more expensive, compelling companies in the M&E cluster to increase selling prices thereby contributing to the increasing trend of both measures of the PPI.

Given that the PPI for intermediate manufactured goods has maintained an upward trajectory since the first quarter of 2018, businesses should be able to leverage off the improvement in selling price inflation. Business conditions have generally been tough. Domestic producers are struggling to move stock out of the warehouses amid low levels of domestic demand and higher intermediate input costs. This is compounded by increasing energy and fuel prices and a weaker exchange rate which further adds to the individual cost curves of businesses.

It is crucial that a positive differential between input cost inflation and selling price inflation be maintained in order for the M&E cluster of industries to be attractive to investment, as investments are often driven by the return on investment. A positive differential enables manufacturers to pass cost increases onto the market, also enabling businesses to improve their margins.

# SEIFSA TRAINING CENTRE

SEIFSA TRAINING CENTRE
inspiring excellence

## 2019 Intake dates

The SEIFSA Training Centre is a **state-of-the-art training centre** that has both the resources of industry experts and equipment to offer specialised skills training

**The training offered encompasses not only apprentice training but also training and development for the following training interventions:**

- Learnerships
- Skills programmes
- Short courses
- Recognition of Prior Learning (RPL)
- Trade proficiency assessment services
- Trade testing
- Assessments
- ATRAMI (Artisan Training and Recognition Agreement for the Metal Industry)
- Continuous upskilling of artisans

**In the following trades:**

- Boilermaking
- Welding
- Pipefitting
- Fitting & Turning
- Fitting
- Turning
- Toolmaking
- Electrical
- Millwright
- Instrumentation

**We pride ourselves on being accessible to our clients in terms of: to clients**

- in terms of:
- Our mode of delivery - our site or yours
- Learner prior knowledge and other entry requirements
- Costs - fees and payment options
- Location - public transport and accessibility

2019 **INTAKE** DATES:

**08 January** 2019
**02 April** 2019
**25 June** 2019
**17 September** 2019

# SEIFSA TO HOST ENTERPRISE SUPPLIER DEVELOPMENT INFORMATION SESSION

It certainly was a busy few months for the Small Business Hub team. The partnership between Aurik and SEIFSA has certainly alerted us to some of the challenges faced in the Enterprise Development space. The team has had meetings with companies such as Harsco, Lixil, Komatsu, Columbus Steel, as well as Weir and Howden and have listened to their experience in the Enterprise Development space in South Africa.

Most reported mixed results, and various levels of success. The Small Business Hub intends to ensure that Enterprise Supplier Development (ESD) implementation in the metals and engineering industries becomes a consistent and successful experience for the majority of companies – and an intrinsic part of this process is to showcase smaller businesses and position them as potential suppliers to bigger businesses.

Small business is definitely on everyone's lips and the need to boost the fortunes of small business is acknowledged far and wide – by policy-makers, all political parties, unions, and the media. However, still lacking is a focused institutionalized, coordinated and well communicated response by the one stakeholder that can make all the difference – Government.

## SEIFSA TO HOST ENTERPRISE SUPPLIER DEVELOPMENT INFORMATION SESSION:

## "CLEARING UP THE CONFUSION AROUND ESD"

On 29 November, SEIFSA will host a session with its partner, Aurik, that will answer pertinent questions about the concept of ESD. Currently, there is lots of confusion about the subject. Bigger companies know that they need to implement it. Small companies know that they have an opportunity. However, the two very rarely seem to meet, successfully, around shared objectives.

SEIFSA and Aurik will clear up the confusion and answer the following questions, among others:

1. What is ESD?
2. Why Big needs Small and Why Small needs Big
3. How small businesses can be part of bigger supplier chains
4. How do smaller businesses know if they are ready?
5. How bigger businesses should structure and communicate their ESD imperatives
6. ESD Approaches and Case Studies that work

Aurik expert and ESD strategist Pamina Bohrer will lead the presentation and discussion on the day.

Therefore, if you are an ESD professional or a small business wanting to grow your order book and meet players in the metals and engineering industries, join SEIFSA at its offices on 29 November 2018.

