

**A model for institutional capacity creation and the empowerment of
designated local government officials**

VOORWOORD

by

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(i)

VOORWOORD

Opedra aan my moeder wat my geleer het dat mislukkings en om te faal tydelike menslike persepsies is en bloot as hekkies in die pylvak van die lewe, op pad na sukses, ervaar moet word.

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(ii)

A model for institutional capacity creation and the empowerment of designated local government officials

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Summary

Organised local government is experiencing increasing pressure to provide additional and improved services. This, *inter alia*, includes municipal policing-, law enforcement-, basic health-, curative- and community development services to an increased community, largely due to the local and foreigner influx in most demarcated municipal areas. Post 1994 legislation and directives that were promulgated and issued respectively, in some instances (for example in the Centurion Town Council jurisdiction area) nearly doubled the area of jurisdiction.

Simultaneously, pressure is put on local government, as a designated employer, to appoint employees at all levels of the organisational structure in such a fashion that institutionalised local government reflects the composition of the broader community it serves. This can be ascribed to the environmental changes that have taken place, requiring local authorities to adapt to this in the spirit of reconstruction and development. A new dispensation of developmental local government is foreseen in the *White Paper on Local Government, 1998*. These changes must take place within the broad statutory guidelines of contemporary legislation - which will serve as the broad parameters and framework of this study.

One way of relieving the pressure on local government is to create structural capacity in the institutional organisation structure. This can be obtained through an efficient and effective organising process that includes early retirement, interim management incentives, voluntary packages, re-training and re-deployment interventions and fixed-period-contracts for interested personnel. This gives rise to the first study objective namely investigating an effective institutional structural capacity creation system for local government with specific reference to the Greater Pretoria Metropolitan Council. The investigation embraces the milieu within which the existing personnel appointment system has developed and it includes, *inter alia*, the external environment as well as current organisational arrangements relevant to the research topic. A further problem the study seeks to address is the situation in most municipalities where the current organisational arrangements, measured against community-, employee- and union needs, contemporary legislation, statutory benchmarks and monitoring guidelines, are wanting. The personnel

(iii)

establishment of a typical metropolitan local council will be analysed, to evaluate more specifically the representative nature of designated employees in middle- and top management positions. In most municipalities, the personnel establishments are nearly homogeneous in these categories with white males dominant. Strict statutory prescriptions exist regarding the composition of the workforce. It is expected of municipalities, in consultation with internal and other stakeholders to, as soon as possible, put an end to imbalances. The creation of alternatives to rectify this is a second objective of the study. There is a general agreement amongst scholars that access to a career in local government, especially for affirmative action candidates, is difficult and - in some cases virtually impossible. This is due to the educational and career inequities of the past. Challenges of the study are to indicate that transition on all levels of the institution will achieve that which is required by current government and legal prescriptions. In addition, the third objective of the study is to present possible solutions for the relatively low natural personnel turnover in supervisory and management posts which results in insufficient new appointments and promotion of affirmative action candidates. The research is conducted to seek remedies and to, *inter alia*, optimise succession planning and career development for an institution that has to deliver services to an expanded service area.

A fourth objective of the study is to create a general system to capacitate and empower designated local government employees in accordance with their development needs, aspirations and special interests, as well as the unique needs of the specific municipality. It is imperative to ensure that suitable employees with the required competencies, potential, qualifications and applicable experience are readily available when needed. A national applicable system could provide justifiable guidelines for the creation of a uniform policy.

A fifth objective of the study is to indicate that institutional capacity creation and the empowerment of designated employees in a proper management model can create an ideal framework according to which local municipalities, such as the Greater Pretoria Metropolitan Council, can identify problems, and together with employees, set and achieve specific capacity building and career objectives. Organisational arrangements can be effected through the creation and utilisation of effective empowerment and career development. This will ensure that employees who represent the true composition of the broad community, and who have the required potential, prescribed qualifications and the required applicable experience, are available when required. The use of succession planning can bring about the formulation, implementation and evaluation of policy to ensure that the institution's human resources (specifically the need for designated qualified and experienced employees) are optimally satisfied, however, it will also create sufficient career entry and promotional opportunities. It also means higher labour productivity, optimises labour peace and is in line with relevant legislation as reciprocal dividends on the part of the institution. Should this be implemented and non-designated employees (seen as pivotal in the empowerment endeavours suggested in this study) can also be incorporated into this process (a sixth objective of the study), all employees will regard their relationship with their employer as a long mutually enriching experience and career where the institution is also seen as one which fulfils its socio-economic role. This in turn can lead to self-actualisation on the part of the employee, while at the same time contributing to a self-sufficient employer regarding the availability of properly equipped officials when posts become vacant.

(iv)

'n Model vir institusionele kapasiteitskepping en die bemagtiging van aangewese plaaslike regeringsamptenare

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Opsomming

Georganiseerde plaaslike regering ervaar toenemende druk om addisionele en verbeterde dienste te lewer. Hierdie dienste sluit wetstoepassing-, primêre gesondheidsorg-, kuratiewe- en gemeenskapsontwikkelingsdienste aan 'n uitgebreide gemeenskap in. Dit was grootliks as gevolg van plakker- en vreemdelinginstroming in die meeste areas, asook wetgewing en voorskrifte wat in bepaalde gevalle (byvoorbeeld in die geval van die Centurion Stadsraad jurisdiksie gebied) bykans die area van jurisdiksie verdubbel het.

Statutêre druk word terselfdertyd geplaas op plaaslike regering as werkgewer om werknemers op alle vlakke van die organisasiestruktuur aan te stel, in so 'n mate dat geïnstusionaliseerde plaaslike regering die samestelling van die breë gemeenskap wat gedien word weerspieël. Dit kan toegeskryf word aan omgewingsveranderinge wat plaasgevind het en dat daar van plaaslike regering verwag word om aan te pas by die kontemporêre gees van heropbou en ontwikkeling. Daar word vir ontwikkelingsgerigte (*developmental*) plaaslike regering voorsiening gemaak in die *White Paper on Local Government, 1998*. Hierdie veranderinge moet plaasvind binne die breë statutêre riglyne van wetgewing wat sal dien as die breë parameters en die raamwerk van hierdie studie.

'n Manier om die druk op plaaslike regering te verlig is om strukturele kapasiteit binne die institusionele organisasiestruktuur te skep. Dit kan bewerkstellig word deur middel van 'n doelmatige organiseringsproses wat insluit: vervroegde aftrede, interim bestuurs-insentiewe, afreepakkette, intervensies soos heropleiding en vaste-termyn-kontrakte vir mentors. Dit gee aanleiding tot die eerste studie-oogmerk te wete om 'n effektiewe institusionele kapasiteitskeppende model daar te stel vir plaaslike regering met spesifieke verwysing na die Groter Pretoria Metropolitaanse Raad. Die ondersoek omvat die milieu waarbinne die bestaande personeelaanstellingstelsel ontwikkel is en dit sluit onder andere die eksterne omgewingsfaktore in, asook die bestaande institusionele reëlins relevant tot die navorsingsondersoek. 'n Verdere probleem wat die studie sal poog om reg te stel, is die heersende situasie in die meeste munisipaliteite waar die bestaande organisatoriese reëlins, gemeet aan verwante wetgewing, statutêre maatstawwe en moniteringsriglyne tekortsiet. Die diensstaat van 'n tipiese metropolitaanse plaaslike regeringsinstelling sal analiseer word, meer spesifiek om die verteenwoordiging van aangewese amptenare (*designated employees*) in die middel- en topbestuursvlakke te evalueer. In die meeste

(v)

munisipaliteite is die samestelling van veral die topstruktuur homogeen met 'n oorverteenwoordiging van manlike blanke amptenare. Streng statutêre voorskrifte bestaan ten opsigte van die samestelling van die werksmag. Daar word van munisipaliteite verwag om so gou moontlik 'n einde te maak aan die wanbalanse. Die skepping van alternatiewe om die ongewenste situasie reg te stel is 'n tweede oogmerk van die studie.

Daar is breë konsensus onder kenners dat toetrede tot 'n loopbaan in plaaslike regering vir sogenaamde kandidate vir regstellende aksie moeilik is, in sommige gevalle bykans onmoontlik. Dit is grootliks as gevolg van onderwys- en loopbaanbenadeling van die verlede. Die uitdaging is om institusionele transformasie op alle vlakke van die organisasiestruktuur te bewerkstellig, in ooreenstemming met resente vereistes van die regering en wetlike voorskrifte. Bykomend hiertoe is die derde oogmerk van die studie om oplossings voor te stel vir die relatief lae natuurlike personeelomset wat toesighouer- en bestuursposte betref. As gevolg van laasgenoemde impliseer dit dat onvoldoende stappe gedoen kan word om regstellende aksie te bevorder, spesifiek met die aanstelling en bevordering van histories benadeelde amptenare. Die studie word ook onderneem om oplossings te soek en onder andere om opvolger- en loopbaanbeplanning te optimaliseer in instellings wat dienste moet lewer aan 'n vergrote jurisdiksiegebied.

Die vierde oogmerk van die studie is om 'n nasionaal toepasbare sisteem te ontwikkel om aangewese (*designated*) amptenare te bemagtig en beskikbare kapasiteit uit te bou. Dit sal geskied in ooreenstemming met unieke ontwikkelingsbehoefte, aspirasies en spesiale belangstelling, asook die eiesoortige behoeftes van die spesifieke munisipaliteit. Dit sal 'n bydrae lewer om te verseker dat die benodigde aantal aangewese werknemers met die voorgeskrewe bevoegdhe, vereiste potensiaal, voorgeskrewe kwalifikasies en toepaslike ondervinding geredelik beskikbaar sal wees wanneer hulle benodig word. 'n Nasionaal toepasbare model sal aanvaarbare riglyne vir die ontwikkeling van eenvormige beleid daarstel. 'n Vyfde oogmerk van die studie is om aan te dui dat institusionele kapasiteitskepping en die bemagtiging van aangewese amptenare binne 'n verantwoordbare bestuursmodel, 'n raamwerk daarstel waarbinne plaaslike owerhede, soos die Groter Pretoria Metropolitaanse Raad, probleme kan identifiseer, en tesame met werknemers spesifieke kapasiteituitbouings- en loopbaandoelstellings kan verwesenlik. Organisasoriese reëlins kan positief beïnvloed word deur die skepping en toepassing van effektiewe bemagtiging- en loopbaanontwikkelingsmoontlikhede. Dit sal verseker dat werknemers wat die werklike samestelling van die breë gemeenskap weerspieël met die vereiste potensiaal, die voorgeskrewe kwalifikasies en toepaslike ondervinding geredelik beskikbaar is, soos en wanneer benodig. Die benutting van opvolgerbeplanning bring nie net die formulering, implementering en evaluering van beleid mee om te verseker dat die instelling se vaardigheidspeel voldoende is nie, maar sal ook as bykomende voordeel 'n beduidende aantal loopbaantoetrede- en bevorderingsgeleenthede skep. Dit impliseer voldoening aan relevante wetgewing, hoër arbeidsproduktiwiteit en arbeidsvrede as wederkerende dividende vir die werkgewer. Indien hierdie model implementeer word en nie-aangewese werknemers (blanke manlike amptenare), wat in hierdie studie sentraal staan ten opsigte van die voorgestelde bemagtigingsproses, ook ingebind word in die proses (die sesde oogmerk van die studie), sal alle werknemers hulle verbintenis met die werkgewer ervaar as 'n lang intensiewe wedersyds verrykende ervaring en loopbaan, waar

die instelling ook sy sosio-ekonomiese verantwoordelikheid teenoor alle werknemers (aangewese en nie-aangewese amptenare), nakom. Dit weer kan lei tot selfaktualisering van die werknemer en terselfdertyd kan die werkgewer selfvoorsienend raak sodra toetree- en bevorderingsposte vakant raak.

