

# SEIFSA NEWS



MARCH / APRIL 2019

## QUARTERLY ECONOMIC UPDATE

The African Continental Free Trade Area (AfCFTA):  
Overview and Implications



### **INSIDE:**

South Africa's chronic youth unemployment challenge calls for the creation of the next generation of entrepreneurs.

**Load Shedding and its impact on Production and Wages**





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AND RELATED SERVICES SETA

# Buzzwords of the Fourth Industrial Revolution in Manufacturing



The term “**Fourth Industrial Revolution**” also known as **Industry 4.0** refers to the fourth wave of industrial revolution characterised by the fusing of **computation, networking and physical (cyber-physical) algorithms** that are **controlled or monitored by computer-based systems** closely integrated with the internet and its users. This glossary of terms provide definitions of the emerging manufacturing processes and practices in the Industry 4.0 discourse.



**3D – Printing/ Additive Manufacturing** is a production “process of joining materials to make objects from 3D model data, usually, layer by layer using Computer-Aided Design models, as opposed to subtractive manufacturing methodologies, such as traditional machining”.



**Artificial Intelligence** is the branch computer science that deals with simulation of human intelligence (speed recognition, learning and problem solving) and optimise the processes of production by offering new ways to drive efficiencies, engage customers, and develop new business with greater insights.



**Automation** is the use of various control systems, such as computers or robots, and information technologies for operating equipment such as machinery and mechanised production processes in factories with minimal or reduced direct human intervention.



**Big Data/ and Big Data Analytics** is the process of examining large and varied data sets to uncover hidden patterns, unknown correlations, market trends, customer preferences and other useful information that can help organizations make more-informed business decisions.



**Cloud Computing** “a model for enabling abundant, convenient and on demand network access to a shared pool of configurable computing resources (e.g., networks, servers, storage, applications, and services) that can be rapidly provisioned and released with minimal management effort or service provider interaction.”



**Composites** are materials comprised of two or more components with significantly different physical or chemical properties, that when combined, produce a material that behaves differently from the individual components.



**Cybersecurity** is the protection of computers, networks, programs and data from unauthorized access or attacks that are aimed for exploitation.



**Smart Factory** is a fully-integrated, collaborative manufacturing systems that respond in real time to meet changing demands and conditions in the factory, in the supply network, and in customer needs.



**Internet of Things** is an umbrella term for a broad range of technologies and services characterised by the interconnection of physical devices, vehicles and other items embedded with electronics, software, sensors, actuators, and connectivity which enables these objects to collect and exchange data.



**Robotics** is the integration of mechanical, electrical engineering and computer science to design, construct, operate, and apply robots. It also includes computer systems for their control, sensory feedback, and information processing where a robot is a reprogrammable, multifunctional manipulator designed to move material, parts, tools, or specialized devices through various programmed motions for the performance of a variety of tasks.



**Digital Manufacturing** is the use of capital intensive and sophisticated computer-based systems to improve product design and reduce the time and cost of manufacturing by integrating and using data from design, production, and product use; digitizing manufacturing operations to improve product, process, and enterprise performance, and tools for modelling and advanced analytics, throughout the product life cycle.

**LEADERS IN CLOSING THE SKILLS GAP**



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March / April 2019

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# FROM THE CHIEF EXECUTIVE OFFICER'S DESK

Kaizer M. Nyatumba  
SEIFSA Chief Economist



**N**ext month, South Africans above the age of 18 will be heading for the polls. Confronting them will be a crucial decision about the country's future, specifically the next five years.

The question confronting all of us, then, will be: whom can we trust to offer South Africa the kind of ethical, visionary and inspirational leadership that will take the country out of the morass in which it currently finds itself and bring out the very best in us as a people?

There is definitely no shortage of candidates. With each election since the dawn of our democracy in 1994, more new political parties spring up as vehicles to enable their founders to occupy cushy seats in the country's national and/or provincial legislatures. My guess is that, even as they are conceived of by their respective founders, very rarely – if ever – are they regarded as instruments to help steer the country in the right direction. Very rarely are they formed out of a need to steer our country back onto the right path from which it has been derailed over the years.

Often, however, they are merely extensions of their founders' egos and vehicles to enable them to enter – or stay in – politics to be able to feed from the public trough. Political parties have mushroomed as individuals have fallen out with their original parties or their comrades within those parties, and those men and women have then found themselves in need of new political vehicles to enable them to remain on the public payroll.

Thus were various political parties formed: Bantu Holomisa's United Democratic Front and Mosioua Lekota's Congress of the People from the ANC; Themba Godi's African People's Convention from the Pan Africanist Congress; Zanele Magwaza-Msibi's National Freedom Party from the Inkatha Freedom Party; Julius Malema's Economic Freedom Front from the ANC; and, more recently, Patricia De Lille's Good from the Democratic Alliance.

There have been some exceptions, with the main one having been the attempt in 2013 by Mamphele Ramphela to form the now-laughable Agang, out of a desire to re-direct the country back to the path chosen for it by our founding fathers and mothers during the multi-party talks at the Congress for a Democratic South Africa and the subsequent Constituent Assembly that finalized our world-acclaimed Constitution.

As a people, then, we are not without a choice on 8 May 2019. While none of the parties or their leaders is perfect, nevertheless it remains crucially important that South Africans go out in their numbers to vote during our sixth all-inclusive elections. For me, who or what they vote for is immaterial, as long as they exercise their fundamental right to vote.

Regrettably, there are those who, out of disillusionment with politics and politicians, have decided that participating in the elections is a waste of their precious time because it makes no real difference. All politicians, they argue, are the same: they make lots and lots of great promises but, once elected, proceed deliberately to ignore those promises to the electorate and to do what they would like to do anyway – and that, most of the time, is to mess up, plunder and steal and advance their own selfish interests instead of those of the nation.

While that disillusionment is understandable, nevertheless the decision to opt out of politics and, in the process, forego one's right to vote is grossly irresponsible. It is laziness of the worst kind on the part of those compatriots who may be

so inclined. They forget that, even if they did not exercise their right to vote, once elected, our bent politicians go out to do what they do – whether that be lying and stealing – in the collective name of “the people”. Included in “the people” are those who, myopically, may have taken a decision not to vote at all as a sign of protest against our rotten politics and its practitioners.

Our disillusioned compatriots ignore – at their peril – the simple but truthful fact that, in a democracy such as ours, it is during a time like now, when elections are around the corner, when even the simplest or poorest of voters is at his or her most powerful. It is now, in the run-up to an election, when even the most arrogant and obnoxious politician has to humble him/herself and come crawling to beg for our votes. It is now that the pendulum swings decidedly against the rich, proud, smug or vulgar politician in favour of the poor voter who, in reality, is the real repository of power.

While they may strut around proudly and make all sorts of claims about enjoying mixing with the people, the truth is that politicians do not enjoy the period that we have now entered, when they have to humble themselves and travel to every nook and cranny of the country to shake hands with our poorest compatriots, to smile and sing as they promise heaven on earth. They do not enjoy having to take trains, buses, go to taxi ranks and be exposed to some of the dirtiest streets in our townships and informal settlements to beg for votes in return for their parties’ T-shirts and sundry paraphernalia and empty promises. Nothing reminds them so strongly of the fact that the power they exercise after an election has its origin from ordinary South Africans.

Therefore, there is no time when the ordinary man and woman in the country is as powerful as now. During this period, suddenly politicians remember even those squalid parts of the country that they only ever hear about in the media once they are comfortably ensconced in office after an election.

While the decision whether or not to vote is for each person to make, I would urge every compatriot strongly to go out on 8 May to vote their conscience. I urge every South African to go out to send a strong message to our political mandarins that we, the ordinary men and women that we are, want our country back from those who have dared to steal from it, to abuse it in different ways or even to pawn it to the highest bidder/s. I ask that all South Africans go out to vote for the party or parties of their choice and, in the process, remind politicians that none of them has a God-given right to govern this country.

Regrettably, our choices continue to be confined to political parties as opposed to individuals, thanks to what was supposed to be a limited-duration deal that was struck during the pre-1994 negotiations at the World Trade Centre. As a result, many of us will find ourselves having to block our noses to prevent

the stench emanating from objectionable names of crooked, unethical or downright corrupt individuals on the lists of some of the parties for which we may find ourselves voting on 8 May. It is precisely because it has served the parties well that we continue to have this obnoxious system in place, when we should long have had a system by now that combines both constituency representation and proportional representation.

One is encouraged by the fact that there is, on the court roll somewhere in the country, a case seeking to assert our rights as citizens to vote for men and women of our choice, who will stand as individual candidates and represent specific constituencies, as opposed to voting – as we now do – for political parties, with absolutely no say in who they include on their precious lists. It is crucially important that civil society – through organisations like the Helen Suzman Foundation, Freedom Under Law, the Council for the Advancement of the Constitution, etc. – take this fight up in our country’s courts after the forthcoming elections to re-assert our rights to vote for men and women of our choice, rather than parties which, once elected, have little or absolutely no obeisance to the electorate.

Were we sufficiently respected, as citizens, to vote directly for the President of the country, as opposed to leaving this important responsibility to political parties to choose one of their own in Parliament to become our Head of State, the choice confronting us on 8 May would be much easier. Many among us would find it easy to vote for Cyril Ramaphosa as President, without simultaneously feeling guilty that our vote for him, through his party, will also be a vote for men and women of questionable integrity on his party’s lists.

That shortcoming notwithstanding, it remains very important for all adult compatriots to go out to vote with their minds – and not their hearts – on 8 May. We should do so with a view to producing whatever we may consider the best possible outcome for the country and its nine provinces. For me, such an outcome will be one in which no party ever feels entitled to govern, or feels that it can take the electorate for granted because, regardless of its performance while in office, it can always be assured of victory at the next polls.

In addition to their own responsibility to go out to vote on election day, business leaders must also encourage their employees to do so, and ensure that they have ample time to do so.

Let us go out and re-shape South Africa’s fate on 8 May and take responsibility for our actions and decisions, and refrain from for ever bleating afterwards – as is typical of South Africans – as though collectively we are powerless as a people. The power resides firmly in our hands. Let us use it on 8 May and make ourselves unmistakably heard. Only then will politicians ever take us seriously. ■

# QUARTERLY ECONOMIC UPDATE THE AFRICAN CONTINENTAL FREE TRADE AREA (AfCFTA): OVERVIEW AND IMPLICATIONS



The African Continental Free Trade Area (AfCFTA) is an ambitious project with the following general objectives, which will be achieved incrementally. A single market for goods and services, facilitated by movement of persons; a liberalised market for goods and services through successive rounds of negotiations; the movement of capital and natural persons; facilitations of investments; building on the initiatives and developments in the State Parties (member states of the African Union) and Regional Economic Communities (RECs); lay the foundation for the establishment of a Continental Customs Union at a later stage; promote and attain sustainable and inclusive socio-economic development; enhance competitiveness; promote industrial development, resolve the challenges of multiple and overlapping memberships and expedite the regional and continental integration processes.