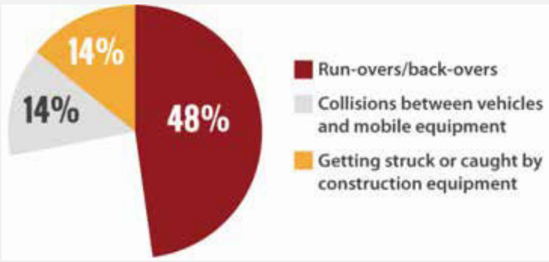
# SAFETY AWARENESS – MOVEMENT OF VEHICLES AND MOBILE EQUIPMENT

Safety of company cars, bakkies, trucks forklifts and locomotives is very important. Regular safety checks on tyres, brakes, windscreens and wipers and the overall condition of the asset as well as observance of speed limits, level crossings and stop signs, where applicable, is paramount.

All vehicles and mobile equipment used for the purpose of production are subject to risk assessment. All vehicles must be subjected to appropriate pre-operation safety checks based on the risk assessments. No vehicles must be driven or used if key equipment is faulty. The brake system and all tractive systems on the vehicle must be in good safe operating order.

## 1. SEVERAL CONDITIONS CAN CONTRIBUTE TO INJURIES AND FATALITIES, INCLUDING:

- Falling materials and loads.
- Equipment operator blind spots.
- Operator dismounting and leaving equipment in gear, or not setting the brakes or wheel chock blocks.
- Equipment tip-over or rollover.
- Equipment or controls not locked out during maintenance / not following lock out procedures.




## 2. MEASURES USED TO REDUCE INJURIES AND FATALITIES

- Use trained and, where required, certified equipment operators.
- Provide heavy equipment hazard awareness and safe work practices training to workers.
- Provide a copy of and access to the operating manual for machinery to the operator.
- Develop a path site plan for vehicles, heavy trucks and deliveries to help avoid or limit vehicles and equipment backing up.
- Set up a limited-access zone or swing radius around heavy equipment.
- Provide equipment with rollover protective structure (roll bars).
- Maintain equipment to be in good operating condition.

## 3. TRAINING, LICENCING AND PERMITTING

No person may drive a vehicle or mobile equipment unless they are trained and tested as competent to operate that vehicle.

The training must address all possible hazards and must assess for:

- The tasks for which it is to be used and the location where it will operate.
- The specific vehicle to be used.

All persons required to drive / operate mobile equipment including locomotives must have valid licenses or permits. Specific permits set by company rules and procedures where a license or permit is required must be adhered to.

## 4. TRAFFIC RULES

Statutory Traffic Rules take precedence. Speed limits and traffic rules must be developed, reviewed regularly and enforced. Clear signage must be used at high risk areas (Railway Level Crossings). Vehicles shall not be parked in hazardous or controlled areas e.g. rail lines, around cranes, near fire hydrants and despatch areas.

**Rolling stock must have right of way at all times!!.**

SEIFSA
75th ANNIVERSARY
1943 - 2018

# 2019

## Upcoming SEIFSA Workshops / Events

*January - March 2019*

**DIVISIONS**: Economics and Commercial (**EC**), - Health, Safety, Environment & Quality (**SHEQ**), - Industrial Relations (**IR**) and Legal Services (**L**)
Human Capital & Skills Development (**HC&SD**) SEIFSA Training Centre (**STC**) - Small Business Hub (**SBH**)