OBJECTIVES AND DEMARCATION OF THE STUDY

1.1	Introduction	1
1.2	Motivation for and objectives of the study	1
1.3	Problem statement	10
1.3.1	Problems experienced at national level	11
1.3.2	Problems experienced at local level	12
1.4	Research questions	22
1.5	Hypothesis	22
1.6	Research method	23
1.7	Reference technique	24
1.8	Frame of reference	24
1.9	Data collection and sampling	25
1.10	Glossary	26
1.11	Structure of thesis	34

CHAPTER 2

HISTORICAL OVERVIEW OF THE MUNICIPALITY OF CENTURION

2.1	Introduction	36
2.2	Centurion Metropolitan Local Council	37
2.2.1	Origin of Centurion	37
2.2.2	Historic development	37
2.2.3	Expansion of the area	38
2.2.4	Contemporary development	38
2.2.5	Population growth	39
2.2.6	Area context and function	40
2.2.7	Establishment of Centurion Metropolitan Local Council	40
2.2.8	Centurion	41
2.2.9	Aim, Vision and Mission statements	41
2.3	Greater Pretoria Metropolitan Council	43
2.3.1	Establishment of the Metropolitan Council	43
2.3.2	Extended area	44
2.4	Conclusion	45

TABLE OF CONTENTS

EXTERNAL ENVIRONMENTAL INFLUENCES

CHAPTER 1

OBJECTIVES AND DEMARCATION OF THE STUDY 46

	International environment	46
1.1	Introduction	18
1.2	Motivation for and objectives of the study	10
1.3	Problem statement	10
1.3.1	Problems experienced at national level	11
1.3.2	Problems experienced at local level	12
1.4	Research questions	22
1.5	Hypothesis	22
1.6	Research method	23
1.7	Reference technique	24
1.8	Frame of reference	24
1.9	Data collection and sampling	25
1.10	Glossary	26
1.11	Structure of thesis	34

CHAPTER 2

HISTORICAL OVERVIEW OF THE MUNICIPALITY OF CENTURION

	Phase 2: Capacity organisational structure	97
2.1	Introduction	36
2.2	Centurion Metropolitan Local Council	37
2.2.1	Origin of Centurion	37
2.2.2	Historic development	37
2.2.3	Expansion of the area	38
2.2.4	Contemporary development	38
2.2.5	Population growth	39
2.2.6	Area context and function	40
2.2.7	Establishment of Centurion Metropolitan Local Council	40
2.2.8	Centurion	41
2.2.9	Aim, Vision and Mission statements	41
2.3	Greater Pretoria Metropolitan Council	43
2.3.1	Establishment of the Metropolitan Council	43
2.3.2	Extended area	44
2.4	Conclusion	45

CHAPTER 3

EXTERNAL ENVIRONMENTAL INFLUENCES

3.1	Introduction	46
3.2	International environment	46
3.2.1	International Labour Organisation conventions	48
3.3	National influences	50
3.3.1	Constitutional environment	50
3.3.2	Statutory provisions	57
3.4	Regional influences	75
3.5	Conclusion	75

CHAPTER 4

INSTITUTIONAL CAPACITY CREATION AND EMPOWERMENT

4.1	Introduction	77
4.2	Management model	77
4.3	Benefits of a management model	80
4.4	Requirements of the management model	81
4.5	Key phases of the management model	82
4.5.1	Phase 1: Creation of an enabling framework	85
4.5.2	Phase 2: Capacity creation in the organisational structure	97
4.5.3	Phase 3: Empowerment of designated employees	115
4.6	Implementation of the model	124
4.7	Conclusion	126

CHAPTER 5

CONCLUSION AND EVALUATION OF THE STUDY

Bibliography

ABBREVIATIONS

GPMC	Greater Pretoria Metropolitan Council
GPMA	Greater Pretoria Metropolitan Area
NATIS	National Traffic Information System
NGO's	Non Governmental Organisation
SETA	Sectoral Education and Training Authority
SANCO	South Africa National Civic Organisation
IMF	International Monetary Fund
WB	World Bank
WTO	World Trade Organisation
SADC	South African Development Community
UN	United Nations
EU	European Union
HRW	Human Rights Watch
AI	Amnesty International
OECD	Organisation for Economic Co-operation and Development
GATT	General Agreement of Tariffs and Trade
SACU	Southern Africa Customs Union
SSP	Sector Skills Plans
OBET	Outcomes Based Education and Training
NQF	National Qualifications Framework
ETQA	Education and Training Quality Assurance
NSA	National Skills Authority
SDF	Skills Development Facilitator
RTP	Registered Training Provider
ABET	Adult Basic Education and Training
PL	Prior Learning
SARS	South African Revenue Services
NETS	National Education and Training Strategy
SABC	South African Broadcasting Corporation
DG	Director General
SAQA	South African Qualifications Authority
ETDP	Education and Training Development Practitioner
TP	Training Provider
ETA	Education and Training Authority
LA	Learnership Agreement
LC	Learning Contract
SDA	Standards Development Authority
RL	Registrar of Learnerships
WSP	Workplace Skills Plan
NS	National Standards

(x)

TABLES AND FIGURES

TABLES

- Table 1 **Increase of Jurisdiction Areas of Verwoerdburg/Centurion after 1973**
- Table 2 **Examples of core ILO conventions in RSA legislation**
- Table 3 **Examples of ILO conventions taken up in RSA legislation**
- Table 4 **Key phases of the proposed management model**

FIGURES

- Figure 1 **Under-representation of designated employees**
- Figure 2 **Graphical presentation of the key phases of the proposed model**

ANNEXURES

Annexure A: Demarcated jurisdiction area of the Metropolitan Council Tshwane

Annexure B: *Employment Equity Act, 1998* (Act No. 55 of 1998) Form: EEA 1

Annexure C: *Employment Equity Act, 1998* (Act No. 55 of 1998) Form: EEA 8

Annexure D: *Employment Equity Act, 1998* (Act No. 55 of 1998) Form: EEA 9

Annexure E: *Employment Equity Act, 1998* (Act No. 55 of 1998) Form: EEA 2

Annexure F: Provisions for early retirement

Annexure G: Learnerships

1.2 MOTIVATION FOR AND OBJECTIVES OF THE STUDY

The *Constitution of the Republic of South Africa, 1996* (Act No. 108 of 1996) - hereafter cited as *Constitution, 1996* - Section 152 (1) (a) - (e), read in conjunction with Section 152 (2), stipulates that a municipality (hereafter used interchangeably with local government where the context requires it) must strive, within its financial capacity, to achieve the following objectives:

CHAPTER 1

OBJECTIVES AND DEMARCATION OF THE STUDY

1.1 INTRODUCTION

The objective of the first chapter is to motivate the need for the study and to indicate the reasons for the development of a model for institutional capacity creation and the empowerment of designated local government officials, with specific reference to the Greater Pretoria Metropolitan Council (GPMC), and the Centurion Metropolitan Local Council. A problem statement will also be formulated. Attention will be given to the main objectives of the study. The method of how the study will be conducted will be described. The broad parameters within which the study will be conducted follows after this. A demarcation of the research problem and -report will be provided. The data collecting methods and techniques that will be used in the study will be set out. In order to avoid terminological uncertainty, a glossary will be presented. A summary of the successive chapters follows. The reference technique that is used in the study will also be explained. The introductory paragraph of this chapter is used to provide a broad overview of the chapter.

1.2 MOTIVATION FOR AND OBJECTIVES OF THE STUDY

The *Constitution of the Republic of South Africa, 1996* (Act No. 108 of 1996) - hereafter cited as *Constitution, 1996* - Section 152 (1) (a) - (e), read in conjunction with Section 152 (2), stipulates that a municipality (hereafter used interchangeably with local government where the context requires it) must strive, within its financial capacity, to achieve the following objectives:

- provide democratic and accountable government for local communities;
- ensure the provision of services to communities in a sustainable manner;
- promote social and economical development;
- promote a safe and healthy environment; and
- encourage the involvement of communities and community organisations like Non-Governmental Organisations (NGO's), for example the South African National Civics Organisation - SANCO.

National government within the framework of the *Constitution, 1996* is striving to implement a new local government dispensation which facilitates the total restructuring of local government. Contemporary legislation such as the *Constitution, 1996*, furthermore states in Section 195 (1) (h) **that good human-resource management and career-development practices, to maximise human potential, must be cultivated** (emphasis added).

One can agree with the compilers of the *White Paper on Local Government, 1998* (1998: 16), that:

...local government has been democratised, but the local government system is still structured to meet the demands of the previous era. A fundamental transformation is required...

This extensive exercise is going to be costly and is going to bring about a total remodelling of human resources management within local government. This study strives to make a contribution to the understanding of the required changes. The model also provides a framework for the responsible implementation of this vision of government.

The *White Paper* (1998: 127) recognises this challenging process by stating:

The restructuring of local government in South Africa has caused newly formed municipalities to experience a variety of financial and other challenges. These include:

- *dramatically increased service responsibilities;*
- *increased administrative costs;*
- *upward pressure on salaries;*
- *cuts in operating subsidies; and*
- *reduction in experienced personnel, especially in the financial sector.*

These challenges have placed significant pressure on municipalities' cash flows and have led to a decrease in their financial resources. Although various actions have been taken to address the current crisis situation in municipalities, short to medium-term solutions are required to restore financial discipline, eliminate outstanding debts and generate the necessary cash flows. It is vital that provincial and national government assist municipalities in this regard. They need to communicate the importance of making affordable choices up front. They also need to communicate the total commitment of government to building a financially independent and viable system of local government in the long term...

The deduction that one can make of this (read in conjunction with par. 1.3.2 *infra*), is that most municipalities are "cash strapped."

Notwithstanding the fact that the national government acknowledges the lack of financial resources, local government is still experiencing increasing pressure to provide additional and improved services. These services include municipal policing-, law enforcement-, basic health-, curative- and community development services to an expanded community, largely due to foreigner and squatter influx in most areas. Legislation and directives that were promulgated and issued respectively, in some instances (for example in the Centurion Town Council area), nearly doubled the area of jurisdiction (*Premier Proclamation No. 43 of 1995*). The new constitutional dispensation makes provision for the fundamental rights of the total community. This entails the right to equal treatment and the elimination of, *inter alia*, race discrimination. This places pressure on local government due to the fact that municipal services have to be provided to the total community on an equal basis. The challenge now facing local government is to also deliver the full range of services to formerly disadvantaged groups. This must be done with limited financial-, human- and other resources. Local government as a licensing authority for example, (according to De Wet 2000, was suddenly swamped when legislation was changed which allowed vehicle owners to obtain drivers licences at any of the designated service providers, even if it meant that the licensing authority did not fall within the area of residence of the driver. New compulsory number plates and a new time and labour intensive computer based licensing system (National Traffic Information System - NATIS) that were introduced in a relative short period of time, did not ease the situation. No additional funds were provided to local government to implement this and to deal with the extra workload.

A tendency is developing where the central and provincial governments are merely delegating and evolving functions to local authorities without

providing any financial and other resources to execute these functions – so-called not funded mandates. This is not in line with co-operative government and intergovernmental relations as envisaged by the *Constitution, 1996* (chapter 3). This increases pressure on local government. Pressure from the society is also increasing in service areas that could historically be classified as non-core municipal functions. The demands of ratepayers regarding security and other related functions are examples of these categories. Local government is also held co-responsible for the provision of safety and security (De Wet, 2000). These changing and increasing communities have to be considered by local authorities when determining their respective policies.

In the past, the core functions of the local government security service-providers started and ended at the protection of council property and -personnel. This has changed as legislation was promulgated to make provision for municipal policing. Without fear for too many opposing views, one can agree with most authors such as Craythorne (1997: 409) that are of the opinion that community needs increase and become more costly and sophisticated over a period of time. Financial resources, however, tend to become scarcer over the comparable time period. This places pressure on current infrastructure, financial and other resources of the local government institutions responsible for the delivery of municipal goods and services.

Notwithstanding financial and other resource scarcity, pressure is put on local government as a designated employer by legislation (*Employment Equity Act, 1998* (Act No. 55 of 1997)), to appoint and capacitate employees on all levels of the organisational structure, in such a fashion that local government reflects the composition of the community it serves. This can be ascribed to the environmental changes that have taken place due to macro political

changes that require local authorities to adapt to these changes in the spirit of reconstruction and development, developmental local government, employment equity and optimal skills development amongst designated employees which constitutes the broad framework of this study. These changes are required within the broad statutory guidelines of existing legislation such as the:

- *Labour Relations Act, 1995* (Act No. 66 of 1995);
- *Constitution, 1996, inter alia*, Section 195 (1) (h);
- *Employment Equity Act, 1998* (Act No. 55 of 1998);
- *Basic Conditions of Employment Act, 1997* (Act No. 75 of 1997); and
- *Skills Development Act, 1998* (Act No. 97 of 1998).

Statutory requirements in these acts, *inter alia*, make provision for:

- the removal of all unjustified barriers to employment;
- accelerated training and the promotion of people from historically disadvantaged groups;
- the establishment of realistic career paths and -opportunities;
- the eradication of racially based inequalities on all levels of the institution;
- the re-engineering of the institution to accommodate diversity and reduce employment and career barriers to historically disadvantaged groups; and
- the removal of sexism and the advancement of disabled persons.

The employment, empowerment, and advancement of disabled persons, for example, place pressure on local government as a designated employer because the *Employment Equity Act, 1998* (Act No. 55 of 1997) categorically

states that the under employment of these groups should be investigated, evaluated, analysed and rectified. This is also an objective of this thesis. The implementation of the promulgated legislation cited above, will be monitored, *inter alia*, by the internal stakeholders and the Directorate: Employment Equity of the Department of Labour (labour inspectors, the Director-General of the Department of Labour and labour courts) and the relevant Sectoral Education and Training Authority (SETA). The obligations that rest on designated employers include the submission of employment equity and skills development plans after consultation with all stakeholders, institutional audits, annual reports and reasons why targets were not met. The relevant statutes also provide for legal penalties via the formal industrial relations channels and courts for non-complying and non-performing institutions. Substantial amounts of money could be lost through fines and the loss of levies that would have to be forfeited because of neglect, *mala fide* actions and not complying with the relevant acts.

The demands of a new non-discriminatory dispensation is a factor that also places escalating pressure on local authorities such as the Greater Pretoria Metropolitan Council and the Centurion Metropolitan Local Council. Current staffing practices in local government, specifically in senior and top management positions, are often not in line with the statutory requirements (Zaayman, 2000). An analysis of the composition of the personnel establishment of the organisational structure and institutional profile indicates an over representation of white male officials (par. 1.3.2 (m) *infra*). This does not comply with statutory stipulations cited above, relevant policy directives and the needs of a modern diverse community.