Implementation will not be a big bang exercise and there will not be supra-national institutions; the AfCFTA will be member-driven and managed by a secretariat. However, all African Union (AU) Members are included in this category of membership; irrespective of whether they are State Parties to this Agreement. African states will also continue to trade under the rules and procedures of the Regional Economic Communities (RECs) and other African trade arrangements.

## THE AfCFTA PRESENTS AN OPPORTUNITY FOR DEVELOPMENT IN AFRICA AND FOR BUSINESSES TO EXPAND

The African Continental Free Trade Area (AfCFTA) presents an opportunity for development in Africa. But it must be wielded by private enterprise. Through doing so, businesses can benefit from the great opportunities that the continent has to offer, and contribute to its sustainable growth and development.

The AfCFTA is a tool for private enterprise in Africa. It succeeds when it is leveraged by private businesses, traders and consumers to trade across the continent across three broad spectrums.

**Awareness:** Businesses need to be fully sensitised by government on the potential of AfCFTA. On this basis they can then establish new trade linkages or push their governments to negotiate for these opportunities if they are not already covered by the negotiated substance of the agreement.



# ECONOMIC UPDATE

**Partnerships:** Partnering with governments by business is essential to ensure and facilitate investment in the accompanying measures necessary to complement AfCFTA. This includes intra-African trade infrastructure as well as supplying trade finance, trade information and logistics services. Such provisions will help businesses recognise and realise the trading opportunities available through AfCFTA.

**Private sector involvement:** More active involvement of the private sector in terms of advocacy is required in order to ensure direct input into the AfCFTA negotiating institutions, to ensure that AfCFTA is shaped to assist the business community to trade in Africa.

## THE AfCFTA WILL PROVIDE BUSINESSES WITH OPPORTUNITIES THAT WILL ENHANCE INDUSTRIALISATION IN AFRICA IN LINE WITH AGENDA 2063

The AfCFTA will cover a market of 1.2 billion people and a gross domestic product (GDP) of \$2.5 trillion, across all 55-member States of the African Union. In terms of numbers of

participating countries, AfCFTA will be the world's largest free trade area since the formation of the World Trade Organisation. It is also a highly dynamic market. The population of Africa is projected to reach 2.5 billion by 2050, at which point it will comprise 26 per cent of what is projected to be the world's working age population, with an economy that is estimated to grow twice as rapidly as that of the developed world. With average tariffs of 6.1 per cent, businesses currently face higher tariffs when they export within Africa than when they export outside it. AfCFTA will progressively eliminate tariffs on intra-African trade, making it easier for African businesses to trade within the continent and cater to and benefit from the growing African market.

## POTENTIAL FOR MORE INDUSTRIAL EXPORTS, JOBS AND SMALL AND MEDIUM-SIZED ENTERPRISES

Africa's industrial exports are forecast to benefit most from AfCFTA. This is important for diversifying Africa's trade and encouraging a move away from extractive commodities, such as oil and minerals, which have traditionally accounted for most



of Africa's exports, towards a more balanced and sustainable export base. Over 75 per cent of Africa's exports outside the continent were extractives from 2012 to 2014, while less than 40 per cent of intra-African trade were extractives in the same period. Using AfCFTA to pivot away from extractive exports will help to secure more sustainable and inclusive trade that is less dependent on the fluctuations of commodity prices.

Perhaps most importantly, AfCFTA will also produce more jobs for Africa's bulging youth population. This is because extractive exports, on which Africa's trade is currently based, are less labour-intensive than the manufacturing and agricultural goods, that will benefit most from AfCFTA. By promoting more labour-intensive trade, AfCFTA creates more employment.

Small and medium-sized enterprises are key to growth in Africa. They account for around 80 per cent of the region's businesses. These businesses usually struggle to penetrate more advanced overseas markets with additional logistic costs, but are well positioned to tap into regional export destinations and can use regional markets as stepping stones for expanding into overseas markets at a later point.

Another way in which small and medium-sized enterprises can benefit is by AfCFTA making it easier to supply inputs to larger regional companies, who then export. Before exporting cars overseas, for example, large automobile manufacturers in South Africa source inputs, including leather for seats from Botswana and fabrics from Lesotho, under the preferential Southern African Customs Union trading regime.

## WHAT NEXT STEPS REMAIN TO BRING AFCFTA AGREEMENT INTO EFFECT?

State Parties must develop and submit schedules for concessions for trade in goods. A related complement to the schedules of concessions for trade in goods is the list of product-specific rules of origin which, alongside the general rules of origin, will enable the application of preferences under AfCFTA. Phase I must be completed. This requires that tariffs reductions, rules of origin and trade in services modalities must be agreed. Private sector monitoring of these activities may be vital. Phase II negotiations (in the areas of intellectual property rights; investment; and competition policy) must start.

The AfCFTA will eventually have to be notified to the World Trade Organisation (WTO); for both trade in goods as well as trade in services purposes.

AfCFTA committees will then convene and begin facilitating the implementation of the agreement, including the provision of capacity-building to assist State Parties with domesticating implementation.

## INSTITUTIONS AND RELATIONSHIP WITH THE AFRICAN UNION

A Conference of State Parties will meet to adopt the structure and organigram of AfCFTA secretariat, the staff rules and regulations and the secretariat budget. The AfCFTA secretariat will be established in a host country to be decided and approved by the Assembly. The AU Commission shall be the interim AfCFTA Secretariat, until the latter is fully operational. The Secretariat may presumably be established rather soon, but can only become fully operational with independent legal personality, once the AfCFTA Agreement has entered into force. The funds of the Secretariat shall come from the overall annual budgets of the AU.

The AfCFTA will then enter into force after the deposition of the 22nd instrument of the ratification with the Chairperson of the African Union Commission. (At the time of writing there already had been five ratifications.)

The AfCFTA is a unique arrangement. Its establishment required compromises between two different viewpoints: That is, the AfCFTA as a stand-alone trade arrangement, on the one hand, and it being an organ of the AU, on the other. The AfCFTA is a work in progress and must lay the foundation for the establishment of a Continental Customs Union at a later stage.

The AfCFTA will not replace existing African trade arrangements. State Parties that are member of other regional economic communities, regional trading arrangements and customs unions, which have attained among themselves higher levels of regional integration than under this Agreement, shall maintain such higher levels among themselves.

On a critical note, there may be substantial gains for boosting intra-African trade if more attention is paid to trade facilitation issues. According to World Bank Studies intra-African trade can benefit more from tackling delays at border posts, unnecessary red tape and fragmented regulatory regimes than tariff reductions. But trade facilitation receives little attention in media statements and press releases. The emphasis about the benefits of the AfCFTA seems to be on the wrong aspects. In any case, South Africa is unlikely to make dramatic new tariff reduction offers in the AfCFTA context. That may disappoint many – access to the South African market is a major reason why the AfCFTA is being negotiated. ■

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- Adcorp Blu a division of Adcorp
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- AMT Placement Services
- Assign Services (Pty) Ltd
- Babanango Recruitment Services cc
- Bathusi Staffing Services (Pty) Ltd
- BDM Management (Pty) Ltd
- Boardroom Appointments
- CAP Personnel Placements (Pty) Ltd
- CDR Contracts (Pty) Ltd
- Consortium Personnel Consultants cc
- Eduardo Construction (Pty) Ltd
- EFS Labour Consultants cc
- ESG Recruitment cc
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- Global Isizwe Placements cc
- Ingaba Services (Pty) Ltd
- Intelli Staff (Pty) Ltd
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- ITL International Task Labour cc
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- Lady of the Waters 46 cc t/a Spartan Technical Services
- Lapace Construction (Pty) Ltd
- Lekang Projects & Security Services cc
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- Transman (Pty) Ltd
- Uthingo Mndeni Services cc
- Vusithemba Mpumalanga

# SEIFSA WELCOMES NEW MEMBERS

The following companies became members of Associations federated to SEIFSA during February to March 2019:

## Constructional Engineering Association (South Africa)

- Anchor Support & Mining
- Impact Human Resources
- ITP International Task Perfection
- Lukhanyo Kgosi Mining
- Pretorius Staalwerke cc
- PTS Metal Work (Pty) Ltd
- Thusanyo Investments
- Valorem Staffing Solutions (Pty) Ltd

## Electrical Engineering and Allied Industries Association (EEAIA)

- Eico Engineering Holdings (Pty) Ltd
- Siemens Mobility (Pty) Ltd

## Kwa-Zulu Natal Engineering Industries Association

- Bombers Equestrian Equipment cc
- Electrical & Industrial Controls

## Light Engineering Industries Association of South Africa

- Enelad (Pty) Ltd
- Hi Alloy Castings (Pty) Ltd
- Insulpro cc
- Sunward Engineering cc

## South Africa Refrigeration & Air Conditioning Contractors' Association (SARACCA)

- Good Example Trading & Projects
- Makasela Air

## SEIFSA Associate Membership

- Ennead Consulting
- Nkopetsi Fleet (Pty) Ltd

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## World market - metallurgy

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# SHOWCASING THE BEST IN THE METALS AND ENGINEERING INDUSTRY SEIFSA AWARDS FOR EXCELLENCE – CALL FOR ENTRIES

**S**EIFSA invites companies operating in the metals and engineering sector to submit their entries for the 2019 SEIFSA Awards for Excellence – which are open to all employers in the sector, including those which are not members of SEIFSA.

Now in their fifth year, the annual SEIFSA Awards for Excellence were born out of the need to encourage growth and celebrate excellence in the metals and engineering sector. The Awards offer a wonderful opportunity for companies operating in this crucial sector to receive well-deserved acknowledgement and respect by industry peers for their capabilities, expertise and innovation.

Entrants will be assessed on their performance in the period July 1 2017 to December 31 2018 in seven different categories, namely:

- **The Most Innovative Company of the Year**
- **The Health and Safety Award of the Year**
- **The Corporate Social Investment (CSI) programme/s of the year**
- **Customer Service Award of the Year;**
- **The Most Transformed Company of the Year Award**
- **Artisan of the Year Award, as well as the**
- **The Environmental Stewardship Award**

New entrants along with companies that have previously won are encouraged to participate. Entry for the Awards is free - and can easily be obtained online at [awards.seifsa.co.za](http://awards.seifsa.co.za).

Please submit your entry or entries to SEIFSA on or before 16H30, Friday, 26 April 2019. The winners will be announced at an Awards Ceremony on 23 May 2019 at the IDC Conference Centre in Sandton.

