

CORPORATE NEWSLETTER

NOVEMBER 2010



Dear SEESA Client

This is our last newsletter for 2010..... the year of the World Cup!

It was undoubtedly one of South Africa's greatest achievements, and it contributed greatly towards our international esteem.

But even more importantly, it created a sense of camaraderie amongst all South Africans, and in many years to come, people will still refer to it as a defining moment in time when barriers were crossed, friendships were formed and a new hope was embraced.

SEESA would like to thank all its members for contributing to this success, and would also like to wish everyone a blessed festive season and a very prosperous (and profitable) New year.

In this newsletter we will be discussing the following topics:

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BBBEE – THE IMPORTANCE OF TRAINING AND EMPLOYMENT EQUITY

Skills Development and Employment Equity are two of the seven categories where a company/business can score points on the BEE scorecard.

Skills Development entails external as well as internal training expenses that businesses incur on their black/coloured/Indian staff members using the adjusted recognition for gender formula. The target that needs to be spent annually is:

- QSE: 2% of the total payroll
- Generic: 3% of the total payroll

Skills Development also involves expenses made towards training black disabled staff members as well as the registration of black

learnerships on a learning programme.

In order for a Generic company (turnover above R35 Million) to score any points on the Skills Development category there are certain requirements. This involves:

1. Registration with the relevant SETA
2. Must be in possession of a submitted Workplace Skills Plan
3. Complying with the Skills Development Act as well as the Skills Development Levies Act

SEESA Skills specialises in assisting businesses in preparing Skills Development Plans, as well as complying with the Skills Development Act.

It is now compulsory for a Qualifying Small Enterprise (turnover between R5 - R35 Million per year), who is also a Designated Employer to submit an Employment Equity Report to the Department of Labour. The aforesaid is a strict requirement before any points may be allocated to the client under the Employment Equity category on the BEE scorecard.

Merely being in possession of such a report is not sufficient any more. The above report must have been submitted to the Department of Labour. The deadline for all submissions is **15 January 2011**.

An employer qualifies as a designated employer if:

1. An Employer employs 50 or more employees, or
2. An Employer employs fewer than 50 employees but has a total annual turnover that is equal or above the specific industry threshold:

Industry Threshold:

Agriculture	R2 Million
Mining & Quarrying	R7.5 Million
Manufacturing	R10 Million
Electricity, Gas, Water	R10 Million
Construction	R5 Million
Retail, Motor trade and Repair Services	R15 Million
Wholesale Trade, Commercial Agents	R25 Million
Catering, Accommodation & Other Trade	R5 Million
Transport, Storage & Communications	R10 Million
Finance & Business Services	R10 Million
Community, Special & Personal Services	R5 Million

Furthermore, it is also compulsory for a Generic Company (turnover exceeding R35 Million per year) to have a submitted Employment Equity Report in order for them to score any points under the Employment Equity category of the BEE scorecard.

MIBCO WAGES FOR 2010-11

Employers in the motor industry can take notice of the new 2010-11 prescribed minimum and guaranteed wages effective from 01 October 2010.

DIVISION C, CHAPTER I: CLAUSE 3 – WAGES

WAGE SCHEDULE: Minimum Wages (Effective from 01/10/2010)

Class of employee	CHAPTER 1				CHAPTER 1				CHAPTER 1	
	SECTORS 4, 5 & 7 ONLY				SECTOR 6 ONLY				Guaranteed Increases ^o	
	Area A		Other Areas		Area A		Other Areas		All Areas	
	PW	PH	PW	PH	PW	PH	PW	PH	PW	PH
Grade 1	R	R	R	R	R	R	R	R	R	R
Forecourt Attendant*	513,00	11,40	485,10	10,78					129,60	2,88
Parking Garage Attendant	418,05	9,29	380,25	8,45					34,65	0,77
Char	545,85	12,13	508,95	11,31	571,50	12,70	520,20	11,56	45,00	1,00
Grade 2	733,50	16,30	658,35	14,63	766,35	17,03	671,40	14,92	60,75	1,35
Grade 3	793,35	17,63	769,05	17,09	823,05	18,29	793,80	17,64	65,70	1,46
Grade 4	866,25	19,25	839,70	18,66	897,75	19,95	865,80	19,24	71,55	1,59
Grade 5	966,15	21,47	935,10	20,78	996,30	22,14	962,55	21,39	79,65	1,77
Grade 6	1161,00	25,80	1123,65	24,97	1186,65	26,37	1146,60	25,48	95,85	2,13
Class of employee	All Areas				All Areas				All Areas	
	PW		PH		PW		PH		PW	PH
Grade 7	1445,40		32,12		1462,50		32,50		119,25	2,65
Grade 8	1652,40		36,72		1671,30		37,14		136,35	3,03
Forecourt Attendant*	649,80		14,44		649,80		14,44		58,95	1,31
Watchman	667,73		No hourly rate		691,63		No hourly rate		55,13	No hourly rate
Apprentices/Learners	All Areas				Apprentices	All Areas		°Not applicable to Sector 6 establishments		
	All Chapters					All Chapters				
3-year trade	PW		PH		NQF Learnerships	PW	PH	CBMT	PW	
First year	786,60		17,48		Level 1	786,60	17,48	Level 1	750,15	
Second year	975,15		21,67		Level 2	862,65	19,17	Level 2	936,00	
Third year	1198,35		26,63		Level 3	975,15	21,67	Level 3	1125,45	
					Level 4	1198,35	26,63	Level 4	1310,40	
4-year trade	PW		PH							
First year	786,60		17,48							
Second year	862,65		19,17							
Third year	975,15		21,67							
Fourth year	1198,35		26,63							