One way of relieving the pressure on local government is to create capacity within the organisational structure through an efficient and effective organising process which includes early retirement, interim management incentives, voluntary retirement packages, interventions and fixed-period-contracts for mentors. This gives rise to further motivation for the study.

There is a view (see for example the Reconstruction and Development Programme, 1994 (chapter 5) and the *White Paper on Local Government, 1998*) that access to a career in local government, especially for affirmative action candidates, is difficult and in some cases virtually impossible due to the educational and career inequities of the past. This is seen as a challenge and further motivation for the study. Furthermore one of the objectives of the study is to create opportunities for transition on all levels of the institution. In addition, further motivation and one of the objectives of the study is to find solutions for the relatively low natural personnel turnover - especially in supervisory and management posts which offer insufficient opportunities for affirmative action, especially the appointment and promotion of affirmative action candidates.

A further objective of the study is to create a nationally applicable system that could capacitate and empower designated local government employees in accordance with their development needs, aspirations and special interests. The unique needs of the specific local authority also have to be met. This will ensure that employees with the required competencies, potential, prescribed qualifications and applicable experience will be readily available when required for appointment or promotion. A national system would provide justifiable guidelines for the creation of a uniform policy on selection, appointment and promotion.

Further motivation and a further objective of the study is to indicate that institutional capacity creation and the empowerment of designated employees in a management system model can create an ideal framework according to which local authorities, such as the Greater Pretoria Metropolitan Council and the Centurion Metropolitan Local Council, can identify shortcomings, and together with employees and unions, set and achieve specific capacity building and career objectives. Organisational arrangements can be effected through the creation and utilisation of effective empowerment and career development, to ensure that employees who represent the true composition of the community are available when required.

* the growing and diverse needs and demands of local government

The use of succession planning can bring about the formulation, implementation and evaluation of policy to ensure that the institution's human resources (specifically the need for designated qualified and experienced employees) are optimally satisfied. It could also create sufficient career entry and promotional opportunities. It simultaneously creates higher labour productivity, enhances labour peace as reciprocal dividends on the part of the institution. Should this be implemented, non-receptive employees (seen in this study as pivotal in the empowerment and the advancement of designated employees) can also be integrated into this process (further motivation for and an objective of the study). All employees would regard their relationship with their employer as a long and intensive mutually enriching experience and career where the institution is seen as one that fulfils its socio-economic and developmental role. This in turn could lead to self-actualisation on the part of the employee, while at the same time contributing to a self-sufficient employer with access to suitably equipped officials when posts become vacant. The proposed institutional capacity creation and the capacity building (empowerment) model has national application possibilities, because it

provides policy guidelines that could be used by most local authorities in their endeavours to transform local government institutions. It will allow them to be particularly sensitive to the needs of the disadvantaged communities. The model will also be responsive and accessible to people with a disability as envisaged in the *White Paper on Local Government, 1998* (1998: 16).

Taking the above into account, the fundamental motivation for the study is based on the following:

- the actuality of the topic as emphasised in contemporary literature;
- the growing and diverse needs and demands of local government communities;
- the challenges facing local government to transform within the broad parameters of the new constitutional and statutory environments and to optimise the delivery of services in a new developmental orientated dispensation; and
- the importance of the development of uniform policy to ensure that the re-engineering of local government institutions take place in a uniform co-ordinated and responsible manner.

1.3 PROBLEM STATEMENT

Recommendations and proposals will be made in this study concerning problems (described hereafter) which are experienced on national, regional and local spheres of government.

1.3.1 PROBLEMS EXPERIENCED AT NATIONAL LEVEL

(a) Implementation problems

The three spheres of government find it difficult to implement reconstruction and development related programmes as set out in the *White Paper on Reconstruction and Development, 1994* (1994: 6). Several pieces of national legislation were promulgated recently to guide the implementation of this extensive programme. South Africans, more specifically the disadvantaged sectors of society, are critical of the fact that the rate of advancement is unacceptable and goods and services as envisaged by government are not delivered as promised. Development and transformation at local government levels were relatively slow because of, *inter alia*, insufficient financial resources, the lack of national legislation in the past and skilled local government officials to enforce the changes required. The following pieces of national legislation, however, were promulgated recently which endeavour to obtain a steady flow of empowered officials and provide a more structured approach coupled to specific timeframes:

- *Employment Equity Act, 1998* (Act No. 55 of 1998);
- *Basic Conditions of Employment Act, 1997* (Act No. 75 of 1997);
- *Skills Development Act, 1998* (Act No. 97 of 1998); and
- *Skills Development Levies Act, 1999* (Act No 9 of 1999).

The *White Paper on Local Government, 1998* in addition to this contains specific policy guidelines that are also of significant importance to specifically facilitate transformation and to ensure that a pool of capacitated and skilled local government employees are available (Other relevant

legislation exists, which will be dealt with in Chapter 3 *infra*). The statutory frameworks provided in the relevant acts are used as the framework for this study. The implementation of these acts creates unique challenges for local government. Models, frameworks and policies are, however, also needed to implement these overarching and broad pieces of legislation in the respective local authorities.

(b) Need for an implementation structure and guidelines

The Greater Pretoria Metropolitan Council and Centurion Metropolitan Local Council are creations of statute (*Premier Proclamation No. 38 of 1994*). These institutions must therefore execute statutory stipulations and policy directives as set out in the respective acts of Parliament and provincial legislation. Implementation structures and guidelines currently do not exist. The development of an implementation structure and guidelines to implement government policy is of paramount importance. Other related problems are experienced at local level which will be briefly described below.

1.3.2 PROBLEMS EXPERIENCED AT LOCAL LEVEL

(a) Pressure and expectations from the community

The urbanised community is placing increasing pressure on local government for the delivery of more, better and more sophisticated services. The historically disadvantaged sectors of the community served, specifically have high expectations for more effective and efficient service delivery. An empowered and skilled workforce holds the key to provide these services.

The difference in community needs creates distinctive service delivery related problems and needs that require diverse solutions as discussed below.

(b) Imbalances resulting in different developmental needs

(i) Imbalances

The new government inherited inequalities in wealth and income based on race, gender, age, disability and urban or rural location (*White Paper on the Department Public Works*, 1997: 6). The wealthiest 2,4 million people of South Africa account for over 40 % of all consumption, while the poorest 21 million account for under 10 % (*White Paper on the Department Public Works*, 1997:6). The government is confronted with huge imbalances, resulting in different developmental needs for and in the respective municipalities.

(c) Scarcity and decline of resources

(ii) First World and Third World

The Constitution, 1996 (section 227(1)(a)) stipulates:

South Africa is partly First World (more developed) and partly Third World (developing). There is thus a gap between the potentials and expectations of these two worlds. Creative developmental approaches will have to be developed to bridge or narrow this gap. Municipalities in close co-operation with national government have to ensure equity in all sectors of the community at large. Human resources with the required training and potential to do this, are essential in these endeavours, but are not available at this point in time.

(iii) Different development needs

Katiza (1995: 7) is of the opinion that democratic concepts of local government require that local government sees its power not as an end in itself, but as a **resource** to be shared and used by civil society (emphasis added). There are, however, different opinions as to how this “resource” should be shared to address the different development needs of municipalities. On the one hand residents in less privileged areas are looking at the newly established local authorities to raise the standard of their services and to give special attention to their development needs in a structured, responsible and sustainable manner. Residents in more privileged areas have different development needs with their own expectations and demands. Local government officials need to be trained in order to meet these differentiated needs in its area of jurisdiction.

(c) **Scarcity and decline of resources**

The *Constitution, 1996* (section 227(1)(a)) stipulates:

...local government...is entitled to an equitable share of revenue raised nationally to enable it to provide basic services and exercise the functions allocated to it...

Local government, however, is faced with limited and declining sources of income. These, *inter alia*, hamper and have a negative influence on the implementation of affirmative action programmes such as employment equity.

Examples of limited and declining sources of income are:

- (i) Limited financial capacity of the majority of the users of local government services

Local government in South Africa is battling with a limited income base. Even if services are transformed drastically and the officials are representative of the community they serve, the majority of users of local government services cannot fully pay for goods and services rendered by local government. A government initiated report found that 53% of the more than 42 million residents of South Africa cannot fully pay for the services rendered by local government (Fisher, 1996: 3).

- (ii) Limited income base

If the following statistics are analysed, the deduction can be made that developing countries such as South Africa have a limited tax base. Makhair (1996:23) argues as follows:

...the R38 billion collected by the Receiver of Revenue during 1997/'98 financial year by way of income tax came from only 1,6 million taxpayers. A full 25% of all individual income tax collections came from only 242 705 taxpayers earning from R100 001 to R150 000. Less than 3% of individual taxes are collected from the taxpayers earning less than R45 000 a year or up to R3 750 a month. While individuals paid the largest share of R38,3 billion in direct taxes, companies and close corporations only paid R2,9 billion during the 1997/'98 tax year.

Due to the narrow tax base not enough financial resources are available to satisfy the increasing demands of society or to implement costly development and empowerment programmes such as employment equity and skills development. The income base will, however, not be enlarged in the short term as a substantive part of the adult population has limited education and skills, which are usually considered prerequisites for income generation. The division, according to education and literacy rates of the total population older than 20 years, indicates that 13% of the adult population has no educational qualifications at all, 21% received only primary education, and only 52% completed secondary education. Only 10% of all adults in South Africa obtained post school qualifications (Central Statistical Services, 1995:7).

(iii) Limited future income potential

If the prospects of the next generation are analysed, experts such as Fisher (1996: 11) state that 45% of the poor are under the age of 16. Naidoo (1995: 4) alleges that three quarters of children in rural areas live in households with an income below the minimum subsistence level. In a government report: *Children, poverty and disparity reduction: Towards fulfilling the rights of South Africa's children*, it is indicated that deaths amongst children under the age of five years due to poverty is as high as 12%. In rural households it is as high as 13,9%. The report indicates that 37% of children are part of the poorest 20% households.

This could lead to a situation where a downward spiral is experienced, known to many of Africa's countries, where history (poverty) repeats itself and is known as the poverty trap.

These include:

- large poor families;
- children in these poor families have little or no schooling;
- opportunities due to a lack of skills, *inter alia*, are few for these children when they reach the economical active age;
- children leave the house early, have their own children at a very young age and experience great difficulty to survive ;
- poverty is experienced and no education and other opportunities for their children exist; and
- the poverty cycle repeats itself.

It could thus be argued that should this trend continue, it could become impossible to obtain a sufficiently properly educated, economic active society. This could in turn negatively affect local authorities' efforts to increase their revenue from the communities served.

(iv) Culture of non-payment

The culture of non-payment is a problem that erodes the potential income of local government. The Institute for Municipal Finance Officers (Riordian, 1995:7) reported in 1994 that apart from major losses due to written off arrears, R7-9 billion of potential local government income have been lost in this way.

Local government is faced with increased responsibilities and declining aid or contributions from the other spheres of government. The grant to Western Cape, for example, was reduced. During 1995-1996 the Western Cape received R700-R800 million less than the previous year (Kay, 1997:4). Centurion Metropolitan Local Council is an example of a local authority receiving a negligible amount in grants (De Jager, 1999).

(v) Decline in intergovernmental aid

More functions formerly provided by national and provincial governments are delegated to local government, for example basic health care and municipal policing. Sufficient financial resources to render these services are, however, not provided to carry out these functions. Intergovernmental grants and aids are reduced according to a sliding scale. Riordian (1995: 98) and Kapp (1995: 32) give the following example:

...during 1994-1995 Central Government paid R36 million over to the City Port Elizabeth in intergovernmental aid aimed at the delivery of services to under serviced areas. That was R34 million less than the amount paid over in 1993-1994. Nationally, the amount of intergovernmental aid to local government was cut from R1 160 million to R709 million. A substantial reduction of R707 million was experienced during 1995. This is R451 million less in one book year.

This indicates that local government is faced with increased responsibilities and declining aid or contributions from the other spheres of government.

(e) Low percentage of new positions created

(vi) Declining contributions to local governments and provinces

Local government and provinces are rather worse off in the new constitutional dispensation regarding the granting of financial and other resources. The grant to Western Cape, for example, was reduced. During 1995-1996 the Western Cape received R700-R800 million less than the previous year (Kay, 1997:4). Centurion Metropolitan Local Council is an example of a local authority receiving a negligible amount in grants (De Jager, 1999).

The requirements of developmental local government can only be met with sufficient financial resources. Efforts will have to be made to make sufficient funds available to local authorities. Limited and declining sources of income are not the only dilemmas that will be analysed in this thesis. It does, however, inhibit the improvement of service delivery to previously disadvantaged communities.

(d) Skills and capacity shortage

Local government has limited capacitated human resources. Local government is faced with a shortage of skilled officials to perform the financial functions. This may partly be ascribed to the fact that private enterprises can offer better remuneration and thus recruit competent local government officials. A comparison of advertisements for similar vacant positions in the public and private sector indicates the difference in remuneration and benefits offered. Financial resources to rectify the skills and competency shortages and the imbalances are not readily available in South Africa.

(e) Low percentage of new positions created

Scientific methods are used by Organisation- and Workstudy officers in local government to justify the need for new positions. Because of financial and other constraints, *inter alia*, created by the envisaged amalgamation of local authorities, a limited number of positions are thus created (Zaayman, 1999). It could thus be deduced that newly created positions could not be utilised to employ significant numbers of members of designated groups.