This year SEIFSA welcomes as its guest speaker Youth Employment Services (YES) CEO Tashmia Ismail-Saville who will highlight the importance of creating new pathways for young people into the world of work. Conceptualised about 18 months ago as part of the CEO Initiative, YES is a partnership between business, government, and labour to address the scourge of youth unemployment in South Africa.

## SPONSORSHIP

SEIFSA also calls upon companies to take up sponsorship for the Awards in their various categories. With this, a company can take their marketing and branding to a higher level of awareness with the sponsorship package that suits their budget and needs.

**Please visit [awards.seifsa.co.za](http://awards.seifsa.co.za) for sponsorship packages to choose from or contact Nuraan Alli on [Nuraan@seifsa.co.za](mailto:Nuraan@seifsa.co.za) or call her on 011 298 9400. ■**



# SEIFSA AWARDS for EXCELLENCE 2019



Thursday, 23 May 2019, IDC Conference Centre

## SEIFSA CELEBRATES TRANSFORMED COMPANIES IN THE METALS AND ENGINEERING SECTOR

We invite entries into the SEIFSA Awards for the following categories:



### Most Innovative

Awarded to a company that has shown the best level of innovation in Research and Development or Production, in the process of either gaining market advantage or reducing production costs



### Health and Safety Award

The Health and Safety Award of the Year will be offered to a company with the best legal compliance record in Health and Safety or the lowest Lost-Time Injury Frequency Rate in 2018.



### Best Corporate Social Responsibility

Awarded to a company with a CSI project that makes the biggest impact on the lives of its beneficiaries.



### Customer Service Award

Awarded to a company with the best/highest rating by its customers for its performance in customer service.



### Most Transformed Company

Awarded to the most transformed company in terms of the composition of its Board of Directors, Executive Management and Managerial Team.

- a) First Category: Companies employing fewer than 100 people
- b) Second category: Companies employing more than 100 people



### Artisan Award

Awarded to a company in an Association federated to SEIFSA that has the highest activity in artisan training each year (for itself and/or the industry).



### Environmental Stewardship Award

Awarded to a company that has successfully implemented greening initiatives in its day-to-day business

## Submission

Please submit your entry or entries to reach SEIFSA on or before 16h30, Friday, 26 April 2019.

The winners will be announced at an Awards Ceremony on 23 May 2019, IDC Conference Centre.



**GUEST SPEAKER:**  
TASHMIA ISMAIL-SAVILLE  
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011 298 9424 or [natalie@seifsa.co.za](mailto:natalie@seifsa.co.za)

# A GAS PRACTITIONER FOR AN HVAC (R) SYSTEM? YES!



Equipment and systems using fuel gases such as Liquefied Petroleum Gas (LPG) and Natural Gas have to be installed by a registered Gas Practitioner and a Certificate of Conformity (COC) should be awarded to the end-user upon completion of the installation, so says South African Refrigeration and Air Conditioning Contractors Association (SARACCA) President John Parry.

However, it appears as though many people do not realise that fridges and air-conditioners also use gas under high pressure in their systems. For that reason, the same criteria must be followed when installing or repairing an air-conditioning or refrigeration plant. Such work must be undertaken by a registered Gas Practitioner who holds an SAQCC Gas issued card.

"Gas in HVAC (R) systems is not dangerous, in fact, it is very efficient. However, when poorly installed, these can prove to be more of a burden than of help. Therefore, contracting a trained and qualified Gas Practitioner who is skilled to work on that specific scope is not a debatable matter," Mr Parry says.

He adds that SARACCA has a vast range of Training Providers in Gauteng, KwaZulu-Natal, Eastern Cape, and Western Cape provinces. The training providers are dedicated to providing substantial and practical training that arms practitioners with essential skills as per their specific industry specialities.

Furthermore, Mr Parry says that SARACCA has Training Providers specialising in areas of all A1 & A3 refrigerants on commercial, industrial, automotive and B2 Ammonia. SAQCC Gas, mandated by the Department of Labour to register all Gas Practitioners in South Africa, requires all potential Gas Practitioners to be trained before they can be registered. Only SARACCA recognised Training Provider's certificates are accepted by SAQCC Gas.

"Only these registered Gas Practitioners can issue a Certificate of Conformity. Commonly, people are oblivious to the significance of having a valid COC for all air conditioners or/and refrigeration units on their property, insurance companies often omit this kind of information when sealing an agreement. It is an overwhelming fact that you could be faithfully paying insurance instalments yet end up receiving no aid due to the absence of a valid COC. This truth should incite owners to use registered gas installers and demand a COC upon conclusion," Mr Parry concluded.

## About SARACCA

SARACCA is an association of contractors who have individually and jointly agreed to a set of governing standards whilst operating in free competition against each other. The common aim is to continually strive to improve the image and standards of the industry and the association provides a forum for this purpose.

In July 2009 the Department of Labour published the "Pressure Equipment Regulations" as part of the Occupational Health and Safety Act Number 85 of 1993. The South African Qualification and Certification Committee for Gas (SAQCC Gas) has been accredited by the Department of Labour to register "Authorised Persons". SARACCA, as a member of that committee, is tasked with registering refrigeration and air conditioning practitioners.

Does your Association have news to share with SEIFSA News readers?

If so, please send your contributions to [ollie@seifsa.co.za](mailto:ollie@seifsa.co.za) and copy [zandile@seifsa.co.za](mailto:zandile@seifsa.co.za).



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# INTERNATIONAL WATCH



## LONDON



### **LME launches seven new contracts to try to boost volumes, profit**

The London Metal Exchange (LME) has recently launched seven new cash-settled futures contracts, including hot-rolled coil (HRC) steel, alumina and cobalt, aiming to attract more business after profits fell last year.

The world's oldest and largest market for industrial metals wants a stronger portfolio of products as competition intensifies with rival exchanges, such as CME Group Inc. of the United States.

The steel and alumina contracts have the best chance of succeeding, according to analysts, traders and other industry sources.

The 142-year-old LME has lost market share in recent years to the CME and China's Shanghai Futures Exchange (ShFE).

The LME has been slower than its rivals to launch new products, but it has recently developed new technology that makes launching new contracts easier, faster and less expensive.

The exchange hopes to boost volumes to make up for weaker revenues last year resulting from fee cuts as it rowed back after heavy criticism about a previous jump in fees.

Volumes at the LME rose 5 percent last year, but core profit fell by 10 percent in the commodities segment of its parent, Hong Kong Exchanges and Clearing Ltd.

### MASSIVE STEEL SECTOR

The LME has high hopes for its new HRC contracts, believing it can tap into a massive global steel sector that has seen surging volumes develop in Chinese ferrous contracts.

HRC is steel that is heat processed into metal sheets used for car bodies and household appliances.

The LME is launching regional HRC contracts initially covering North America and China, and later adding northern Europe.

They will compete with the CME's Nymex exchange for U.S. metal and on ShFE for Chinese material.

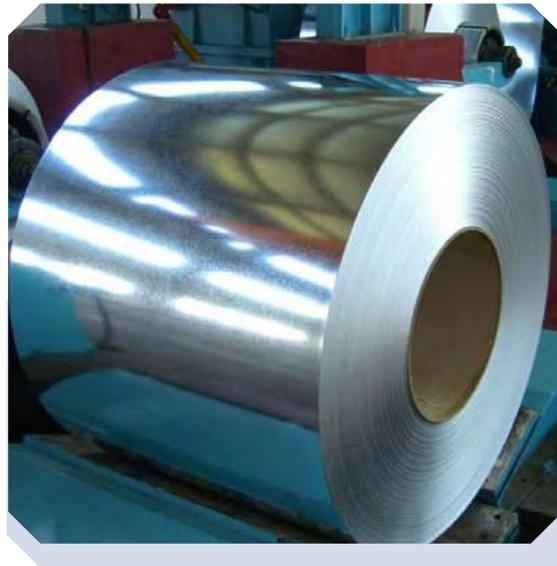
The LME already has steel rebar and scrap contracts. The LME also plans to launch a contract for alumina, the raw material to make aluminum, which has seen sharp price swings recently.

The alumina price twice spiked and tumbled last year, opening up a market for both consumers and producers to hedge the price.

The LME already has a physically-settled contract in cobalt, a metal key for electric vehicle batteries, but it hopes to gain more traction with its new cash-settled product.

The other new products are minor metal molybdenum plus two regional aluminum premium contracts for U.S. Midwest and Europe.

Source: reuters.com



CHINA



### China January-February steel output rises from December on strong margins

China's daily steel output rose in January and February, as mills in the world's top producer ramped up production amid firm steel margins and easier environmental restrictions.

Average daily steel output over the two months reached 2.54 million tonnes, up from 2.46 million tonnes in December and 2.32 million tonnes in the same months last year, according to Reuters calculations based on official data.

The National Bureau of Statistics, which released the figures in March, only provides combined output data for January and February to smooth the impact of the timing of the Lunar New Year holiday, which fell in early February this year.

Total steel output for the two months reached 149.58 million tonnes, up 9.2 percent from a year earlier, the official data showed.

The production pick-up followed a rise in profit margins at steel mills over January and February, with earnings from making construction product rebar jumping more than 20 percent from December, according to data tracked by Jinrui Futures.

Benchmark rebar prices on the Shanghai Futures Exchange have climbed 10 percent in the past two months and hit a peak of 3,908 yuan (\$582.82) a tonne on Feb. 11, the highest level since late August.

Mills also took advantage of a change in winter anti-pollution restrictions after Beijing ditched blanket production cuts on heavy industry due to rising worries about slowing economic growth. Local authorities were instead allowed to adopt measures based on regional emission levels.

Output in March, however, is likely to be curbed due to more stringent pollution curbs in northern China. Air pollution in 39 smog-prone northern Chinese cities soared in February, a Reuters analysis of official data showed.

The cities of Tangshan and Wu'an in the major steel-making province of Hebei have already stepped up production restrictions on heavy industry for March.

Weekly utilisation rates at steel mills across China fell to 62.98 percent last week as of March 8, the lowest level in a year, data compiled by Mysteel consultancy showed.

GERMANY



### Higher steel prices, solid demand to boost Kloeckner & Co profit



German steel trader Kloeckner & Co (KCOGn.DE) has recently announced that it expects higher sales and core earnings this year, lifted by an increase in prices and an uptick in demand it forecast for its key markets Europe and the United States.

Sales are expected to increase significantly from the 6.8 billion euros (\$7.7 billion) in 2018, along with a slight increase in earnings before interest, tax, depreciation and amortization (EBITDA), which stood at 227 million last year.

According to a Reuters poll of banks and brokerages, sales in 2019 are seen down 4 percent, while EBITDA is expected to decline by a quarter.

Source: reuters.com



### Euro pricing likely to delay LME's Europe steel contract to 2020

Plans by the London Metal Exchange to launch a European steel contract are likely to be delayed until next year because the industry wants it to be priced in euros, which the exchange's clearing house cannot process, industry sources say.