| MONTH | DATE | DURATION | REGION | PRICE (Member) | PRICE (Non-member) | DIVISION | WORKSHOP/ EVENT |
|---|---|---|---|---|---|---|---|
| **January** | 10 | 1 day | SEIFSA | R 2 822,78 | R 3 532,98 | HCSD | Employment Equity – Successful Submissions |
| | 20 | 1 day | SEIFSA | R 2 370,69 | R 3 579,74 | SHEQ | Risk Assessment Techniques |
| | 23 | 1 day | SEIFSA | R 2 822,78 | R 3 532,98 | HCSD | Introduction to Skills Development |
| | 23 | 2 hours | SEIFSA | R 1 072,45 | R 1 270,05 | IR | Flexible Employment Contracts – avoid the pitfalls: |
| | 30 | 2 hours | SEIFSA | R 1 072,45 | R 1 270,05 | IR | Trade Union Organisational Rights & Role of Shop Steward |
| | 31 | 1/2 day | SEIFSA | R2 212,64 | R2 765,81 | Legal/EC | How to Tender Successfully - Beginners Course |
| **Febuary** | 6 | 1 day | SEIFSA | R 2 822,78 | R 3 532,98 | HCSD | Introduction to Skills Development |
| | 12 | 1 day | JCC | R 2 822,78 | R 3 532,98 | HCSD | Annual SD Planning and Reporting Seminar |
| | 12 | 1 day | SEIFSA | R 2 370,69 | R 3 579,74 | SHEQ | Quality Risk Assessment |
| | 13 | 1/2 day | Boksburg | R 2 144,91 | R 2 540,03 | IR | Retrenchments, short-time and Lay-offs \| Keeping it simple |
| | 18 | 1/2 day | SEIFSA | R2 257,80 | R3 330,25 | EC | Theory and Calculation of Contract Price Adjustment |
| | 19 | 1 day | SEIFSA | R 2 794,03 | R 3 493,94 | IR | Water-tight Dismissals – Chairing Disciplinary hearings |
| | 21 | 1 day | SEIFSA | R 2 822,78 | R 3 532,98 | HCSD | Skills Development Planning and Reporting |
| | 25 | 1/2 day | Boksburg | R2 257,80 | R3 330,25 | EC | Theory and Calculation of Contract Price Adjustment |
| | 27 | 1 day | Boksburg | R 2 794,03 | R 3 493,94 | IR | Employment Contracts: Cross your T's and dot your I's |
| | 27 | 1 day | SEIFSA | R 950,00 | R 1 425,00 | SHEQ | Health and Safety Representative Training |
| | 28 / 1 | 2 days | SEIFSA | R 4 234,70 | R 5 289,40 | HCSD | Supervisory Training Workshop (unit standard aligned) |
| **March** | 1-Mar | 1 day | SEIFSA | R 2 822,78 | R 3 532,98 | HCSD | Introduction to Skills Development |
| | 4-Mar | 1/2 day | SEIFSA | R2 257,80 | R3 330,25 | EC | Theory and Calculation of Contract Price Adjustment |
| | 5 - 6 | 2 days | SEIFSA | R 2 827,89 | R 4 165,64 | SHEQ | ISO 14001:2015 Awareness - (2-days workshop) |
| | 6-Mar | 1/2 day | SEIFSA | R 2, 433.53 | R 3, 035.25 | IR | A to Z of the Main Agreement |
| | 11-Mar | 1/2 day | West Rand | R2 257,80 | R3 330,25 | EC | Theory and Calculation of Contract Price Adjustment |
| | 12-Mar | 1/2 day | Boksburg | R 2, 433.53 | R 3, 035.25 | IR | A to Z of the Main Agreement |
| | 12-Mar | 1/2 day | SEIFSA | R 1 919,13 | R 2 917,08 | SHEQ | Legal Liability |
| | 13-Mar | 1 day | CPT | R 2 822,78 | R 3 532,98 | HCSD | Skills Development Planning and Reporting |
| | 14-Mar | 1 day | SEIFSA | R 2 822,78 | R 3 532,98 | HCSD | Skills Development Planning and Reporting |
| | 15-Mar | 1/2 day | Durban | R2 257,80 | R3 330,25 | EC | Theory and Calculation of Contract Price Adjustment |
| | 27-Mar | 1 day | SEIFSA | R 1 919,13 | R 2 917,08 | SHEQ | COIDA Workshop |
| | 28-Mar | 1 day | SEIFSA | R 2 822,78 | R 3 532,98 | HCSD | Skills Development Planning and Reporting |

***ALL PRICES EXCLUDE VAT***

To book, please contact Thabiso Lebea (011) 298-9442
email: thabiso@seifsa.co.za
or make an online booking **www.seifsa.co.za**

*Dates and duration of workshops is subject to change*

# FESTIVE SEASON CLOSURE OF SEIFSA OFFICES

SEIFSA offices will close on **Wedneday, 19 December 2018** at 12:00 and will re-open at 08h00 on **Wednesday, 9 January 2019**.

Companies requiring urgent assistance during this period are requested to phone the SEIFSA switchboard on (011) 298-9400 for a recorded message, which will provide telephone numbers of staff members who can be contacted on their cell phones.

*SEIFSA wishes you a safe festive season and a prosperous 2019*

SEIFSA

75th ANNIVERSARY

1943 - 2018