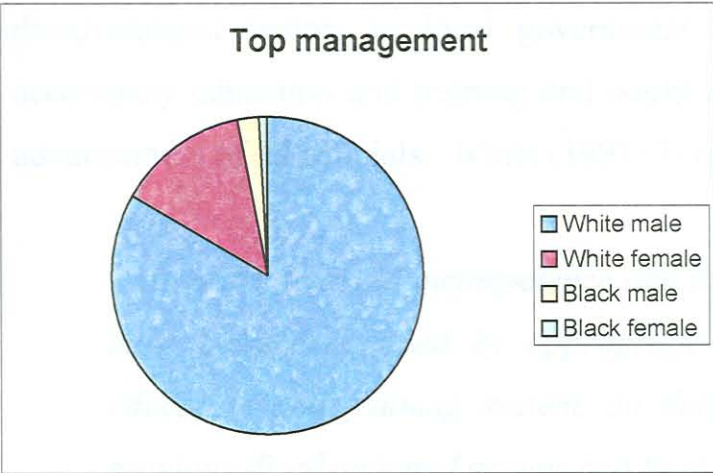
(f) Qualifications and experience requirements

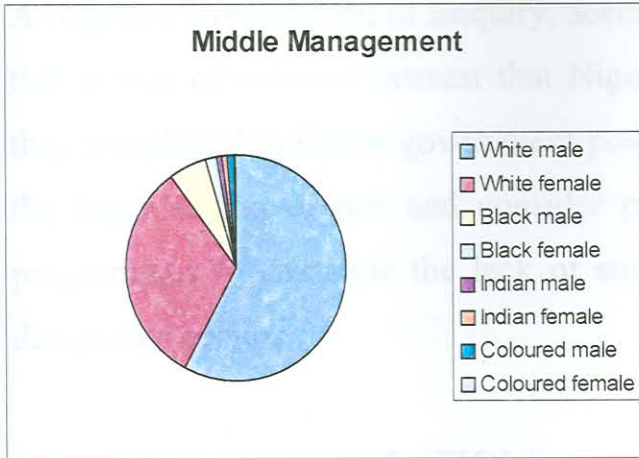
Analyses conducted in the respective metropolitan local councils indicate that an acceptable percentage of affirmative action candidates have the required potential and are regarded as trainable. However, few of these employees meet the required qualification and related experience prerequisites (Zaayman, 2000), as stipulated in the Industrial Council (Transvaal) Comparative Qualification and Experience Schedule (Industrial Council, 1990: 26). Alternative solutions should therefore have to be developed.

(g) Race based service establishment inequalities

A survey that was conducted for purposes of drawing up an employment equity plan as required by the Department of Labour (Figure 1), clearly indicates the under representation of designated employees in the Centurion Metropolitan Local Council, specifically in top and middle management.

Figure 1: Under-representation of designated employees in Centurion Metropolitan Local Council





(Source: Centurion Metropolitan Local Council 1999:2)

These inequalities indicate that procedures and policies have to be devised to meet the requirements of the *Employment Equity Act, 1998* (Act No. 55 of 1998) and the *Skills Development Act, 1998* (Act No. 97 of 1998).

(h) Training and development backlogs

The *Skills Development Act, 1998* (Act No. 97 of 1998) stipulates that skills and outcomes-based-training must have a high priority. Local government is considered a key player of particular importance in the capacity-building endeavours of governments on all three spheres (*White Paper on Local Government, 1998*). Special attention should be given to previously disadvantaged sectors in local government. Affirmative action should accompany education and training and ought to be a prerequisite for career advancement of all officials. White (1993: 2) rightfully argues as follows:

...in order to avoid incompetence and tokenism, it (affirmative action) must be accompanied by appropriate and urgent changes to the education and training system, so that fully qualified people from previous disadvantaged groups can be developed.

A Nigerian Commission of Enquiry, according to Nwanko (1996: 189), found that it was of national interest that Nigerian citizens first be trained before they are placed in senior government positions. South Africa can learn from the Nigerian experience and consider providing training and development programmes to eradicate the lack of suitably qualified candidates from the designated groups.

1.4 RESEARCH QUESTIONS

In view of the above, the following research questions become apparent:

- why should institutional capacity be created?
- what is the nature of the current career management and advancement system for designated employees in the Greater Pretoria Metropolitan Council?
- why is a proper career management and advancement system for designated local government employees important?
- what factors should be taken into account during the creation of an institutional capacity creation and empowerment model? and
- how should the model be developed?

1.5 HYPOTHESIS

Taking the problem statement and the formulated research questions that flow from this into consideration, the following hypothesis can now be formulated:

There is insufficient capacity in the organisational structure of the institution to advance designated employees as the relevant statutes prescribe, therefore the creation of a model for capacity creation, career management and

advancement for designated employees of local government such as the Greater Pretoria Metropolitan Council could create appointment- and career advancement opportunities and empower designated local government employees in a pro-active and innovative manner.

1.6 RESEARCH METHOD

In human science research, the method of study undertaken should comply with the norms, benchmarks and guidelines of scientific research in order to reach valid conclusions. Scientific research methods as required for this study have the advantage that new knowledge can be collected while current knowledge can be reinterpreted and applied. In so doing, solutions can be found for specific problems that were identified (Smit in Brynard & Hanekom, 1997: 5). Applied research, according to Huysamen and Smit, cited in Brynard & Hanekom (1997: 5), is undertaken specifically to solve a problem. It is therefore research of which the results can be applied to solve an immediate problem. The research problem is selected on account of the practical value the research would have in a particular situation.

In this study a description of the historical and the current situation and needs is provided. The relevant constituent parts of the identified problem are analytically judged and evaluated. The variables and factors that resulted in the unacceptable situation will therefore be analysed.

The purpose of the descriptive and analytical methods of research is to find a systematic explanation for the shortcomings. This entails that an inductive method or strategy is used to collect and process data. In-depth research is

conducted to expose the differences and similarities in the collected data in order to develop the proposed model (Brynard & Hanekom, 1997: 54-55).

Relevant information was collected from selected secondary sources. Data

1.7 REFERENCE TECHNIQUE

When other research problems is referred to as secondary data (Brynard & Hanekom, 1997: 28). When researchers

For purposes of this study the Harvard reference method is used throughout.

Interviews are referred to by quoting only the name of the person and the date. A comprehensive bibliography of all the cited sources is given in alphabetical order according to the name of the author at the end of the study (Brynard & Hanekom, 1997: 70-71).

reports, bargaining- and metropolitan council reports and departmental reports). Whenever required, other official

1.8 FRAME OF REFERENCE

and personal files, information circulars, agendas, minutes and memoranda of the Centurion Metropolitan Local

The study covers the period November 1, 1995 to the date of local government elections (De Bruyn, 2000: 4). The study is therefore conducted within the framework of the interim phase of local government transformation according to the *Local Government Transformation Act, 1993* (Act No. 209 of 1993). The interim phase became operational directly after the first democratic local government elections that were held on November 1, 1995 and it ends directly after the second local government elections on December 5, 2000.

The study has national application possibilities and is undertaken in the

The study deals mainly with local government in South Africa using the Greater Pretoria Metropolitan Council, with special reference to the Centurion Metropolitan Local Council as sample although various sources will be quoted to substantiate the empirical research. References to other countries are included to prove particular statements. The study is, however, not of a comparative nature. one thousand eight hundred workers. The sample

1.9 DATA COLLECTION AND SAMPLING

Relevant information was collected from selected secondary sources. Data collected by other researchers concerning other research problems is referred to as secondary data (Brynard & Hanekom, 1997: 28). When researchers collect their own data, it is called primary data (Brynard & Hanekom, 1997: 28). In addition to secondary sources, use was made of primary sources such as legislation, policy directives, codes of good practices and metropolitan local government council reports (e.g. relevant standing-, executive- and human resource technical committee reports, bargaining- and metropolitan council reports and departmental reports). Whenever required, other official documents such as departmental- and personal files, information circulars, agendas, minutes and memoranda of the Centurion Metropolitan Local Council were used in the study. Official approval was obtained from the Centurion Metropolitan Local Council.

Structured personal, e-mail and telephone interviews were used to collect additional data. In most instances use was made of formal structured interviews. Questions for interviews, structured in an orderly manner, were compiled beforehand.

The study has national application possibilities and is undertaken in the Greater Pretoria Metropolitan Area, with more or less fourteen thousand employees. The extent of the study, however, required that a sample be used in accordance with the requirements of scientific study as described in Brynard & Hanekom, (1997: 43-47). The sample used is the Southern Pretoria Metropolitan Council known as Centurion Metropolitan Local Council with approximately one thousand eight hundred workers. The sample

used in this study is not only representative of the rest of the Greater Pretoria Metropolitan Councils but also of most of the local government institutions in South Africa.

1.10 GLOSSARY

The listed terms for purposes of this doctoral dissertation (dissertation or thesis hereafter used interchangeably), unless the context clearly indicates otherwise, refers to the description given directly afterwards and singular also refers to the plural (for example employee/employees) and male to female (for example his/hers).

1.10.1 AFFIRMATIVE ACTION

Affirmative action refers to the implementation of positive corrective measures and programmes and the introduction, re-engineering and re-modelling of the workplace, policy and procedures to correct historical and contemporary inequalities to create a non-sexist, non-discriminatory and non-racial integrated work-environment (Agreement on Equal Employment Practice and Affirmative Action, 1994: 4).

1.10.2 CAREER

A career can be described as a series of jobs that an employee occupies, which follows a hierarchy of job levels which progresses in grade of difficulty, responsibility and status (Graham & Bennet cited in Gerber, Nel & Van Dyk, 1995: 167).

1.10.3 CAREER DEVELOPMENT

Career development consists of the formal measures taken to ensure that officials (that reflect the broader composition of the South African community) are sufficiently capacitated, empowered and readily available whenever they are needed by the institution (Gerber *et al.*, 1995: 167).

1.10.8 CENTRALISATION

1.10.4 CAREER MANAGEMENT

It is the concentration of power at the top of the pyramid. A centralised Career management refers to career planning and -development and includes employee- and successor planning (Gerber *et al.*, 1995: 167).

employment equity guidelines) and discipline (e.g. standardised code of conduct) and identity in

1.10.5 CAREER OPPORTUNITIES

authority and) leadership (Cameron & Stone, 1995: xi, examples added), e.g. the concentration of authority in a

Career opportunities refer to the special measures introduced to create sufficient career entry and promotion opportunities for employees to ensure that their relationship with the institution can be seen as a long term investment, a mutually enriching experience, and a rewarding career in the true sense of the word, in order to ensure that employees remain in the service of one institution for the duration of their career lives (adapted from Gerber *et al.*, 1995: 167).

specifically for purposes of affirmative action, when an employment contract is brought about between the employer and the

1.10.6 CAREER PATH

the position is linked to a higher position in the organisational structure. This learner functions under the guidance and

A career path refers to flexible advancement points also referred to as benchmarks, from an institutional point of view, through which a typical employee will progress during his career span (Mandy and Noe cited in Gerber *et al.*, 1995: 169).

1.10.7 CAREER PLANNING

Career planning is described as the process to analyse the work situation, set career objectives and deploy different strategies that are developed to achieve the goals that were set (Gerber *et al.*, 195: 167).

1.10.8 CENTRALISATION

It is the concentration of power at the top of the pyramid. A centralised institution is one in which the lower levels and employees assigned thereto, are subject to central directives (e.g. centralised employment equity guidelines) and discipline (e.g. standardised code of conduct) and identify in one way or another with the centralised (authority and) leadership (Cameron & Stone, 1995: xi, examples added), e.g. the concentration of authority in a metropolitan council within the so-called "unicity" concept as envisaged in the *White Paper on Local Government, 1998*.

1.10.9 CONTRACT POST

A contract post is a position created by a local authority on the staff establishment specifically for purposes of affirmative action, when an employment contract is brought about between the employer and the designated employee, where the position is linked to a higher position in the organisational structure. This learner functions under the guidance and supervision of a mentor or development officer who is the incumbent of the higher position. The mentor has to empower and capacitate such an employee with all the required competencies to qualify for a similar position (Centurion Metropolitan Local Council, 1994: 3).

1.10.10 DESIGNATED EMPLOYEES

Designated employees mean Black people (Africans, Indians and Coloureds), women and people with disabilities (*Employment Equity Act, 1998* (Act No. 75 of 1998)).

1.10.11 DISCRIMINATION

Discrimination is any form of treatment, impairment, limitation of opportunities or unfair differentiation (*Employment Equity Act, 1998* (Act No. 75 of 1998)).

1.10.12 EFFECTIVE

Effective means the greatest possible measure (Cameron & Stone, 1995: xii), e.g. a municipality is effective if it has reached its goals and objectives in advancing employees from the educationally and career impaired sectors of society.

1.10.13 EFFICIENT SOURCE DEVELOPMENT

An action is efficient if the greatest possible output at the lowest cost is achieved (Cameron & Stone, 1995: xii), e.g. a municipality is not only effective in affirming employees from designated groups, but is also done in the most economical fashion. The unit cost will thus be low if the output is divided by the resources consumed (Cameron & Stone, 1995: xii).

1.10.14 ENABLING FRAMEWORK

An enabling framework is a legal, regulatory or institutional framework that makes activities possible through removing obstacles to initiating those activities, or providing support for those activities. It does not oblige anyone to perform specific actions or prescribe the details of how activities must be performed. It creates, however, a supportive space in which activities can be initiated (*White Paper on Local Government*, 1998:160).