In early March, the LME launched a suite of cash-settled futures contracts including hot rolled coil steel, used widely in the engineering and auto industries, for North America and China.

The exchange's North America and China contracts will compete with the U.S.-based CME Group's Nymex steel contract and with Shanghai Futures Exchange's Chinese steel contract.

The LME's dollar-based European steel contract, by contrast, has no significant competitors, but the exchange has been forced to delay its launch because Europe prices steel in euros.

A steel industry source said major companies using steel derivatives had been "vocal about the contract being denominated in euros from the day the LME announced plans to look at it".

"As a global market, the LME is principally designed with the dollar as the primary currency for trading and clearing across all contracts," the LME said in response to request for comment.

Trading sources say switching the contract specification to euros is not difficult and that the problem lay with LME Clear, which can only clear dollar-based contracts.

"They haven't given us a definite timeline for when the European steel contract might be resurrected. It won't be this year, fixing LME Clear is going to be a costly exercise and could take until next year," a steel trader said.

LME Clear will need a major overhaul to clear euro contracts, which will involve a large amount of investment and time, sources said.

"If the LME doesn't have the resources, the European contract may have to be abandoned, unless the industry agrees to try and work with a dollar denomination," another steel industry source said.

"The European steel contract was conspicuous by its absence, there was a fair amount of interest in it. We were looking at it as a possible hedging tool. For us a dollar contract would create currency risk."

The risk comes from fluctuations in the dollar's exchange rate against the euro as many companies may not have access to facilities that allow hedging against adverse currency moves.

"New contracts take a long time to pick up any sort of momentum and starting off with a handicap like this (dollar price) would not have been ideal," another steel trader said.

The LME already has contracts for steel rebar, a type of construction steel, and steel scrap, which have enjoyed modest success since their 2015 launch and brought much relief to the exchange after its steel billet contract failed.

Some 4.9 million tonnes of scrap and 544,000 tonnes of rebar were traded on the LME last year, versus some 3 million tonnes of scrap and 644,000 tonnes of rebar traded in 2017, according to Refinitiv Eikon data.

Having lost some market share in recent years to the CME and ShFE, the LME was hoping to make inroads into steel, a global industry worth about \$900 billion a year.

If the exchange succeeds, it would not only provide a welcome source of revenue and volumes to the 142-year-old LME, but could also change the way the steel industry hedges and prices contracts.

Source: reuters.com

## JAPAN



### Tokyo Steel to keep prices unchanged for 4th straight month in April

Tokyo Steel Manufacturing Co Ltd , Japan's top electric-arc furnace steelmaker has recently said that it would keep its steel product prices unchanged in April amid soft overseas prices and slower local demand due to a shortage of labour and some materials.

This is the fourth straight month the company kept prices unchanged for all of its steel products, including its main H-shaped beams.

For April, prices of steel bars, including rebar, will remain at 69,000 yen (\$619) a tonne, while H-shaped beams will also stay at 89,000 yen (\$798) a tonne.

"Overseas steel markets, which plunged late last year, seem to be recovering after the Chinese Lunar New Year holiday," Tokyo

Steel Managing Director Kiyoshi Imamura told reporters at a briefing.

"But domestic construction demand remains a bit sluggish due to higher inventories and delays in some projects because of shortage of labour and some materials," he said.

Tokyo Steel's pricing is closely watched by Asian rivals such as South Korea's Posco and Hyundai Steel , and China's Baoshan Iron & Steel Co Ltd (Baosteel) .

Source: reuters.com



# DOMESTIC MERCHANT STEEL PRICES INDEX

SEIFSA monitors the changes in domestic merchant steel prices, amongst other prices in its Price and Index Pages (PIPS), as the information gathered from the analyses gives companies insight on the impact of fluctuating prices on their margins.

SEIFSA's PIPS is a tool that is used by various buyers and suppliers to determine to what extent the price of inputs of a product bought or supplied, has increased (or decreased) over

a specified period of time. This in turn, may have a direct impact on existing contracts the companies have in place. Given the importance of the domestic merchant steel prices, this article involves a year-on-year and month-on-month analyses in order to highlight the monthly volatility.

The graph below captures a general increase in the prices of selected merchant steel products on year-on-year basis between January 2018 and January 2019.

FIGURE 1: TABLE E-EX: Y-O-Y% CHANGE OF SELECTED MERCHANT STEEL PRICES

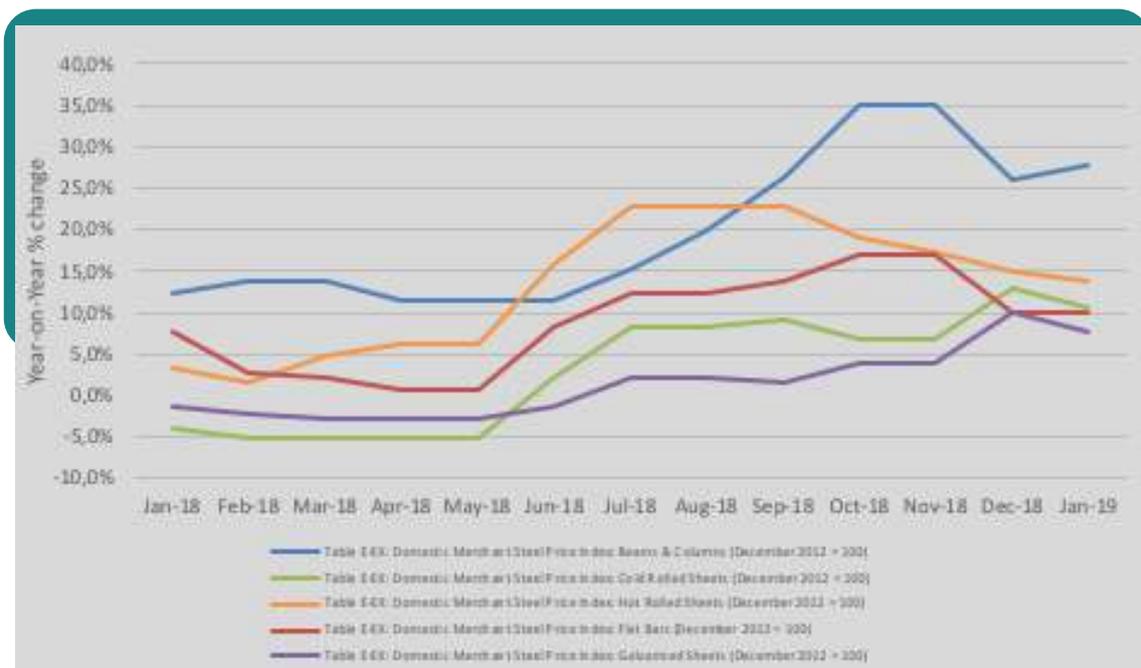


Figure 1 above shows that in 2018 the domestic steel merchants' price of beams and columns, cold rolled sheets, hot rolled sheets, flat bars and galvanized sheets generally increased over a 13-month period. Overall, the selling price of beams and columns was the best performing steel component increasing from 12.3% year-on-year in January 2018 to 27.9% in January 2019.

A stronger exchange rate during the first half of 2018 reduced the cost of imports, thereby making imported inputs cheaper for net importing companies. The generally cheaper imports made it possible for domestic companies to lower the price at which they sold products to the market. However, a weaker exchange rate toward the latter part of the year, with additional cost of exchanging currency, compelled domestic steel merchants to increase the price of merchant steel products as imported inputs became more expensive.

Evidently, the year-on-year movement captures a more predictable trend in domestic merchant steel prices over time, enabling merchant to effectively plan operations. However, on a month-to-month basis, the variability becomes evident, making it difficult for businesses to operate normally. This is briefly illustrated below.

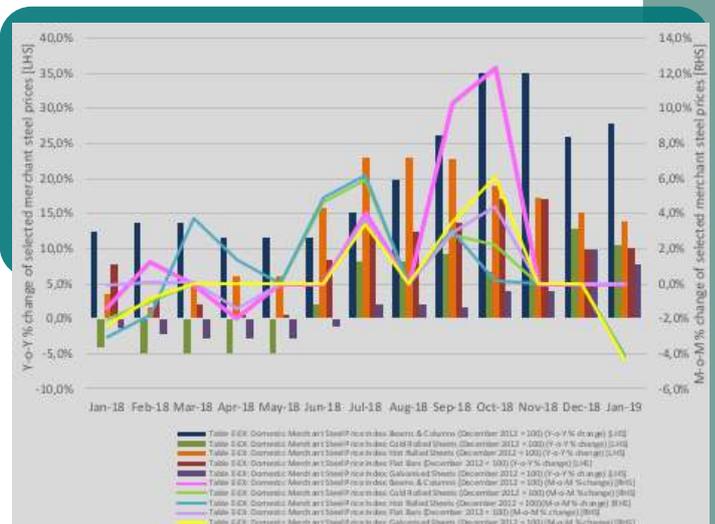
Figure 2 below highlights a more volatile trend in the price of beams and columns, cold rolled sheets, hot rolled sheets, flat bars and galvanized sheets on a month-on-month basis from January 2018 to January 2019.

**FIGURE 2: TABLE E-EX: M-O-M% CHANGE OF SELECTED MERCHANT STEEL PRICES**



The graph above shows a more clustered trend, with all the selected merchant steel prices interchangeably lumped together. The variability is even more visible in a bar graph juxtaposing both the year-on-year and month-on-month movement in domestic merchant steel prices.

**FIGURE 3: TABLE E-EX: Y-O-Y% AND M-O-M% CHANGE OF SELECTED MERCHANT STEEL PRICES**



Given the need to continuously expand industry activity and improve on competitiveness, the erratic movement in the prices of the selected steel components and the volatility in input costs not only impacts on the bottom line of companies but also makes forward planning more challenging. This may invariably have a negative impact on the margins of businesses going forward. ■

# THE UNBUNDLING OF ESKOM WILL HELP STRUGGLING BUSINESSES AND CAN BE DONE WITHOUT JOBS LOSSES, WRITES MICHAEL ADE

Dr Michael Ade

SEIFSA Chief Economist



As we accept the reality that Eskom's load shedding is once more upon us, we should also shed a tear for President Cyril Ramaphosa's noble plans to fix the South African economy, and for his investment envoys and job creation initiatives. Eskom's decelerating profit levels and increasing inability to repay its almost R435 billion debt or the compounding loan interests are worrisome.

Of greater concern is the fact that the details of loan agreements signed between Eskom and the Chinese Export-Import (EXIM) bank, with ample support from the China Development Bank, are shrouded in secrecy.