*Forecourt Attendant wages for diesel outlets only.
 **Forecourt Attendant wages for outlets selling petrol & diesel

DIVISION C, CHAPTER II-V: CLAUSE 3 - WAGES

WAGE SCHEDULE: Minimum Wages (Effective from 01/10/2010)

Class of employee	CHAPTER 2*		CHAPTER 3		CHAPTER 4*				CHAPTER 5*		APPRENTICES/LEARNERS			
	SECTOR 1		SECTOR 1		SECTOR 3				SECTOR 2		ALL CHAPTERS			
	All Areas		All Areas		Area A		Other Areas		All Areas		All Areas			
	PW	PH	PW	PH	PW	PH	PW	PH	PW	PH		PW	PH	
Grade 1	R	R	R	R	R	R	R	R	R	R	3 Year Trade First Year	786,60	17,48	
Grade 2	545,85	12,13	557,10	12,38	545,85	12,13	508,95	11,31	545,85	12,13		Second Year	975,15	21,67
Grade 3	733,50	16,30	733,50	16,30	733,50	16,30	658,35	14,63	733,50	16,30		Third Year	1198,35	26,63
Grade 4	793,35	17,63	793,35	17,63	793,35	17,63	769,05	17,09	793,35	17,63	4 Year Trade First Year	786,60	17,48	
Grade 5	-	-	866,25	19,25	866,25	19,25	839,70	18,66	866,25	19,25		Second Year	862,65	19,17
Grade 6	966,15	21,47	966,15	21,47	966,15	21,47	935,10	20,78	966,15	21,47		Third Year	975,15	21,67
Grade 7	1161,00	25,80	1161,00	25,80	1161,00	25,80	1123,65	24,97	1161,00	25,80	Fourth Year	1198,35	26,63	
Class of employee	All Areas		All Areas		All Areas				All Areas		NQP Learnership Level 1	786,60	17,48	
	PW	PH	PW	PH	PW		PH		PW	PH		Level 2	862,65	19,17
Grade 7	1445,40	32,12	-	-	1445,40		32,12		1445,40	32,12	Level 3	975,15	21,67	
Grade 8	1652,40	36,72	1652,40	36,72	1652,40		36,72		1652,40	36,72	Level 4	1198,35	26,63	
Watchman	667,73	No hourly rate	667,73	No hourly rate	667,73		No hourly rate		667,73	No hourly rate	Level 1	750,14	16,67	
CHAPTER 3 MEASURING INSTRUMENT BONUS	PW				Provisions for Chapter 4 Operatives				GUARANTEED INCREASE		CBMT Level 1	750,14	16,67	
					MINIMUM		PW	PH	PW	PH		Level 2	936,00	20,80
Vernier/micrometer	13,80				1. Op. Engine Assembler						Level 3	1125,45	25,01	
Tape/rule/square/sets	9,20				1st 18 months' experience thereafter		966,15	21,47	79,65	1,77	Level 4	1310,40	29,12	
					experience thereafter		1445,40	32,12	119,25	2,65				
					2. Operative Grade A									
					1st 12 months' experience thereafter		966,15	21,47	79,65	1,77				
					experience thereafter		1161,00	25,80	95,85	2,13				
					3. Operative Grade B									
					1st 6 month' experience thereafter		793,35	17,63	65,70	1,46				
					experience thereafter		866,25	19,25	71,55	1,59				