1.10.15 JOB ENLARGEMENT

1.10.15 EQUALITY OF RIGHTS

Job enlargement is the process of adding more of the same sort of tasks. Equality of rights (isonomy) refers to equal treatment when implementing policy and management practice, and with employment, empowerment, remuneration, and promotion of workers. It implies the equal treatment of employees based only on potential, prior learning, qualifications, merit, experience and performance - irrespective of the employee's race, colour, gender, sex, belief, language and socio-economical background (adapted from Gerber *et al.*, 1995: 115).

1.10.16 HUMAN RESOURCE DEVELOPMENT

Human resource development is the process of enhancing the potential of people (as individuals and groups) to perform better in all spheres of life. People's potential can be developed through training and capacity building, access to opportunities, and access to an environment which supports their development (*White Paper*, 1998:160).

only if required qualifications and experience stipulations are decreased accordingly (Centurion Metropolitan Local Council, 1996: 31).

1.10.21 MENTOR

A mentor is an incumbent, with sufficient people-handling-skills, employed in a more senior position - that is already competent in the job environment - who is prepared to accept co-responsibility for the accelerated advancement of a job holder from a designated group, in so doing assisting the individual to become competent to fill such a position or a similar position in the internal and open labour market (Centurion Metropolitan Local Council, 1994:17)

1.10.22 MODEL

Model is a simplified abstract of reality (Gerber *et al.*, 1995:329).

1.10.23 POLICY

For purposes of this study, policy is a purposive course of action based on currently acceptable societal values, followed in dealing with a problem or matter of concern, and predicting the state of affairs which would prevail when that purpose has been achieved (Hart, Leonard, Thomas, Zimmerman & Bernstein, 1995: 9).

1.10.24 POLICY ANALYSIS

Policy analysis is a structured way of considering choices (various alternatives) before deciding on a particular course of action (Hart *et al.*, 1995:

15). Policy analysis is a step-by-step way of unpacking and understanding policy choices, and comparing possible outcomes. Put differently: policy analysis is a set of tools that assists decision-makers in deciding among alternative courses of action.

1.10.25 PROMOTION

Promotion implies the placement of an employee in another post on the service establishment of a local authority where the maximum of the applicable salary scale is higher than the maximum of the previous position held by the incumbent (Centurion Metropolitan Local Council, 1994:3).

1.10.26 PUBLIC POLICY

Public policy is policy serving as the enabling and guiding framework for government in all sectors and at all levels. Public policy communicates what a society values, provides guidelines for the actions and decisions that institutions take when implementing policy and provides a basis on which to foresee outcomes, and a yardstick for evaluating the performance of public institutions (Hart *et al.*, 1995: 9).

1.9.27 SELF-ACTUALISATION

Self-actualisation is the tendency to act, develop and perform according to the individual's point of view and **perception** of himself and his ideal self (Rogers cited in Gouws, 1979: 269, emphasis added).

1.9.28 SUCCESSION PLANNING

Succession planning describes special measures introduced by an institution to ensure that experienced career officials with suitable qualifications are readily available when positions become vacant or are created to satisfy the human resource needs of an institution as a result of the development, natural growth and the re-orientation of a such an institution (adapted from Gerber *et al.*, 1995: 167-168).

1.11 STRUCTURE OF THESIS

Chapter one serves as a general introduction to the study and includes an exposition of the motivation of the study, a problem statement and the objective of the study. Apart from this, the method of how the study was undertaken and the demarcation of the study are outlined. The data collecting method and the study sample are explained which is followed by a glossary to complete the parameters within which the study was conducted and to provide an overarching framework for the rest of the study.

Chapter two contains the conceptualisation of the study and embraces information on the respective phases of local government transformation, the area of jurisdiction, the institutional composition and other relevant introductory information that will be covered in the study.

Chapter three provides the constitutional, statutory and economical framework within which the study was undertaken and serves as the broad parameters of the model that will be developed.

Chapter four deals with the prerequisites of a management model and the creation of institutional capacity, and makes provision for the empowerment of designated local government employees.

Chapter five contains the general summary of the study and an evaluation of the findings. Flowing from the evaluation and critical analyses is an extensive conclusion. Particular recommendations are made in this chapter.

The objective of this chapter is to provide background information to serve as frame of reference of the area of research viz the Centurion Metropolitan Local Council and the Greater Pretoria Metropolitan Council. A specific research area is identified in order to determine the *status quo* and to understand the problem to be addressed. This is required to create a specific model for the development of institutional capacity creation and the empowerment of designated local government employees.

Attention will be given to the origin of Centurion and the establishment of the Centurion Metropolitan Local Council. Its extended area of jurisdiction, established by proclamation, will be described and explained. An explanation of the population growth experienced in the area and the correlation with the creation of employment opportunities will also be provided. Attention will be given to the establishment of the Greater Pretoria Metropolitan Area. It will include a description of the different statutory prescribed transformational phases. These descriptions provide the environment within which the personnel of the Centurion Metropolitan Local Council have to be empowered, appointed and promoted according to the *Skills Development Act, 1998* (Act No. 97 of 1998) and the *Employment Equity Act, 1998* (Act No. 75 of 1998).

CHAPTER 2

HISTORICAL OVERVIEW OF THE MUNICIPALITY OF CENTURION

2.1 INTRODUCTION

The objective of this chapter is to provide background information to serve as frame of reference of the area of research viz the Centurion Metropolitan Local Council and the Greater Pretoria Metropolitan Council. A specific research area is identified in order to determine the *status quo* and to understand the problem to be addressed. This is required to create a specific model for the development of institutional capacity creation and the empowerment of designated local government employees.

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2.2 CENTURION METROPOLITAN LOCAL COUNCIL

2.2.1 ORIGIN OF CENTURION

The origin of Centurion can be ascribed to the important transport routes. The founding of the first small town, Irene, (1902) was partly due to the construction of the main railway line between Pretoria and the Witwatersrand. The establishment of Kloofsig (1906) and Lyttelton Manor (1908) can be ascribed to this important transport connection. The founding of Clubview (1941) is due to it serving as an important station on the old mail-coach route where horses were changed. It is this strategic location and the approachability of the area via connecting routes which, *inter alia*, makes Centurion prominent (Centurion Metropolitan Local Council, 1999(a): 7).

2.2.2 HISTORIC DEVELOPMENT

A Health Committee for Outer City Areas was established in 1944. The former Verwoerdburg was part of this Health Committee's jurisdiction. Before this the interests of the residents were dealt with by a local Vigilance Committee. A member of this Committee was nominated from the Pretoria South Local Area Committee. After a petition was compiled in order to establish a local health committee, the Lyttelton Health Committee was established in 1950. In 1955 the town's status was upgraded to that of a town council and in 1960 to a city council. During this period the town Lyttelton covered seven hundred and fifty hectares (Centurion Metropolitan Local Council, 1999(a):6).

2.2.3 EXPANSION OF THE AREA

In 1964 the surface area increased substantively when the area of the town was increased to 6 000 hectares. The town borders increased again during 1973 to 20 000 hectares. Further expansions of the area are listed in Table 1 below.

Table 1: Increase of Jurisdiction Area of Verwoerdburg/Centurion after 1973

<i>Year</i>	<i>Total area of jurisdiction</i>	<i>Legislation</i>
1993	33 090 hectares	<i>Local Government Transitional Act, 1993 (Act No. 209 of 1993)</i>
1995	35 500 hectares	<i>Premier Proclamation No. 43, 1995</i>

(Source: Chalmers, 1996.)

2.2.4 CONTEMPORARY DEVELOPMENT

Centurion developed differently from other towns in the country. Centurion developed as a dormitory suburb that used to house employees of neighbouring areas to a town in own right, with a distinctive character which delivered services to the Greater Pretoria Metropolitan Area. This hand-over-hand growth was not limited to housing or employment opportunities. It developed spontaneously, without the discovery of minerals, without a capital

city function, and major state initiatives, into a town of commercial importance within only 30 years. The unprecedented growth places tremendous pressure on Centurion's city council departments to stay in pace with the accelerated tempo of growth. (Chalmers, 1999). At the current population growth rate a population of 128 000 is expected by the year 2001

Special focus was placed on the supply of shops, schools, sport and recreational facilities and other essential community services. The service that Centurion renders to the Greater Pretoria Metropolitan Area can be linked directly to the future economical development (Centurion Metropolitan Local Council, 1999(a): 1). The favourable location of Centurion, with national routes, through roads and airports within its area of jurisdiction or within short travelling distance should strengthen its role in the Greater Pretoria Metropolitan Area.

2.2.5 POPULATION GROWTH

The sustainment of services to cope with the sharp population growth of Centurion and the provision of a substantive amount of employment opportunities provide an indicator of the unique development and progress in the area. There is a direct positive correlation between the population growth and the development of employment opportunities in Centurion (Centurion Metropolitan Local Council, 1999: 10 and 43).

In 1970 approximately 18 230 people resided in the former Verwoerdburg. In the 10 years following this, the population nearly doubled to approximately 47 700. At that stage 10-15% of the economically active residents of the former Verwoerdburg worked in its area of jurisdiction. A continuous increase in the population was experienced and during 1986 the former

Verwoerdburg had approximately 59 000 residents (an increase of 10 000 residents in six years). The current population is approximately 108 000 residents including areas under its jurisdiction during 1995 (i.e. Laudium, Claudius, Christoburg and Erasmia) (Chalmers, 1999). At the current population growth rate a population of 128 000 is expected by the year 2001 (Centurion Metropolitan Local Council, 1999(a): 10).

2.2.6 AREA CONTEXT AND FUNCTION

From the above it is evident that the unique role of Centurion within the metropolis is firstly due to its historical location, secondly its important transport and development axes in the area and thirdly the growth of the town. The axes described above are more than transport axes. It is also some of the most important development axes in the country. The Pretoria-Johannesburg development corridor is the most important development corridor in Africa (Centurion Metropolitan Local Council, 1999(a): 14). Approximately sixty four million vehicles move annually through the area on four important through routes. This factor necessarily requires Centurion to be able to provide particular services. This in return requires officials to render such services.

2.2.7 ESTABLISHMENT OF THE CENTURION METROPOLITAN LOCAL COUNCIL

The Centurion Metropolitan Local Council was established and the new area of jurisdiction was determined according to the *Premier Proclamation No. 38, 1994* read in conjunction with *Premier Proclamation No. 43, 1995*. Powers and functions of local authorities are described in Schedule 2 of

the *Local Government Transition Act, 1993* (Act No. 209 of 1993). Principles and approaches for public administration in local government institutions such as Centurion Metropolitan Council are contained in the *White Paper on Local Government, 1998*. The Centurion Metropolitan Council developed within the constitutional, other statutory and metropolitan frameworks. These matters will be dealt with under appropriate headings in the relevant topics.

2.2.8 CENTURION

The Centurion Metropolitan Local Council had the name Town Council Verwoerdburg which was used since 1964 (Centurion Metropolitan Local Council, 1994(a) : 9). On December 8, 1994 according to *Premier Proclamation No. 38, 1994*, the Southern Pretoria Metropolitan Substructure as part of the Greater Pretoria Metropolitan Council was proclaimed (Centurion Metropolitan Local Council, 1995: 1). The name Centurion was introduced after an inclusive community election was held. This was proclaimed in accordance with the *Premier Proclamation No. 43, 1995* (Centurion Metropolitan Local Council, 1995: 1).

2.2.9 AIM, VISION AND MISSION STATEMENTS

(i) Aim

The aim of the Centurion Metropolitan Local Council is: *Community development through the rendering of services and goods*

to the citizens of Centurion (Centurion Metropolitan Local Council, 1995: 5).

(ii) Vision

The vision of the Centurion Metropolitan Local Council is:

A transparent local authority who adequately consults with its community and who, through the availability of affordable services and infrastructure creates an environment where members of the community can live, work and relax in safety and harmony (Centurion Metropolitan Local Council, 1995: 6).

(iii) Mission

The realisation of the vision is established through the following mission:

The optimal and responsible handling of community needs and problems by means of meaningful community participation, purposeful development and utilisation of all human and physical resources and socio-economic upliftment of the entire community (Centurion Metropolitan Local Council, 1995 : 6).

After analysing the above corporate statements, it becomes clear that the Centurion Metropolitan Local Council is required to face the challenges of a new constitutional dispensation. This overarching positioning of the Council should be instrumental in the development of strategies and action plans

specifically designed to meet the standards of and to achieve the reconstruction and development objectives.

2.3 GREATER PRETORIA METROPOLITAN COUNCIL

2.3.1 ESTABLISHMENT OF THE METROPOLITAN COUNCIL

Local Government has undergone major legislative and structural transformation since 1994. A cryptic description of the pre-interim phase is provided to explain the historical base of the present structures.

(i) Pre-interim phase

The Greater Pretoria Metropolitan Negotiating Forum introduced the pre-interim phase (1994-1995) applicable to the area under discussion. The Forum reached an agreement regarding the identification and definition of powers, duties and functions of the Greater Pretoria Metropolitan Council. The area of jurisdiction of the Greater Pretoria Metropolitan Council was promulgated by *Premier Proclamation No 38, 1994* (Greater Pretoria Metropolitan Council, 2000: 4.)