Arguably, as you read this article, some of Eskom's power plants may already be in the process of being legally confiscated by China due to potential non-repayment of loan advancements. Recently, a poorly translated tweet made public by the EXIM Bank of China stated that Eskom was granted a R33.4 billion loan facility with repayments to start in June 2019, in 20 installments over 10 years. Alarming, the tweet also generally stated that any default in payment will see the EXIM Bank take absolute control of Eskom's plants. Although the tweet generally lacks detail, it paints a poignant reality regarding Eskom's situation and partially explains why the Government has been reluctant to release the details of the Eskom loan agreement with China, despite several calls by captains of industry, labour unions and opposition parties to do so.

The load shedding comes at a time when businesses are planning ahead or forecasting wide-ranging annual growth trajectories in line with domestic or global trends and is a spanner in the works at a time when it is supposed to be business as usual. Moreover, the quandary faced by Eskom is worsened by the fact that the Medupi and Kusile power stations – which were supposed to serve as a buffer – are not serving the intended purpose, with project cost overruns impeding their completion. The main concern from the Steel and Engineering Industries Federation of Southern Africa (SEIFSA) is the effect of irregular power supply on small businesses in the metals and

engineering (M&E) cluster, which are struggling to break even, are constrained by ballooning operational expenses and cannot afford to incur additional costs in sourcing back-up power supply. The on-going debate on whether or not to unbundle Eskom should, therefore, consider the extended ramifications of unreliable power supply on business's growth prospects and jobs potential. An urgent solution is needed. Not only have beleaguered small and medium-sized enterprises suffered from the recent power outages, but they have also been adversely affected by the recent steep increases in Eskom tariffs.

The fact that Eskom's most recent request for a double whammy of electricity tariff increases to the National Electricity Regulator of South Africa (NERSA) was vehemently opposed by captains of industry, labour unions, academics, broader civil society and SEIFSA, among others, confirms the strain businesses are already under. Despite the proliferation of alternative sources of energy, including the auspicious potential presented by independent power producers (IPPs), renewable sources and gas in the near future, Eskom still remains a key strategic State-owned enterprise which cannot simply be ignored and allowed to perish.

Although Eskom stated that the main reason for the recent alternating stages of load shedding was the fact that a number of generating units were out of service as a result of breakdowns, the challenges at Eskom span a number of domains. These include operational challenges, administrative bottlenecks, financial mismanagement, capacity constraints, profligacy, malpractice and malfeasance. The challenges are serious and deeply embedded, requiring an independent and systematic diagnosis to expose and isolate the problems.

Given that Eskom is too big a machine, the diagnostic process is a difficult one requiring a different approach aimed at salvaging Eskom's image. Engineers know that it is often necessary to dismantle a colossal machine in order to locate the cause of its malfunctioning. Theoretically, MBA students use the cause-and-effect, fishbone or Ishikawa diagrams to breakdown events in successive layers of detail or root causes that potentially contribute to a particular effect. The cause-and-effect approach literally supports the Government's proposed clustering of Eskom's activities into the generation, transmission and distribution spectrum.

Given the size of Eskom, unbundling is necessary and may present more opportunities for investment. The process will help in re-assuring local and international investors and various energy-intensive sub-sectors that a new approach is being sought in attempting to solve persistent challenges at Eskom. The initiative will also send positive signals to investors in M&E cluster businesses, which together contributed a combined turnover of R967 billion last year.

**“The main concern from the Steel and Engineering Industries Federation of Southern Africa (SEIFSA) is the effect of irregular power supply on small businesses in the metals and engineering (M&E) cluster, which are struggling to break even, are constrained by ballooning operational expenses and cannot afford to incur additional costs in sourcing back-up power supply”.**

Labour unions have vehemently opposed the idea of unbundling Eskom – and understandably so. The unions have raised concerns regarding enhanced competition, which may invariably lead to the outsourcing of services to profit-driven private entities. The argument is that with different budgetary requirements for each entity of the proposed Eskom holding, rivalry will intensify as each inward-looking division strives to be more efficient, competitive and reliable, with devastating consequences on jobs. Concerns have also been raised against the inclusion of IPPs in the electricity-generation system, given that their independence may allow them to pursue profits at all costs, perhaps via higher prices, without considering socio-economic ramifications.

In the present atmosphere of difficult business conditions, labour – as opposed to other factors of production – is the input over which companies have a relative degree of control. It can be measured, observed, influenced, contained and, in times of difficulties, disposed of by employers who often shed jobs (not as a last resort) in order to minimise costs. Despite existing labour regulations aimed at stemming the rate at which labour can be disposed of, businesses still capitalise on existing loopholes by hiring workers on fixed-term contracts, on a temporary or consultancy basis or outsource services. Indeed, the unions have a case when one considers that in a quasi-labour-intensive entity like Eskom, where labour can easily be substituted with capital, job shedding may not always invariably affect Eskom's operations. In fact, the converse is true, given the advent of the fourth industrial revolution with the proliferation of new technology, including artificial intelligence (AI), the industrial internet of things or automation.

Eskom's unbundling may be the solution to its woes and can occur without job losses. In contrast, other factors unrelated to the process, including Eskom's insolvency, may precipitate job losses. Labour may become obsolete as less capacity is developed, limited re-training occurs, productivity dips and mediocrity increases due to less competition. Encouragingly, in a worse-case-scenario where unbundling leads to job losses, the process may be reversed if properly managed, leading to long-term gains (including debt consolidation) via opportunities for transparent inclusive investment for small, black-owned businesses, ultimately creating more job.

Eskom can improve on its efficiency without forcibly retrenching workers and, apart from offering a voluntary golden handshake, it should pay more attention to the latent concept of productivity – especially labour and total-factor productivity – and re-train workers on how to use new technology. Cross-subsidisation within the proposed Eskom holding should also be encouraged and operational processes should be enhanced by servicing sub-stations timeously by sticking to agreed schedules and avoiding cutting corners. Export parity pricing should be discouraged and local mining companies should be encouraged to place a moratorium on increasing prices of coal sold locally to Eskom. In effect, coal companies should be part of the conversation in the proposed unbundling of Eskom, in order to level the playing field with the adequately funded IPPs.

While it is still too early to say whether the unbundling process will lead to a more efficient Eskom, the process will enable policy makers to isolate and properly monitor interventions that are working or not working, thereby allowing for specific turnaround strategies to be implemented. Importantly, the process should not be pursued with a preconceived notion of retrenching workers; rather, it should be seen as a diagnostic process and the shedding of jobs should be a last resort. Accordingly, the vocal or tacit support of all South Africans – including the labour unions – is needed for a successful intervention. ■

# SAFETY AWARENESS – IMPORTANCE OF HSE MANAGEMENT SYSTEM EARLY WARNING INDICATORS AT THE WORKPLACE

By **Admire Makotose**, Surtees Group Holdings

Early warning systems and safety signs are very crucial in any work environment. They are set up to avoid and reduce the impact of hazards and they prevent injury and ensure staff and visitors are well aware of possible dangers ahead in certain situations and or environments.

## Leading vs. Lagging indicators

Leading indicators  
Pre Incident measurement

Lagging indicators  
Post Incident Measurement

Lagging indicators

Leading indicators

### Pre-Incident Measurements

Act as early warning systems and their measure empowers safety management teams to be proactive and to develop a better Safety culture.

#### Leading indicators are:

- actionable
- achievable
- meaningful
- transparent
- easy to communicate
- valid, useful and timely.

### Post-Incident Measurements

Using Lagging indicators, information may be too late for effective action. Given the time-sensitive nature of conditions that could lead to injuries or fatalities, it is important for leading indicators to actively monitor the state of the safety management system and provide detailed information that can be quickly acted upon.



Leading indicators act as early warning systems and their measure empowers safety management teams to be proactive and to develop a better Safety culture. Leading indicators are actionable, achievable, meaningful, transparent, easy to communicate, valid, useful and timely.

Using Lagging indicators, information may be too late for effective action. Given the time-sensitive nature of conditions that could lead to injuries or fatalities, it is important for leading indicators to actively monitor the state of the safety management system and provide detailed information that can be quickly acted upon.

Three broad categories to classify leading indicators are:

## 1. OPERATIONS BASED

Indicators that are site specific and related to the functioning of an organisation's infrastructure (e.g. machinery, operations)

- Compliance : adherence to standard operating procedures (SOP)
- Management of Change process: formal process to ensure appropriate planning around HR activities, union negotiations, seasonal changes in employment and changing management
- Risk assessment - identification of the tasks, hazards and risks of a job prior to work and implementation of protective measures to ensure work is done safely
- Preventive and corrective actions : any measure to correct behaviour that could result in failure or defect as well as proactive measures to prescribe safe behaviour and prevent non-conformance
- Prevention through design: eliminate defects and ensure only one safe way of performing a task
- Training : increase knowledge, skills and ability to prevent incidents and / or control hazards
- Equipment and preventive maintenance : identification of critical pieces of equipment for more frequent maintenance when it is nearing the end of its life cycle

## 2. SYSTEMS BASED

Indicators that relate more to the management of the HSE system. These indicators show if processes are functioning effectively and driving continuous improvement, from a facility level to business unit or corporate level perspective.

- HSE Management System Evaluation: auditing of organisation's safety management system
- Hazard identification, recognition and analysis: evaluation and assessments to identify potential hazards
- Risk assessment and management: a review of the collected hazard identification data, mitigation, prioritisation of preventative and corrective actions and identification of areas for continuous improvement
- Permit to work system – (lock out system): formal written procedures and instructions to control types of work that are potentially hazardous
- Communication of safety (awareness): sharing of information to stakeholders, employees and management regarding safety indicators/matrix and HSE Policy
- Corrective action: safety improvements to an organisation's processes to eliminate causes of non-conformities and other undesirable situations and incidents.
- Preventive and corrective actions: (as in (1) above)
- Employee training / learning systems: any activity or program (such as communication, coaching, training, on the job training) to teach employees and management about HSE issues and procedures (skills, knowledge, and values) and learn from prior incidents
- Recognition, disciplinary and awareness: enforce safe behaviour
- Audit program: internal and external audit programs
- Reporting and analysis : incident monitoring and statistics

## 3. BEHAVIOUR BASED

Indicators that measure the behaviour or actions of individuals or groups in the workplace. A strong safety culture is important for ensuring the success of an organisation's HSE effectiveness. Other areas to be measured are people-to-people interactions related to supervision and management, and useful site-specific level through:

- Leadership engagement
- Area observations : workplace tours
- Off the job safety
- Employee engagement and participation. ■

# FIVE REASONS INDUSTRY PLAYERS SHOULD CONSIDER SEIFSA TRAINING CENTRE AS A CENTRE OF SPECIALIZATION

The Centres of Specialisation (CoS) Programme is a demand-centered government initiative. Set in motion by the Department of Higher Education and Training (DHET), it will change the paradigm of industry recruiting highly-skilled and trained artisans from technical and vocational education and training (TVET) colleges.