DIVISION B & D: CLAUSE 3 (WAGES) - ALL CHAPTERS & SECTORS

WAGE SCHEDULE: Minimum Wages (Effective from 01/10/2010)

Class of employee	SECTORS 1, 2, 3, 4, 5 & 7				SECTOR 6 ONLY				SECTORS 1 (Chapter 2), 2, 3, 4, 5 & 7	
	Minimum Wages				Minimum Wages				GUARANTEED INCREASES	
	Area A		Other Areas		Area A		Other Areas			
	PW	PM	PW	PM	PW	PM	PW	PM	PW	PM
(a) Office, stores sales and clerical employee - during 1st year of experience during 2nd year of experience during 3rd year of experience thereafter	R 691,90 789,47 909,22 1055,59	R 2998,23 3421,01 3939,95 4574,22	R 659,78 750,49 865,43 999,83	R 2859,05 3252,12 3750,20 4332,60	R 706,16 804,47 927,20 1074,78	R 3060,03 3486,04 4017,87 4657,38	R 644,95 755,77 871,92 1006,69	R 2881,45 3275,00 3778,32 4362,32	R 57,13 65,19 75,07 87,16	R 247,56 282,49 325,30 377,69
(b) Motor vehicle salesperson - during 1st year of experience thereafter	834,82 1076,48	3617,55 4664,75	791,19 1012,82	3428,49 4388,89	834,82 1076,48	3617,55 4664,75	895,14 1012,82	3878,94 4388,89	68,93 88,88	298,70 385,15
(c) Bookkeeper	1357,17	5881,07	1292,48	5600,75	1368,93	5932,03	1296,23	5617,00	112,06	485,59
(d) Accountant	2308,77	10004,67	2196,42	9517,82	2339,29	10136,92	2206,95	9563,45	190,63	826,06
(e) Parts salesperson – during 1st year of experience thereafter	870,15 1068,89	3770,65 4631,86	831,10 1011,07	3601,43 4381,30	873,74 1068,89	3786,21 4631,86	832,22 1011,20	3606,29 4381,87	71,86 88,26	311,39 382,46
Class of employee	All Areas				All Areas				All Areas	
	PW		PM		PW		PM		PW	PM
(f) Traveller – during 1st year of experience thereafter	873,74 1068,89		3786,21 4631,86		873,74 1068,89		3786,21 4631,86		72,14 88,26	312,61 382,46
(g) Supply salesperson – during 1st year of experience during 2nd year of experience during 3rd year of experience thereafter	873,74 1000,82 1121,88 1203,98		3786,21 4336,89 4861,48 5217,25		873,74 1001,05 1121,88 1203,98		3786,21 4337,88 4861,48 5217,25		72,14 82,64 92,63 99,41	312,61 358,11 401,40 430,78
(h) Part-time employees	*		*		*		*			

* One eleventh of the minimum weekly wage as prescribed for clerical employees in (a) hereof, for ordinary time worked on each day in any one week, or one forty-fifth of such prescribed minimum weekly wage for each hour or part of an hour of ordinary time worked in any one week, whichever is the greater.

RIGHT TO EQUALITY IN THE CONSUMER MARKET AND PROTECTION AGAINST DISCRIMINATORY MARKETING PRACTICES. (CONSUMER'S FIRST RIGHT)

What does this mean for the ordinary consumer and what implications does it hold for the business owner?

The Consumer's right to free and unlimited access to goods and services:

- Suppliers are not permitted to limit access to goods and services; and
- Suppliers are not permitted to prioritize any consumer groups over others when marketing, selling or distributing their goods and services.

The Consumer's right to good quality goods and services:

- Suppliers are not permitted to vary the quality of their goods and services in a discriminatory manner; and
- Consumers have the right to query the inferior quality of goods

and services.

The Consumer's right to fair pricing of goods and services:

- Suppliers are not permitted to charge different prices for the same goods and services; and
- Consumers should be treated equally, irrespective of their race, gender, socio-economic status or geographic location.

The Consumer's right to lodge Consumer Complaints:

- The Equality Court has jurisdiction in respect of these alleged contraventions:
 - Proceedings may be instituted before the Equality Court;
 - Consumer Complaints may be filed with the Commission, the latter of which is required to refer such complaints to the Equality Court, if they appear to be valid.

Any of the following persons may ensure that the rights of Consumers are realized and protected:

- The individual himself/ herself;
- An authorized person acting on behalf of another;
- A person acting as a member or in the interest of an affected group or class; or
- A person acting in public interest.