(ii) Interim phase

The interim phase commenced on November 1, 1995 when the communities in the Greater Pretoria Metropolitan Area elected their political representatives on the following metropolitan government structures:

- Greater Pretoria Metropolitan Council;

- City Council of Pretoria;
- Centurion Metropolitan Local Council; and
- Northern Pretoria Metropolitan Substructure.

• Amandebele;

Local Government is approaching the final stages of the interim transitional phase which will end with local government elections on December 5, 2000. (Greater Pretoria Metropolitan Council, 2000: 6). The area of jurisdiction is to be extended further due to the demarcation process provided for in the *Local Government Demarcation Act, 1998* (Act No. 27 of 1998). Thus the geographical features of the different local government bodies will only be determined once the final stage in the transformation of local government has been completed.

2.4 CONCLUSION

2.3.2 EXTENDED AREA

This chapter dealt with the background of the research area and provides a
As a result of the demarcation by the Demarcation Board in terms of Section 21 of the *Local Government Demarcation Act, 1998* (Act No. 27 of 1998) read in conjunction with Section 6(a) of the *Constitution, 1996*, the following areas are included into the newly demarcated Greater Pretoria Metropolitan Area (Annexure A):

- Ga-Rankuwa;
- Mabopane;
- Hammanskraal;
- Pienaar's River;
- Crocodile River;
- Temba;

- New Eersterust;
- Stinkwater;
- Majaneng;
- Amandebele;
- Lebelo; and
- Marokolong.

To move from the interim transitional phase into the final transitional phase, requires the current structures to change into a structure that is focused on governance and has open participatory systems that will meet institutional and community needs of institutional, economic and social upliftment.

2.4 CONCLUSION

This chapter dealt with the background of the research area and provides a frame of reference regarding the physical environment. The establishment of the respective councils that will be included in the research was described. As stated in chapter 1, specific reference was made to the Centurion Metropolitan Local Council. This provided an indication of the geographical area that has to be served by officials appointed in the organisational structure to provide services to the residents, businesses and individuals requiring resources.

The chapter serves to identify the physical, financial and social environment within which local government officials operate. With this in mind the next chapter deals with the external environment affecting the operations of local government officials in the Greater Pretoria Metropolitan Area.

CHAPTER 3

EXTERNAL ENVIRONMENTAL INFLUENCES

3.1 INTRODUCTION

The general introduction to the study and the broad overview of the demarcated research area is followed by the analysis of the environmental influences. The influence of the external environment on the development of a model for institutional capacity creation and the empowerment of designated local government employees will be described in this chapter. The proposed model will be influenced by the external environment and will therefore have to be flexible to adapt to this dynamic and fast changing external environment.

The purpose of this chapter is to list, analyse and take cognisance of the external environmental influences. The introductory paragraphs of this chapter are used to provide a broad overview and a framework of the chapter.

3.2 INTERNATIONAL INFLUENCES

The influence of the international environment as part of the external environment is described with a special focus on relevant international institutions that influence human resource policy. Human resource practitioners, political office bearers and leading professional officials should ensure that accountable human resources practices and policies are implemented in the local government sector. These policies should be in line with international norms, standards, agreements and conventions. The

Republic of South Africa (hereafter South Africa) according to Mohr and Fourie (2000: 81-82) is part or signatory of a number of relevant development orientated international institutions and agreements. These institutions or agreements are primarily responsible for the enhancement of world peace, economical development, the eradication of hunger, unemployment, the advancement of human rights and the empowerment of the previously disadvantaged sectors of the global society. The following institutions can be cited as examples:

- International Monetary Fund (IMF) (South Africa was one of 40 original members);
- World Bank (WB) (South Africa was a founder member);
- World Trade Organisation (WTO);
- South African Development Community (SADC);
- United Nations (UN) (Section 55-56 of the United Nations Bill of Human Rights categorically states that participants and signatories worldwide must respect, protect and advance human rights) (one of the key objectives of this thesis);
- European Union (EU), (established in 1950, consisting of 15 members, with another 12 negotiating to join. Since 1994, the EU was the Country's largest donor, providing about R 800 million each year in funding human resources and other development projects);
- Human Rights Watch (HRW);
- Amnesty International (AI);
- Organisation for Economic Co-operation and Development (OECD);
- General Agreement on Tariffs and Trade (GATT); and
- Southern Africa Customs Union (SACU).

Only the International Labour Organisation (ILO) conventions (Swanepoel, 1998: 494) will be analysed as part of the external influences, as it is particularly relevant to the research and influence of the South African legislation concerning labour matters.

3.2.1 INTERNATIONAL LABOUR ORGANISATION CONVENTIONS

The re-admission of South Africa to the international arena after the first democratic election in 1994, *inter alia*, led to the re-admittance of South Africa - after 30 years of isolation - to the International Labour Organisation (ILO). The ILO took a resolution, immediately after South Africa's re-admission, to implement an intensive technical policy programme for the country. The focus was on **human capacity building and the empowerment of the historically disadvantaged** (emphasis added). This resolution read in conjunction with the *Constitution, 1996* (Section 195(1)(h)), enhancing the above ILO resolution, is therefore of particular importance for the purposes of this research. It forms, together with similar stipulations in relevant labour relation statutes, the golden thread of this research. The former Minister of Labour, Mr. Tito Mboweni, issued a directive requiring four core ILO conventions (table 2 *infra*) to receive priority attention. These conventions formed the foundation of legislation that was placed on the statute books of South Africa, and therefore influence human resource policy. These conventions are listed in Table 2 below. The relevant sections of the South African acts that flowed from the particular convention are also listed.

Table 2: Examples of Core ILO Conventions in RSA Legislation

<i>Convention</i>	<i>Comparative Act</i>
(i) Freedom of Association	Chapter 1: <i>Labour Relations Act, 1995</i> (Act No 66 of 1995);
(ii) Collective Bargaining	Chapter 3: <i>Labour Relations Act, 1995</i> (Act No 66 of 1995);
(iii) Union Rights	Chapter 4: <i>Labour Relations Act, 1995</i> (Act No 66 of 1995); and
(iv) Pregnancy Leave	Section 25, Section 26, Section 87, Section 186 and Section 187: <i>Basic Conditions of Employment Act, 1997</i> (Act No. 75 of 1997).

Other conventions with particular relevance to this research taken up in South African legislation are listed in Table 3 below.

Table 3: Examples of ILO Conventions taken up in RSA Legislation

<i>Convention</i>	<i>Description</i>
(i) Convention 100	Equal pay for equal work;
(ii) Convention 156	No discrimination on grounds of family responsibility;
(iii) Convention 111	Equal dignity amongst all persons and no discrimination;
(iv) Convention 111	Equal opportunities and affirmative action; and
(v) Convention 111	Equality between male and female.

South Africa as founder member of the ILO and later as a readmitted signatory of the ILO, will have to ensure that resolutions, agreements and conventions of the ILO and its goals are enshrined in legislation, policies and practices (Swanepoel, 1998: 494). The proposed model for institutional capacity creation and the empowerment of designated officials employed in local government will thus have the ILO guidelines as a fundamental cornerstone and point of departure. This places special focus on international influences, specifically the influence of the ILO on South African legislation and thus on labour policies.

• *Republic of South Africa Act, 1961 (Act No. 32 of 1961);*

3.3 NATIONAL INFLUENCES

• *Constitution Act, 1993 (Act No. 110 of 1993);*

• *Constitution of the Republic of South Africa Act, 1996 (Act No. 200 of 1996);*

An analysis of the national environmental influences follows. Specific attention is paid to the constitutional- and statutory environmental influences.

1996).

3.3.1 CONSTITUTIONAL ENVIRONMENT

Each of these constitutions reflected the government's views on the role of 'the

In South Africa the *Constitution, 1996* is the supreme law of the country (Section 2). No piece of legislation, policy, practice or conduct may be in conflict with the statutory prescriptions of the Constitution. It is therefore relevant to analyse the constitutional provisions. A historic introduction will be provided as the present Constitution is the result of political and other developments that have taken place over centuries. The effects of the new constitutional dispensation on local government will be analysed, particularly the constitutional guidelines and principles with a specific bearing on co-operative government and intergovernmental relations. Reference will also be made of non-discriminatory measures enshrined in the *Constitution, 1996* and of similar directives of non-discrimination in the *Federal Republic of*

Germany Constitution, 1949 as examples of efforts in other countries to eradicate discrimination in employment policies and practices.

(a) Historic development

South Africa had five constitutions between 1910 and 1996 (a period of 86 years). These are:

- The *South Africa Act, 1909* which led to the formation of the Union of South Africa;
- *Republic of South Africa Act, 1961* (Act No. 32 of 1961);
- *Republic of South Africa's Constitution Act, 1983* (Act No. 110 of 1983);
- *Constitution of the Republic of South Africa Act, 1993* (Act No. 200 of 1993); and
- *Constitution of the Republic of South Africa Act, 1996* (Act No. 108 of 1996).

Each of these constitutions reflected the government's views on the role of the state and the framework within which policies are to be formed. Therefore the present *Constitution, 1996* serves as the framework for the labour policies in general and for the requirements local government have to meet in this regard.

(b) Constitutional provisions for local government

The *Constitution, 1996* recognises local government as a distinct sphere of government with executive and legislative authority to be exercised within the scope of national and provincial legislation (Section 151). The *Constitution, 1996* grants local authorities the right to govern their own affairs with

minimum interference from national and provincial government (Section 151). The *Constitution, 1996* confirms the autonomy of the respective municipalities (Section 156). The Act further promotes the establishment of municipal areas to cover the total area of South Africa, by providing for different categories of municipalities.

(c) **The Constitution as a catalyst for change**

Changes that take place in the constitutional environment are reflected in the constitution of a country. The earlier constitution of the Republic of South Africa, namely *Republic of South Africa's Constitution Act, 1983* (Act No. 110 of 1983) for example - had a racially based foundation for service delivery, labour deployment and the procurement of labour. Specific statutory prescriptions enforced a policy of segregation. The *Constitution, 1996* and the statutes analysed in this thesis, however, strive to bring about a dispensation that differs radically from the one described above. This is due to large-scale transformation that took place after the first democratic national elections held on April 27-28, 1994. The *Constitution, 1996* makes provision for a non-racial, integrated Republic of South Africa and makes provision for the fundamental rights of all individuals in society. This implies that every person in the community has the right to equal treatment (Section 1). This fact alone has a major impact on human resource management and personnel practices.

(d) **The new constitutional dispensation for local government**

Local government is a creation of statute (*Constitution, 1996* Section 151-164) and should therefore adhere to the Constitution. The *Constitution, 1996*

read in conjunction with the *White Paper on Local Government, 1998* facilitates the total restructuring of local government and makes provision for a system of developmental local government (Section 153). Constitutional provisions for the development orientated powers and functions delegated to local government are made. A municipality must administer its area of jurisdiction to give priority to the basic needs of the community, and to promote the social and economic development of the community (Section 153 (a)).

(e) **Constitutional provisions for human resource management**

The constitutional provisions and statutes created imply that the management of human resources and the formulation of related policies and management practices must be transformed. It makes provision for a system of total re-engineering and remodelling of human resource practices in all spheres of government.

The constitutional requirements concerning human resources in local government in particular, include *inter alia*:

- employment must be open to all South Africans (Section 3 (2) (a));
- equality between race groups, male and female and people with disabilities must be promoted (Section 9);
- everyone has inherent dignity and the right to have their dignity respected and protected (Section 10);
- everyone has the right to freedom of association (Section 18);
- everyone has the right to fair labour practices (Section 23 (1));
- everyone has the right to adult basic education (Section 29 (1) (a));
- everyone has the right to administrative action that is lawful, reasonable and procedurally fair (Section 33 (1));

- a municipality must participate in national and provincial development programmes (Section 153 (b));
- good human resource management and career-development practices, to maximise human potential, must be cultivated (Section 195 (1) (h));
- public administration must be development oriented (Section 195 (1) (c));
- people's needs must be responded to (Section 195 (1) (e)); and
- public administration must be broadly representative of the South African people, with the employment and personnel management practices based on ability, objectivity, fairness, and the need to redress the imbalances of the past to achieve broad representation (Section 195 (1) (i)).

(f) Non-discriminatory constitutional provisions

The *Constitution, 1996* adopted in Section 9 (3) the International Labour Organisation's directives on discrimination (par. 3.2 *supra*). These non-discriminatory constitutional provisions have to be honoured by local government as well.

(g) Universal application of non-discriminatory provisions

Although this study does not endeavour to be comparative, limited references to other countries are made to substantiate statements. In this particular case, reference is made to Germany.

The non-discriminatory provisions (par. 3.2 *supra*) are enshrined in many constitutions all over the world. An example that could be cited is The Basic Law of the Federal Republic of Germany, 1949 (the Constitution of Germany) which provides a constitutional framework for a new democratic

system that, as in South Africa, directs the statutory, institutional, administrative and political systems (Fallon, 1998: 17). (Since October 3, 1990 the *Basic Law, 1949* has been valid for the whole nation of the United Federal Republic of Germany).

The *Basic Law, 1949* enforces the general principle that:

...all people are equal before the law by providing that no one shall be prejudiced or favoured because of their sex, birth, race, language, national or social origin, faith, religion or political opinions, nor may anyone be discriminated against on account of their disability. It expressly states that: ... men and women have equal rights and that all Germans are equally eligible for any public office.