Aimed at producing a skilled and capable workforce to support inclusive economic growth, this initiative proves that South Africa's serious shortage of highly-skilled artisans, which has resulted in delayed infrastructure projects poor service delivery, among others, can no longer be ignored.

SEIFSA has always been passionate about ensuring growth and sustainability of the metals and engineering sector - in the interests of a prospering South Africa. Hence its creation of the SEIFSA Training Centre (STC) 36 years ago.

Born in response to South Africa's demand for skills, which had come about as a result of economic growth fuelled by the then government's ambitious infrastructure development and import replacement projects, there is no doubt that the STC has, over the decades, contributed enormously towards the production of technical skills required by the country. There is also no doubt that the STC continues to contribute towards not only narrowing the technical skills gap, but also towards alleviating the high rates of youth unemployment in the country.

Below are more reasons why metals and engineering industry players should consider the STC as their preferred CoS?

## 1) RATE AND RELIABILITY OF SKILLED ARTISAN PRODUCTION

The CoS programme is a product of the DHET. The SEIFSA Training Centre is a DHET registered decentralized Trade Test centre. STC has the potential to train 250 people per day and conduct trade-testing of 400 candidates a year. It has done this since 2014.

## 2) APPLY AND DEVELOPMENT OF QUALIFIED ARTISANS WITHIN THE SELECTED PRIORITY TRADES

There are four federations that oversee the production of 13 priority trades. SEIFSA, the Retail Motor Industries Organisation (RMI), the Institute of Plumbers of South Africa (IOPSA) and the Southern African Institute for Welding (SAIW).

SEIFSA oversees nine of these priority trades and its training centre boasts apprenticeships in ten of the priority trades and is located in the metal industry heartland of Ekurhuleni, Benoni in Gauteng.

## 3) THE STC EXISTENCE IS FOUNDED ON THE NEW BENEFITS OF THE COS INITIATIVE

The aim is to develop accomplished apprentices that are instantly productive upon employment. Due to the level of involvement by the companies throughout training, students become familiarised and integrated to the company they are recruited by assuring their loyalty. This helps ensure that the task of employee retention is considerably easier.

Here is what's new about the CoS programme compared to TVET colleges in the past:

- Curricula is designed and developed using input and guidance from Industry experts;
- Qualifications reflect occupational competence;
- Employers get to select and manage their own apprentices;
- All apprentices enrolled for new qualifications get practical training and work experience; and
- There is close interaction between the college and employers throughout the training, with workplace schedules setting the tone.



#### 4) PARTNERSHIP WITH COMPANIES AND THE DUAL SYSTEM.

It would be fruitless to initiate this programme without the involvement and or support of companies operating in the industry. This is the reason the programme is a Dual System, which enables student's training to be combined with technical education at a TVET college along with simulated practical training and real work experience in a single, integrated, learning programme where employers can offer direction. Partnerships between the selected TVET colleges and Employer companies are, therefore, pivotal and will be the driving force of this initiative.

The SEIFSA Training Centre over the years has forged partnerships of its own with several companies improving the

quality of its curricula and the apprentices taking part. The centre has partnered with the likes of Rotek Engineering, Murray & Roberts and Macsteel, among others.

#### 5) THE SEIFSA TRAINING CENTRE PROVIDES RETURN ON INVESTMENT

It is counter-productive for a company to recruit and train its own apprentices. This is partly why apprenticeships have been eroded in South Africa. The education system and quality



are partly to blame. This creates a complex problem for an HR practitioner to find and recruit the best of the best and to justify the expenses involved in the process. On average, it would take a company five to seven years to receive returns on its investments.

The SEIFSA Training Centre and programmes such as CoS help overcome these costs. This is due to a number of incentives made available by the Government when a company makes use of the STC to recruit the next generation of Artisans.

period. This is illustrated at the end of this segment.

Feedback from the SEIFSA Training Centre's corporate partners indicates that companies recover the costs of their investment as early as in the second year of apprenticeships.

Following below are the estimated average costs and benefits of an apprentice from 2018 to 2020 by the DHET:

YOUR COSTS		YOUR REVENUE	
HR Recruitment, selection & admin.)	R 20 000	SETA Apprenticeship training Grant	R 165 000
Tools (R8000) & PPE (6sets @ R2000)	R 20 000	SARS Learnership Allowanced	R 44 800
Medical assessment: 3 x 2000	R 6 000	SARS Employment Tax Incentive	R 18 000
TVET college training	R 0		
Other external training	R 30 000	Value of Apprentice's Labour	R 371 400
Workplace mentorship: 20% of time of qualified artisan: 3 yrs @ 400'000 p.a	R 240 000	Recruitment & selection of qualified artisan (1/12th of Annual Wages)	R 50 000
Apprentice's wages 2018-2020	R 282 000		
<b>TOTAL</b>	<b>R598 000</b>		<b>R649 200</b>

The SETA Apprenticeship Training Grant allows you to claim R165,000 per learner and is paid in four installments over three years against attainment of specific milestones. The SARS tax allowance incentive is extremely important to consider as it allows payment to you in three annual installments, together with a completion allowance. However, the most exciting aspect is the value you would receive from the young apprentices' labour. The apprentice, who is skilled and productive, works at a much cheaper rate than a fully qualified artisan would.

This is why it was estimated, when supporting the advantages of the CoS programme, that a company on average would likely make a profit of up to R50 000 in a three-year

It is evident that using the SEIFSA Training Centre, to train the next generation of artisans at your company, makes absolute business sense. SEIFSA's Human Capital and Skills Development Division is equipped to guide your company through the process of accessing the various grants and incentives available to companies in the sector. Call SEIFSA today to explore your options and take advantage of SEIFSA's expertise.

# SEIFSA TRAINING CENTRE



SEIFSA  
TRAINING CENTRE  
inspiring excellence

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

 **2019**

## Intake dates

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

# LOAD SHEDDING – AND ITS IMPACT ON PRODUCTION AND WAGES

A large number of member companies have contacted SEIFSA over the last few days regarding Eskom's current load shedding programme. Eskom resumed load shedding after experiencing technical difficulties at a number of generating units, coupled with a low generation capacity reserve margin.

Many areas have experienced load shedding twice a day, for up to two-and-a-half hours and more at a time, as Eskom needs to reduce demand for electricity in order to stabilise the electricity system nationally.

Eskom currently finds itself in a position where the demand for electricity exceeds the available supply. In order to manage the situation in the best possible way, planned supply interruptions have been implemented.

Employers who receive their electricity directly from Eskom will find information of possible outages on [www.eskom.co.za](http://www.eskom.co.za). Employers who are supplied by their local municipalities, however, will have to obtain load shedding information from the municipal electricity departments.

## WHAT IS LOAD SHEDDING?

When there is not enough electricity available to meet the demand from all Eskom's customers, it will be necessary to interrupt supply to certain areas. This is called load shedding.

Load shedding is:

- A last-resort measure. Only when all other options at Eskom's disposal have been exhausted, such as running its power stations at maximum capacity and interrupting supply to industrial customers with special contracts, will Eskom cut supply to other customers.
- A controlled way of rotating the available electricity between all customers. Load shedding schedules are drawn up to ensure that a few areas do not bear the brunt of the shortages. By spreading the impact, affected areas are not interrupted for more than four hours at a time, and in

most cases customers can be informed of interruptions in advance.

- An effective way to avoid blackouts. Shortages on the electricity system unbalance the network, which can cause it to collapse. By rotating the load in a planned and controlled manner, the system remains stable.

## MANAGEMENT ACTION

SEIFSA recommends that affiliated member companies adopt the following course of action, informed by Section 7 of the Main Agreement, in dealing with load shedding:

- If Eskom cuts power and Management takes a decision to send employees home, then employees must be paid a minimum of 4 hours pay.
- Should Management require employees to remain at work until the power supply is restored, then employees must be paid in full.
- Regardless of the fact that Management has sent employees home, they will still be credited with a shift for the purposes of Leave Pay and Leave Enhancement Pay calculations.

## POSSIBLE SCENARIOS (EXAMPLES):

In all of the examples, it is important to note that employees do not lose a shift for the purpose of calculating Leave Pay and Leave Enhancement Pay.

1. Employees have clocked in and have worked for two (2) hours when the power supply is cut off, and is unlikely to be restored. Management decides to send employees home: Payment: for four (4) hours of work.
2. Employees have clocked in and have worked for six (6) hours when the power supply is cut off and is unlikely to be restored. Management decides to send employees home: Payment: for six (6) hours of work.
3. Employees have clocked in and have worked for three (3) hours when the power supply is cut off, and will remain off

for two hours. Employees are not sent home, and resume work with the return of power: Payment: for full shift

clocking in early, working longer, agreeing that hours lost between the load shedding and the restoration of power be treated on the basis of no work, no pay, etc.

In addition to the above, SEIFSA recommends that Management explores the possibility of arranging mutually acceptable alternative working-in time arrangements to the load shedding by, for example, reaching agreement with employees and shop stewards to make up for lost hours over week-ends,

Members should feel free to discuss any course of action with SEIFSA's Industrial Relations and Legal Services Division staff members, who are available to provide advice or assistance to Management in this regard. They can be reached on (011) 298-9400. ■



## Water-tight Dismissals – Chairing Disciplinary hearings – Boksburg

04 April 2019 – Boksburg

### About the workshop

- General principles of discipline
- Conducting a fair disciplinary enquiry and examining employer/employee rights
- The effect of criminal proceedings on disciplinary action
- Practical: The code of good practice on misconduct including incapacity, Schedule 8 of the Labour Relations Act.

#### The presenter

SEIFSA's Industrial Relations Department senior personnel are acknowledged as experts in all facets of industrial relations, including industry negotiations, dismissals, employment contracts and dispute resolution.

#### Who should attend?

Anyone who needs to know and understand the principles and objectives of fair discipline, how to issue warnings and conduct fair disciplinary enquiries which may lead to dismissal.

#### Included in the fees

- Course material
- SEIFSA Adviser: Disciplinary Policy and Code
- Certificate of attendance
- Refreshments
- Parking

**SEIFSA also offers the training on an in-house basis which is a more cost effective option for several delegates.**

#### Enquiries

Natalie Fourie: 011 298 9424  
Email: [natalie@seifsa.co.za](mailto:natalie@seifsa.co.za) or  
[info@seifsa.co.za](mailto:info@seifsa.co.za)

# MANAGING RETRENCHMENTS, LAY- OFFS, SHORT-TIME

Many companies are having to adopt strategies to keep their companies viable, during difficult trading and economic times, and often companies are faced with little alternative but to implement strategies to reduce costs. Some of these strategies are not easy to implement and management only implements them as an option of last resort, and as an option to ensure that the company survives.

**Examples of some of these strategies which are all mentioned in the Main Agreement include:**

- Retrenchment
- Lay-off, including job rotation
- Short-time,
- Exemption from wage increases and the leave enhancement pay

It must be noted that all of these strategies include a notification and consultation process.