Pride of place in the constitution is also given to a *Charter of Basic Rights* (applicable to German citizens and foreigners) which obliges the state to respect and protect the dignity of man. It furthermore ensures comprehensive protection against unconstitutional and unlawful interference by the state and all of its agencies. Basic rights are directly enforceable laws. The basic rights and freedoms as well the commitment to protect the dignity of man in the constitution of the Federal Republic of Germany are provisions of the *Basic Law, 1949* that may not be changed. The non-discriminatory constitutional provisions in the Federal Republic of Germany quoted above, provides an indication that such provisions could be implemented. It could, therefore, be argued that the following provision could indeed be implemented in South Africa.

(h) Constitutional provisions regarding non-discriminatory labour practices

The *Constitution, 1996, inter alia*, provides for the following measures to enforce non-discriminatory labour practices:

- employment must be accessible to all South African citizens which meet the criteria and requirements (Section 3 (2) (a));
- no unfair discrimination may take place (Section 9 (3));
- qualifications, level of training (also prior learning), worthiness, competency and capability of persons who qualify for a specific appointment, promotion or transfer must be taken into account in the appointment process or the filling of a vacancy (Section 195 1(i));
- appointments must be made in such a fashion that the composition of the workforce is representative and ultimately reflect the society that is served (Section 195 (1) (i));
- human resource procurement must be conducted in a fair manner with equality between men, women and the respective races in support of effective public administration (Section 9);
- human resource evaluation must be objective, unbiased, career-orientated, non-discriminatory and culture free according to fair and just management principles (Section 195 (1) (h));
- administrative justice must take place (Section 195 (1) (f));
- fundamental rights and the right of fair labour practices must be respected (Section 7 and S 23 (1)); and
- the actions and behaviour of any professional official or political office bearer may not result in improper prejudice or benefit and such a person

may not be guilty of incompetent, impolite or dishonest conduct or inexcusable delays (Section 195 (1) (a)).

It could be argued that the *Constitution, 1996* fully recognises the international requirements for non-discriminatory labour practices. These requirements have to be adhered to by local government as well.

(i) Constitutional provision for further legislation

The *Constitution, 1996* provides for other enabling legislation to be made by legislators. The constitutional provision for local government and employees attached to such institutions, described above, are therefore supported and extended by specific legislation that flow from constitutional provisions. Relevant laws flowing from the *Constitution, 1996* are described below.

3.3.2 STATUTORY PROVISIONS

The statutory environment as an extension of the constitutional environment is influenced by the constitution of the particular state. It implies that legislation, policy, human-resource and career-development practices that previously discriminated because of the provisions of the earlier constitutions of the Republic of South Africa, such as the *Republic of South Africa's Constitution Act, 1983* (Act No. 110 of 1983), had to be altered and adapted. The former dispensation was changed to coincide with the spirit of the new constitutional framework as provided for in the new *Constitution, 1996*. The *Constitution, 1996* makes provision for a non-racial (Section 1), integrated Republic of South Africa and makes provision for the fundamental rights of all individuals in society (Section 7). Societal values such as non-

discrimination are therefore contained in legislation such as Section 5 (1) of the *Labour Relations Act, 1995* (Act No. 66 of 1995) read in conjunction with Section 9 (3) of the *Constitution, 1996*. The *Constitution, 1996* therefore provides a point of departure as well as a structure for the development of a model and for supporting policy to obtain institutional capacity and empowerment of designated employees of local government for example the Greater Pretoria Metropolitan Council.

(a) Provisions for the advancement of designated employees

The *Labour Relations Act, 1995* (Act No. 66 of 1995) within the broad parameters of the *Constitution, 1996* determines *inter alia*:

- no discrimination against an employee (Section 5 (1));
- protection of the rights of applicants (Section 5 (3)), part-time and temporary workers (which are included in the development of the proposed management model);
- participation must be optimised specifically concerning measures designed to protect and advance persons from the designated groups (Section 79 (d)) and (Section 86 (c));
- the interests of workers must be protected and promoted (Section 79 (a)); and
- workers must be consulted on suggestions regarding training (Section 84 (1)).

The *Labour Relations Act, 1995* (Act No. 66 of 1995) - in accordance with the *Constitution, 1996* par. 3.3.1(g) - furthermore enforces the International Labour Organisation's conventions on the prevention of discrimination in the

workplace (paragraph. 3.2 *supra*), and stipulates in Section 187 (1) that no employer may discriminate directly or indirectly against any employee, on the grounds listed, however, not limited to these grounds.

(ii) *Affirmative action, non-discrimination and equity*

Other countries have special legislation to enhance the protection and advancement of employees as set out above. The Federal Republic of Germany can be cited as an example. All workers (German nationals and foreigners) are protected by a *Bill of Human Rights* in the *Constitution, 1949* which prohibits discrimination. German nationals have freedom of choice and practice of an occupation or profession and protection from forced labour. In the years since the creation of the Federal Republic of Germany, a whole range of special labour laws have been enacted to provide the citizen with various financial benefits in the event of discrimination, sickness, accident, invalidism and unemployment, as well as after retirement. Labour legislation in the Federal Republic of Germany embraces a variety of laws and collective agreements. However, it is largely based on case law. It includes in particular the *Collective Wage Agreements Act*, the *Protection Against Dismissal Act* and the *Works Constitution Act* as well as the various laws on the labour courts.

(b) **Provisions for equity**

(i) Fundamental Role of the *Employment Equity Act, 1998* (Act No. 55 of 1998)

As stipulated in the introductory part of the thesis, the *Employment Equity Act, 1998* (Act No. 55 of 1998) and the *Skills Development Act, 1998* (Act No. 97 of 1998 - par. 3.3.2 (c) *infra*) play a fundamental part in improving

institutional capacity and the empowerment of designated employees in local government.

Chapter 2 of the *Employment Equity Act, 1998* (Act No. 55 of 1998) deals

(ii) Affirmative action, non-discrimination and equity Chapter 2, Section 5

of the *Employment Equity Act, 1998* stipulates that every employer must take

The *Employment Equity Act, 1998* regulates affirmative action and equity in the workplace. The Act highlights the fact that the constitutional provisions for affirmative action, non-discrimination and equity are key priorities for the national government. It is expected of local government as part of the so-called larger designated employers to play a substantial role in the empowerment of, *inter alia*, designated employees.

• appointments and the appointment process;

(iii) Main objectives of the *Employment Equity Act, 1998* (Act No. 55 of 1998)

• remuneration, employment benefits and terms and conditions of employment;

The *Employment Equity Act, 1998* (Act No. 55 of 1998) has the following main objectives:

• working environment and facilities;

- the advancement of equal opportunities and fair conduct;
- elimination of unfair discrimination;
- the implementation and enforcement of affirmative action measures;
- the optimisation of the representation of designated employees (it is Black people - Africans, Coloureds, and Indians - women and employees with disabilities) that have previously been disadvantaged, in all vocational groupings and on all levels of the institution; and
- the implementation of employment equity plans.

Chapter 2, Section 6(1) of the *Employment Equity Act, 1998* (Act No. 55 of 1998) stipulates that:

(iv) Operational requirements of the Act

Chapter 2 of the *Employment Equity Act, 1998* (Act No. 55 of 1998) deals primarily with the prohibition of unfair discrimination. Chapter 2, Section 5 of the *Employment Equity Act, 1998* stipulates that every employer must take steps to promote equal opportunity in the workplace by eliminating unfair discrimination in any employment policy or practice. Chapter 1, Section 1 of the *Employment Equity Act, 1998* defines *employment policy or practice* to include, but not to be limited to:

- recruitment procedures, advertising and selection criteria;
- appointments and the appointment process;
- job classification and grading;
- remuneration, employment benefits and terms and conditions of employment;
- job assignments;
- the working environment and facilities;
- training and development;
- performance evaluation systems;
- promotion;
- transfer;
- demotion;
- disciplinary measures other than dismissal; and
- dismissal.

Chapter 2, Section 6(1) of the *Employment Equity Act, 1998* (Act No 55 of 1998) stipulates that:

no person may unfairly discriminate, directly or indirectly, against an employee.

Any employment policy or practice relevant to the aspects set out in the Act under the definition of “employment policy or practice” and any other relevant policy or practice in existence in the workplace, relevant to employees, shall be deemed to be included. It could be argued that the *Employment Equity Act, 1998* (Act No. 55 of 1998) fully recognises the international requirements for non-discriminatory labour practices. These have to be adhered to by local government as well.

Of particular importance for this thesis is to take note of what is considered to constitute affirmative action measures. Section 15(1) of the *Employment Equity Act, 1998* (Act No. 55 of 1998) stipulates that affirmative action measures are measures designed to ensure that suitably qualified people from designated groups have equal employment opportunities and are equitably represented in all occupational categories and levels in the workforce of a designated employer. This indicates that local government should develop an enabling framework and policies to ensure that the appointment and advancement of suitably qualified designated employees take place on all levels.

Section 15(2) of the *Employment Equity Act, 1998* (Act No. 55 of 1998) stipulates that affirmative action measures implemented by a designated employer must include:

- measures to identify and eliminate employment barriers, including unfair discrimination, which adversely affect people from designated groups;

- measures designed to further diversity in the workplace based on equal dignity and respect of all people;
- reasonable accommodation for people from designated groups in order to ensure that they enjoy equal opportunities and are equitably represented in the workforce of a designated employer;
- preferential treatment and numerical goals, but excluding quotas;
- measures to ensure the equitable representation of suitably qualified people from designated groups in all occupational categories and levels in the workforce;
- to retain and develop people from designated groups; and
- to implement appropriate training measures, including measures in terms of an act of Parliament providing for skills development.

(c) Provisions for equality

Apart from the more general affirmative action measures cited above, the *Employment Equity Act, 1998* (Act No. 55 of 1998) makes provision for more specific measures of particular importance for the study. These specific affirmative measures are:

- appointment of members from designated groups;
- increasing the pool of available candidates;
- training and development of people from designated groups;
- promotion of people from designated groups;
- retention of people from designated groups;
- reasonable accommodation for people from designated groups;
- steps to ensure that members of designated groups are appointed in such positions that they are able to meaningfully participate in the corporate decision-making processes;

- steps to ensure that the corporate culture of the past is transformed in a way that affirms diversity in the workplace and harnesses the potential of all employees; and
- any other measures arising out of the consultative process.

The employer is under no obligation to introduce an absolute barrier relating to people who are not from designated groups, for example having a policy of not considering white males at all for promotion or excluding them from applying for vacant positions. This will play a fundamental part in obtaining institutional capacity as white male employees, for purposes of this thesis, will play an important role in the empowerment of designated employees.

(c) Provisions for equality

Provisions for equality, the protection and the advancement of designated employees are made in the *Promotion of Equality and Prevention of Unfair Discrimination Act, 2000* (Act No. 4 of 2000).

(i) Constitutional provision for equality legislation

Section 9 of the *Constitution, 1996* provides for the enactment of national legislation to prevent or prohibit unfair discrimination and to promote the achievement of equality. It is against this backdrop that the Act came into being.

- the engagement in any activity which is intended to promote, or has the effect of, maintaining exclusive control by a specific race group (Section 7(c));
- the provision of inferior services to any racial group compared to those of another racial group (Section 7(d));
- the denial of access to opportunities (Section 7(e));

(ii) Purpose of the act

It is necessary to consider the purpose of the Act and its impact on the development of a model for capacity creation and the empowerment of designated employees. The main purpose of the *Promotion of Equality and Prevention of Unfair Discrimination Act, 2000* (Act No. 4 of 2000) as set out in Section 2 read with the preamble of the said Act is:

- to prevent and prohibit unfair discrimination;
- to promote equality;
- to prevent unfair discrimination;
- to provide measures for the eradication of unfair discrimination; and
- to provide for procedures to determine when discrimination is unfair.

(iii) Prohibition of unfair discrimination

The Act specifically prohibits unfair discrimination on ground of race, gender and disability, including:

- the engagement in any activity which is intended to promote, or has the effect of promoting exclusively based on race (Section 7(b));
- the exclusion of persons of a specific race group under any rule or practice that appears to be legitimate but which is actually aimed at maintaining exclusive control by a specific race group (Section 7(c));
- the provision of inferior services to any racial group compared to those of another racial group (Section 7(d));
- the denial of access to opportunities (Section 7(e));

- prohibition based on gender (Section 8); and
 - failing to eliminate obstacles that unfairly limit or restrict persons with disabilities from enjoying equal opportunities or failing to take steps to reasonably accommodate the needs of such persons (Section 9).
- (iv) Fair discrimination for purposes of affirmative action

The Act (Section 14) stipulates that it is not unfair discrimination to take measures designed to protect or advance persons or categories of persons disadvantaged by unfair discrimination or the members of such groups or categories of persons.

The cited sections of the act leads to the conclusion that employers such as municipalities should introduce measures to prevent unfair discrimination and it provides an enabling framework to take the steps required to protect and advance designated employees (one of the objectives of the proposed management model).

(d) Education and training provisions

Legislation was promulgated to make provision for the education and training related needs of designated employees in the *Skills Development Act, 1998* (Act No. 97 of 1998).