Retrenchments as you know is a permanent termination from the work place and it can prove to be a very costly exercise once all the severance payments have been made.

The lesser used lay-off is easier to implement and leads to the temporary unpaid suspension from work of employees from at least one week for up to eight weeks. It is legally permissible to have more than one lay-off period, whether they run concurrently or not. Importantly this is not a termination but an unpaid suspension. There are no costs to implement the suspension, no severance pay and no payment made during the lay-off period.

Short-time is widely known and used as a means to avoid retrenchments and lay-offs, it is not complicated to implement and there are no costs associated to implement the short-time. The short-time allows the employer to reduce the days per week and/or the hours per day and employees are only paid for the hours that they work. In extreme situations of financial crises and where there is no work it is possible to reduce the working hours from 40 in a week to a minimum of 4 consecutive hours per week.

Obviously, it is important to be fully aware of the procedures to be followed to implement these strategies and to ensure that they are implemented fairly according to the requirements of the Main Agreement. SEIFSA provides a consultation service on all of these, whether over the phone, email or at your company, whether representing the company during these consultations or simply guiding the company and giving advice. SEIFSA also provides a half day training course on these matters, whether conducted in-house at your company or at one of our public courses.

**Test your knowledge: Here are some questions for you on these strategies:**

- How long is the notice?
- What is the purpose of the notice?
- What information goes into the notice?
- Should you give all reasonable and relevant information?
- Does it matter who gets the notice first?
- When you give the notice have you basically made up your mind already?
- Must you have a retrenchment agreement in place before you can retrench?
- Must you consider alternatives to retrenchments?
- Can you implement short-time or a lay-off during retrenchments?
- Must you stop overtime, if you are implementing these strategies?
- Must you get rid of employees from a TES or employees on a LDC first?
- What happens if trade unions try and delay the process? What can you do?
- Do you have to give first option to retrenched employees, if in the future you need to employ?
- Can you retrench if you are making a profit? Can you retrench to make more profit?
- Can you retrench if your intention is to outsource, insource, use a labour broker, use sub-contractors?

How did you do with those questions? If there are some areas that you are not sure about please consider making use of the SEIFSA services to assist in this regard. ■

# PROCLAMATION DECLARING 8 MAY 2019 A PAID PUBLIC HOLIDAY (FOR THE PURPOSE OF THE NATIONAL ELECTIONS)

4 No. 42250 GOVERNMENT GAZETTE, 26 FEBRUARY 2019

PROCLAMATIONS • PROKLAMASIES

PROCLAMATION NO. 8 OF 2019  
by the  
President of the Republic of South Africa

**CALLING AND SETTING OF A DATE FOR THE ELECTION OF THE NATIONAL ASSEMBLY**

I hereby, in terms of section 49(2) of the Constitution of the Republic of South Africa, 1996, read with section 17 of the Electoral Act, 1998 (Act No. 73 of 1998), call an election of the National Assembly and set 8 May 2019 as the date for voting

Given under my Hand and the Seal of the Republic of South Africa at Johannesburg on this 25<sup>th</sup> day of February, Two Thousand and Nineteen.

  
President

  
Minister of the Cabinet

This gazette is also available free online at [www.gpoonline.co.za](http://www.gpoonline.co.za)

6 No. 42250 GOVERNMENT GAZETTE, 26 FEBRUARY 2019

PROCLAMATION NO. 9 OF 2019  
by the  
President of the Republic of South Africa

**DECLARATION OF THE EIGHTH DAY OF MAY 2019 AS A PUBLIC HOLIDAY THROUGHOUT THE REPUBLIC OF SOUTH AFRICA**

In terms of section 2A of the Public Holidays Act, 1994 (Act No. 36 of 1994), I hereby declare the Eighth day of May 2019 as a public holiday throughout the Republic.

Given under my Hand and the Seal of the Republic of South Africa at Johannesburg on this 25<sup>th</sup> day of February Two Thousand and Nineteen.

  
President

  
Minister of the Cabinet

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STAATSDIENST, 26 FEBRUARIE 2019 No. 42250 7

GENERAL NOTICES • ALGEMENE KENNISGEWINGS

THE PRESIDENCY  
NOTICE 97 OF 2019  
by the  
President of the Republic of South Africa

**DISSOLUTION OF THE NATIONAL ASSEMBLY**

I hereby, in terms of section 50(1) of the Constitution of the Republic of South Africa, 1996 (the Constitution) and pursuant to a resolution adopted by the National Assembly on 21 February 2019 in terms of section 50(1)(a) of the Constitution, dissolve the National Assembly.

Given under my Hand and the Seal of the Republic of South Africa at Johannesburg on this 25<sup>th</sup> day of February, Two Thousand and Nineteen.

  
President

This gazette is also available free online at [www.gpoonline.co.za](http://www.gpoonline.co.za)

# SOUTH AFRICA'S CHRONIC YOUTH UNEMPLOYMENT CHALLENGE CALLS FOR THE CREATION OF THE NEXT GENERATION OF ENTREPRENEURS, WRITES MELANIE MULHOLLAND.

Melanie Mulholland

Human Capital and Skills Development Executive



South Africa is one of the countries with extremely high rates of unemployment and inequality in the world. Data from Statistics South Africa indicate that over the 1994-2018 period, the number of unemployed people more than doubled – from 2.5 million in 1994 to 6.2 million in 2018. Data also indicate that young people are the ones mostly affected by the unemployment scourge.

However, South Africa is not alone. According to the International Labour Organisation (ILO), 205 million unemployed people in the world exist as “permanent surplus labour”. The ILO warns that this perverse boom of unemployment is amplified in developing contexts and that women, young people and rural communities are disproportionately affected. At least a third of the world’s youth (aged between 15-29 years old) are currently unemployed, with the numbers anticipated to increase. In fact, the ILO estimates that by next year global unemployment will affect 212 million people and that youth unemployment will rise by 8%.

In South Africa, this means that the already dangerously high unemployment rates (about 67%, using the expanded definition of unemployment) for those younger than 25 years will worsen before it gets better, which is something we should all be very concerned about since there is a positive relationship between youth unemployment and social ills such as crime, violence and drug abuse.

However, South Africa can turn the tide of youth unemployment through entrepreneurship that would enable and empower young people, particularly in technical trades, to be less reliant on employment and rather start their own businesses.

It goes without saying that South Africa has an entrepreneurial skills deficit. It also goes without saying that in order for our economy to grow, existing entrepreneurs and innovators should step in and play a role in developing the next generation of entrepreneurs who will, in turn, drive the economy and create more jobs.

In fact, entrepreneurs should be used as catalysts and productive drivers for an inclusive economy and to drive growth and development in South Africa if President Cyril Ramaphosa’s ambition to create 257 000 jobs a year is to be realized.

Entrepreneurs and Small and Micro-Enterprises (SMEs) contribute significantly to an economy, promoting diversification through their development of new and unsaturated sectors of the economy. In addition, innovative and technology-based entrepreneurs and SMEs can provide a platform for local, regional and international growth.

Currently, it is estimated that small and medium-sized enterprises make up approximately 91% of formalised businesses and provide employment to about 60% of the labour force in South Africa. This means that SMEs’ total economic output equates to 34% of GDP. More jobs can, in fact, be created by SMEs if they receive enough support from the Government, labour and the broader society.

Technical Vocational Education and Training colleges should also play a major role in the context of high and stubborn youth unemployment and the high number of those Not in Education, Employment or Training (the NEETs). Youth NEETs are now over 7 million, compared with estimates of those in education and training, ranging in number from between 5.5 million to 6.3 million, and those in employment, ranging in number from 5.6 million and 6.8 million.

Currently, South Africa has 50 TVET colleges, which collectively boast more than 264 campuses that ought to play a pivotal role in addressing issues of a chronic deficiency in technical, vocational and critical skills, the youth unemployment crisis as well as narrowing the gap of access to post-school education and training and contributing towards the creation of entrepreneurs in technical fields.

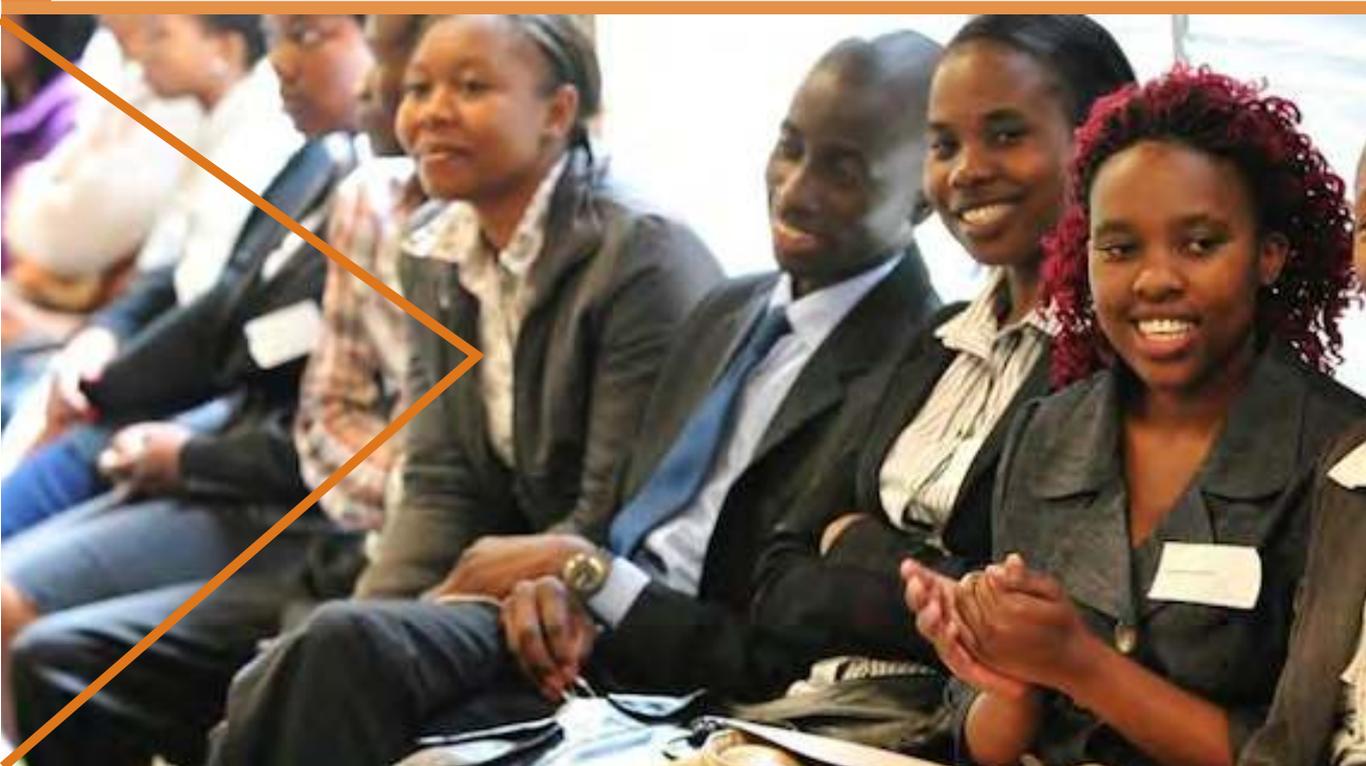
TVET colleges have a critical role to play not only in addressing the country's skills shortages, but also in ensuring that young people who are neither employed nor in training are given an opportunity to learn trades and relevant business skills that would enable them to participate meaningfully in the labour market or start their own small enterprises.

It is well documented that South Africa's crisis of inequality is confounded by a shortage of skills amongst the general population. As a result, the Department of Higher Education and Training (DHET) released a 20-year plan to increase the number of TVET colleges that focus on the development of vocational or mid-level skills needed by business and the economy.

Improved education is widely regarded as one of the key dimensions needed to address South Africa's legacy of poverty, inequality and youth unemployment. Improving access to further education and to technical vocational and education colleges, in particular, would enable and support more youth to substantially improve their labour market prospects and become entrepreneurs.

Although TVET colleges have previously faced a myriad of challenges, including funding, the challenges are being addressed by the DHET through initiatives such as the Centres of Specialisation project which focuses on the paradigm shift of putting TVET colleges as a first option for the youth to gain skills and knowledge to access the labour market and contribute to the economy.

Brokering partnerships between the world of education and the world of work, TVET institutions and enterprises can tap into each other's resources (for example, equipment and facilities, accumulated know-how and experience). By sharing the costs of training, enterprises and government agencies responsible for TVET colleges are likely to share the benefits of training. Now, with more stringent Broad-Based Black Economic Empowerment requirements, those employers not able to absorb apprentices as Artisans could support the Artisans through Enterprise Supplier Development initiatives. Ultimately creating more skilled and apt entrepreneurs and small businesses to deliver innovative products and services will grow the SME Sector and add value to the South African economy. ■



# EVER HEARD THE SAYING: “HIRING FOR TECHNICAL SKILLS FIRING FOR SOFT SKILLS”



Michelle Norris, SEIFSA HCSD Manager

Everything is ever changing, so does our manufacturing shop floor environment. We now have women working on shop floors and contributing equally to output, to name but just one example.

So many other changes can be mentioned, but what remains a fact is a need for an evolved diverse leadership style and a transition from what we relied on in the past and the current status quo.

How often, have you not heard the comment, that youngsters or new incumbents coming into organisations are sated with technical knowledge but are often ill prepared for the chaotic environment that the world of work provides? The question that commonly arises is whether we have prepared individuals coming out of training and development for the world of work. (Knobbs, Gerryts, & Roodt, 2013), in their research, state that the problem is clear cut that industry wants graduates with some semblance of soft skills ability. There are a plethora of surveys and research that confirm the findings of the research of (Knobbs, Gerryts, & Roodt, 2013).

In this article, I will attempt to demonstrate to you the importance of soft “skills development” and why emotional intelligence should form a large part of this development.

In the science of business there are three factors that define high performing organisations. Great business results, which is driven by customer and consumer satisfaction, which in turn is driven by employee engagement. One could simply state it as business success is achieved through the engagement of the hearts and minds of employees. The ramification of this is, therefore, that leaders must make a transition. The transition needs to be from a leader of tasks and transactions only, towards a leader of people, relationships and communication.

In a study conducted in California in the late 90s, it was shown that graduates from the University of California (PhDs) who had initially scored higher on the soft skills more often than not, turned out to be more successful in life and work. In fact the research showed that emotional intelligence (EQ) was four times more important than “hard skills” or intelligence/cognitive ability (IQ).

It may now be apparent that “soft-skills” training should be at the top of our agenda when it comes to employee development but what are these soft skills that I am talking about? What is this phenomenon that we call emotional intelligence (EQ)?

It is my opinion that Daniel Goleman, in his very popular book, Emotional Intelligence, aptly unpacks it. Goleman clusters these skills under two key components of personal competence and social competence. Within the personal competence structure he clusters emotional self-awareness, accurate self-awareness, self-confidence, achievement, drive, adaptability amongst others. Within the social competence structure he clusters empathy, service orientation, organisational awareness, communication, conflict management, leadership, teamwork amongst others.

It is fairly easy to find truth in what Goleman is saying because we can easily reflect on people, we know that have had an abundance of “hard skills”, analytical and cognitive ability, but they never really succeeded.







Development of employees' emotional intelligence is critical to the performance and sustainability of your business. In the event that I have not successfully achieved this, let's explore what makes a good supervisor or team leader?

Our own tendency as an industry is to promote on the premise of technical astuteness and such leaders have no inclination of any emotional intelligence creating frustration, demotivation, disinterest and ultimately barriers to business optimization.

The Manufacturing Industry Skills Advisory Council of South Australia (MISAC) in their practical guide, "What makes a good supervisor?" state that it is important for a good supervisor to have technical skills and knowledge e.g. OHS&W; relevant technical qualification; operating of machinery and equipment amongst others. However a large component of good supervisor's capabilities resides in the "soft skills" arena. The MISAC practical guide recommends that all good supervisors should have the following attributes e.g. good communication skills, empathy, time-management skills, team building, conflict resolution, planning, leading, organizing and controlling but to name a few.

I am sure, that like myself, you are also somewhat confused or should I say amazed. Evidence from the substantive amount of research demonstrates the importance of "soft skills" development for employees yet organisations and training and development structures continue to put emphasis on the development of technical "hard" skills only. Training curricular and various qualifications are riddled with technical competence training that meagerly addresses organisational objectives. Is it not time for us to acknowledge the importance of "soft skills" training in our workplaces and focus on the value proposition that it holds?

We have to ensure that our team leaders transcend from a task orientated technical individual, to a builder of people by equipping them with EQ, which breeds a fertile environment for innovation through ideas. ■

## SEIFSA PROVIDES UNIT STANDARD ALLIGNED SUPERVISORY TRAINING



Leadership is the shared responsibility of all leaders in an organisation who need to exercise that leadership in a collective and aligned manner if the organisation is to be successful and sustainable.

SEIFSA'S Supervisory Training covers both emotional intelligence (EQ) and "hard" supervisory skills that are critical for organisational success. The SEIFSA programme was designed and developed specifically for our members and based on input received from members on their needs.

This programme is aimed at current and future team leaders, foremen and supervisors.

SEIFSA has incorporated a blended learning approach which includes both theoretical and practical learning, facilitated through practical learner-centred experiential learning activities and instructional learning. Learners are required to complete a portfolio of evidence after the workshop and are consequently awarded certificates for successful completion of the unit standard.

For more information contact the Skills Development and Human Capital Team on (011) 298 9400, or book online [www.seifsa.co.za](http://www.seifsa.co.za)

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## SEIFSA STATE OF THE METALS AND ENGINEERING SECTOR REPORT 2019

SEIFSA, the undisputed voice of the metals and engineering sector, presents the **State of the Metals and Engineering Sector 2019/2020 publication.**

This specialist sector report is an authoritative repository of information on the sector's economic performance.

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# 2019

## Upcoming SEIFSA Workshops / Events April - May 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	PRICE	DIVISION	WORKSHOP/ EVENT
				(Member)	(Non-member)		
April	3	1/2 day	Boksburg	R 2 144,91	R 2 540,03	IR	Water-tight Dismissals – Chairing Disciplinary hearings
	4	1 day	SEIFSA	R 2 822,78	R 3 532,98	HCSD	Skills Development Planning and Reporting
	5	1/2 day	SEIFSA	R2 257,80	R3 330,25	EC	Theory and Calculation of Contract Price Adjustment
	9	1/2 day	SEIFSA	R2 212,64	R2 765,81	Legal / EC	How to Tender Successfully - Beginners Course
	10-11	2 days	SEIFSA	R 2 827,89	R 4 165,64	SHEQ	ISO 9001:2015 Awareness - Two days
	11	1 day	SEIFSA	R 2 822,78	R 3 532,98	HCSD	Skills Development Planning and Reporting
	12	1/2 day	SEIFSA	R 2 144,91	R 2 540,03	IR	Employment Contracts: Cross your T's and dot your I's
	15	1/2 day	Boksburg	R2 257,80	R3 330,25	EC	Theory and Calculation of Contract Price Adjustment
	17	1/2 day	Boksburg	R 2 144,91	R 2 540,03	IR	Managing Absenteeism and Sick Leave at the workplace
	17	1/2 day	SEIFSA	R 1 919,13	R 2 917,08	SHEQ	16.2 Appointees Workshop
	18	1 day	Boksburg	R 2 822,78	R 3 532,98	HCSD	Skills Development Planning and Reporting
	25	1 day	SEIFSA	R 2 822,78	R 3 532,98	HCSD	Skills Development Planning and Reporting
	25	1/2 day	SEIFSA	R 2 144,91	R 2 540,03	IR	Managing Absenteeism and Sick Leave at the workplace
	May	3	1/2 day	Centurion	R2 257,80	R3 330,25	EC
7		1/2 day	SEIFSA	R 2, 433.53	R 3, 035.25	IR	The Main Agreement vs BCEA
8		1 day	SEIFSA	R 1 919,13	R 2 917,08	SHEQ	Compensation for Occupational Injuries and Diseases Act
9		1/2 day	SEIFSA			HCSD	Breakfast Seminar
10		1/2 day	SEIFSA	R2 257,80	R3 330,25	EC	Theory and Calculation of Contract Price Adjustment
15		1 day	SEIFSA	R 2 844,83	R 3 556,04	Legal	How to effectively prepare for arbitration
16		1 day	SEIFSA	R 2 822,78	R 3 532,98	HCSD	Communication & Interpersonal Skills (Unit Standard Aligned)
17		1 day	Boksburg	R 2 794,03	R 3 493,94	IR	Key Aspects of the LRA
20		1/2 day	CPT	R2 257,80	R3 330,25	EC	Theory and Calculation of Contract Price Adjustment
21		1/2 day	SEIFSA	R 2 144,91	R 2 540,03	IR	Its costly and disruptive: Manage Misconduct Effectively
22-23		2 days	SEIFSA	R 4 234,70	R 5 289,40	HCSD	Supervisory Training Workshop (unit standard aligned)
30		1 day	SEIFSA	R 2 822,78	R 3 532,98	HCSD	Employment Equity Update
30	1/2 day	Boksburg	R 2, 433.53	R 3, 035.25	IR	Job Grading workshop	

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AWARDS for  
EXCELLENCE  
2019



**Has your company excelled in 2018?**

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