(i) Purpose of the *Skills Development Act, 1998* (Act No. 97 of 1998)

The purposes of the Act (Section 2) are, *inter alia*, to:

- develop the skills of the workforce;

- improve the quality of life of workers;
- improve productivity in the workplace;
- increase the levels of investment in education and training;
- use the workplace as an active learning environment;
- provide employees with the opportunities to acquire new skills;
- provide opportunities to gain work experience;
- employ persons who find it difficult to be employed;
- encourage workers to participate in learnerships and other training programmes;
- improve the employment prospects of persons previously disadvantaged by unfair discrimination and to redress those disadvantages through training and education; and
- ensure the quality of education and training in and for the workplace.

It could be argued that the provisions contained in the *Skills Development Act, 1998* (Act No. 97 of 1998) provide an enabling environment that could be utilised by employers such as municipalities to empower designated employees. Opportunities are created within this environment for designated employees to improve their quality of life, prospects for work and labour mobility. Designated employees could, through the implementation of this legislation, actively participate in learnerships and other training programmes. This could improve productivity in the workplace and result in better service delivery.

The *Skills Development Act, 1998* (Act No. 97 of 1998), furthermore makes provision for learnerships. Learnerships within the broad parameters of the said Act are formal learning programmes that link theoretical learning and structured workplace experience to prepare employees and the unemployed

(ii) Statutory provisions

The *Skills Development Act, 1998* (Act No. 97 of 1998), *inter alia*, determines:

- all the training that will be provided will have to comply with Sector Skills Programmes (SSP);
- institutions will have to ensure that all training programmes are aligned to Outcomes Based Education and Training (OBET);
- learners must be enabled to become competent against national standards;
- all training programmes must:
 - be occupationally based;
 - be credit bearing on the National Qualifications Framework (NQF);
 - and
 - be delivered by an accredited education and training provider and comply with the prescribed requirements.

This indicates that the training and development endeavours of local government, particularly the advancement of designated employees should comply with the overarching, occupational and accreditation requirements of the *Skills Development Act, 1998* (Act No. 97 of 1998).

(iii) Learnerships

The *Skills Development Act, 1998* (Act No. 97 of 1998), furthermore makes provision for learnerships. Learnerships within the broad parameters of the said Act are formal learning programmes that link theoretical learning and structured workplace experience to prepare employees and the unemployed

with the relevant skills and knowledge required to perform competently in an occupation for which there is a clear demand. The learnership consists of a structured learning component. The learnership includes practical work experience of a specified nature and duration. The employer has the following statutory obligations:

- employ the learner for a period specified in a learnership agreement;
- provide the learner with specified practical work experience; and
- release the learner to attend the education and training specified in the agreement.

The learnership provision indicates that employers such as municipalities can empower designated employees through the provision of education and training and practical work experience while the said employees are working for the employer. This provides an opportunity for structured work experience and remuneration for designated employees. The employers, such as municipalities, have the following benefits when entering into formal learnership agreements:

- it facilitates the use of the services of the learner;
- it creates an effective pre-employment screening device as learners are evaluated in the working environment;
- it allows institutions to align new skills to precise institutional specifications;
- it leads to reduce recruitment costs; and
- it contributes towards social responsibility of the institution.

(e) Funding of education and training

The *Skills Development Levies Act, 1999* (Act No. 9 of 1999) has an important influence on local government institutions. The reason being the financial resources that will become available for education and training through the implementation of the Act, the increase of labour productivity and the redress of skills shortages.

(i) Aim of the Act

The main aim of the *Skills Development Levies Act, 1999* (Act No. 9 of 1999), is to obtain and redistribute sufficient funds for relevant skills training. It focuses on the improvement of productivity in the workplace and the advancement of the competitiveness of employers. The Act was promulgated, *inter alia*, to redress the critical skills shortages within local government and other sectors. The Act makes provision for pay back incentives to encourage employers to participate and in so doing capacitate and empower, *inter alia*, designated employees. Measures are introduced in the Act to assign funds to be utilised as operational costs by education and training authorities. It furthermore provides legislation for skills development and the empowerment of designated employees. The deduction that could be made from the above, is that the *Skills Development Levies Act, 1999* (Act No. 9 of 1999) read with the *Skills Development Act, 1998* (Act No. 97 of 1998), are skills development legislation that were introduced in an attempt to improve and develop the skills of South Africa's mainly unskilled labour force. It furthermore is an attempt to develop and promote the quality and advancement of education and training in South Africa.

(ii) Obligation to pay levy

Designated employers become liable according to the *Skills Development Levies Act, 1999* (Act No. 9 of 1999) to pay a skills development levy to the Sector Education and Training Authority (SETA) co-ordinating the relevant sector. Local government is designated to the Local Government, Water and Related Functions Sectoral Education and Training Authority (SETA).

(iii) Amount of the Levy

The *Skills Development Levy Act, 1999* (Act No. 9 of 1999), determines that the levy payable from April 1, 2000 will be 0,5 % of the institution's wage bill. This will be doubled to 1 % on April 1, 2001.

(iv) Contributions towards grants and learnerships

During the first year (April 1, 2000 - March 31, 2001) 20 % of the contributed levy of the employer's levy contribution will go to the National Skills Fund.

The levy will, *inter alia*, be used for the:

- development of learnerships for the sector; and
- grants to training providers and workers.

(v) Claim back of percentages of the levy

According to Strong (1999: 5), employers who meet the statutory requirements can claim back a relative large percentage of the said levy. Fifty percent will be available as grants for employers that could be claimed back.

The *Skills Development Levy Act, 1999* (Act No. 9 of 1999) analysed above makes provision for an additional annual compulsory training levy on the total salary budget. This levy is in addition to the costs that local government institutions pay for their own internal training incentives. The *Skills Development Levy Act, 1999* (Act No. 9 of 1999) makes special provision for and targets the unemployed, new entrants to the labour market and designated employees to be advanced and prepared for the labour market. This is achieved through a system of career planning, career management, career development, mentor-/learnership programmes and affirmative action-, skills- and competency training. The secondary aim of the programme is to promote productivity. It is focused specifically on the substantive number of unemployed individuals of the population in the labour-active age group and designated employees.

The statutory programmes for designated employees will be costly and time consuming and will only produce sufficient human resources in the long term. If the *Skills Development Levy Act, 1999* (Act No. 9 of 1999) is scrutinised, it is clear that a large additional financial burden of between 0,5% and 1% of the salary bill is placed on municipalities. In the case of the Centurion Metropolitan Local Council this levy amounts to R1 460 913 from April 1, 2001, i.e. 1% of the total human resource budget (Van Wyk, 2000). The R1 460 913 that Centurion Metropolitan Local Council has to pay towards the

compulsory Skills Development Levy could, for example, be used for the filling of positions that are required to render services to an enlarged area of jurisdiction. Twenty-three (23) additional Learner Emergency Officer positions (i.e. schooled positions) could be created on the permanent staff establishment, filled and financed for one financial year. (Learner Emergency Officers are remunerated on a job level 14. The qualifications and work experience required for these positions are standard ten (10) plus two years experience. Incumbents of the said positions qualify for a basic salary of R38 460 and the successful applicants receive the following benefits apart from the basic salary:

- housing;
- pension; and
- medical aid.

The deduction that could be made from the above is that the additional levy would result in a substantial amount that the Centurion Metropolitan Local Council would have to budget for on an annual basis. It was indicated earlier in the dissertation that municipalities such as the Centurion Metropolitan Local Council have limited financial resources to satisfy the increasing needs of society.

Implementing this requirement of the *Skills Development Levy Act, 1999* (Act No. 9 of 1999) and other acts will be time consuming, labour- and capital intensive. However, a true constitutional democracy needs capacitated competent human resources, and this has to be weighed against the effect of the levy on the employers.

The following constructive criticism could be given:

- Compensating funds are not made available by national and provincial governments to implement the statutory stipulations and to deliver delegated functions such as empowerment and advancement of designated employees.
- No substantial effort concerning financial and human resources is made to assist local government to adhere to the increasing development demands and realities that modern local governments are faced with.
- Statutory progressive programmes enforced by legislation do not, in the short term, provide local government with sufficient capacitated and competent human resources that meet affirmative action, equity and other requirements.
- Implementation of special programmes to advance the designated groups are implemented too hastily, which may result in officials who should still be on a learning curve being appointed in positions for which they are not ready for. This results in a loss of productivity and could detrimentally affect service delivery.
- Experienced qualified officials are forced out of institutions before replacements are ready.
- Affirmed public sector officials who are competent, multi-skilled and experienced are always in demand and the so-called *public auctions* for employees result in a relative high staff turnover which weakens the output of institutions.

In obtaining institutional capacity and the empowerment of designated local government employees, cognisance should be taken of these realities and shortcomings and alternatives should be proposed to avoid fruitless exercises.

3.4 REGIONAL INFLUENCES

Agreements by the South African Local Government Bargaining Council (SALGBC) and the Greater Pretoria Bargaining Council Division (GPBCD) on affirmative action, employment equity and the advancement of designated employees, as well as the relevant policies, will have to be taken into consideration. This due to the fact that it has a direct influence on obtaining institutional capacity creation and the empowerment of designated local government employees. Standardised policies also exist in the Greater Pretoria Metropolitan Area which are implemented by the respective metropolitan local councils. The influence thereof should be explored in detail when the management model is implemented.

3.5 CONCLUSION

Due to the changes that took place in the constitutional environment enshrined in the *Constitution, 1996*, specific emphasis is placed on the advancement and protection of the fundamental rights of people. This entails, *inter alia*, the right to equal treatment and the eradication of discrimination against race and culture groups. Management models, personnel policy and procedures should therefore be analysed to ensure that it is in line with the constitutional provisions.

The statutory environment that flows out of the constitutional environment has a major influence on the development of a model for the creation of institutional capacity and the empowerment of designated local government employees. The statutory environment impacts on employment practices such as industrial relations, collective agreements and metropolitan council labour

policies. The provisions and stipulations of these agreements and policies will have to be analysed and will have to be considered to empower designated local government employees. The continuously changing environment brings escalating demands to local government. Creative and innovative solutions for the advancement and empowerment of designated employees will have to be found.

In this chapter the exposition of a model for the creation of institutional capacity and the empowerment of designated local government employees is described. It will be indicated that broad affirmative action measures (such as education and job growth) should be introduced in tandem with narrow affirmative action measures (such as the creation of equality within the specific local government institution). The capacity creation measures introduced include strategies to address and remove the barriers that resulted in under-representation of designated employees in the organisational structure. It has as a specific focus the accelerated advancement (appointment, promotion, retention and progress) of designated employees. The proposed management model to facilitate change is based on, and serves as a culmination of the findings from the literature review, data collection, data analysis, data integration and the results of the research.

4.2 MANAGEMENT MODEL

A management model is a simplified abstract of reality with the purpose to describe, explain and predict a given situation (Harrison, 1981: 495). It can also be described as a simplified presentation of selected aspects of a problem and has the purpose to propose particular steps (methods) according to which specific problems could be addressed (Dunn, 1994: 152). Models propose possibilities to solve problems in a given situation (Quade, 1989: 137). A

CHAPTER 4

INSTITUTIONAL CAPACITY CREATION AND EMPOWERMENT

4.1 INTRODUCTION

In this chapter the exposition of a model for the creation of institutional capacity and the empowerment of designated local government employees is described. It will be indicated that broad affirmative action measures (such as education and job growth) should be introduced in tandem with narrow affirmative action measures (such as the creation of equality within the specific local government institution). The capacity creation measures introduced include strategies to address and remove the barriers that resulted in under-representation of designated employees in the organisational structure. It has as a specific focus the accelerated advancement (appointment, promotion, retention and progress) of designated employees. The proposed management model to facilitate change is based on, and serves as a culmination of the findings from the literature review, data collection, data analysis, data integration and the results of the research.

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model creates a scientific and theoretical base for the development of policy and provides guidelines according to which problems could be solved (Odendaal, 1995: 194). Other municipalities that experience similar problems could therefore use the proposed model and as designated employers have to implement employment equity legislation. An effective management model, according to Roodt (1999: 242), can assist management to simplify the complexity of the change process currently being experienced in local government.

Models or modelling can be useful in giving insight into and understanding of policy-related issues and forecasting. Models are nothing more than instruments in the hands of the policy analyst (or researcher) who studies environmental phenomena and the relationship between different sets of variables systematically and according to a particular method. The choice of a particular model is the prerogative of the researcher, and is in part of reflection of the inevitable subjectivity present in any scientific research. The latter also applies to the policy analyst who, on account of particular factors present, decides on a specific model for policy analysis (Roux, 1998 L 13; cf. and House, 1982 : 109).

In more understandable terms, a model is a *symbolic representation* (example or image) of a particular phenomenon (Hoos, 1972 : 125). Models are more concrete and physically discernible in the natural sciences, for example a scale model of an envisaged dam construction project or a scale model of a spacecraft, but this is not necessarily the case in the human or social sciences. In the latter instance, a model is a more abstract presentation or framework of particular events, such as a model of an open system or a model of

formulation of policy or policy alternatives. In this case, models are often regarded as synonymous with theories (Gregor, 1971 : 179).

Quade (1989 : 140) describes a model as follows:

A model ... is a substitute for reality ... A representation of reality that is, hopefully, adequate for the problem at hand. It is made up of factors relevant to a particular situation and to the relationship between them. We ask questions of the model and from the answers we hope to get some clues to guide us in dealing with the part of the real world to which the model corresponds.

As mentioned before, models are only aids or instruments in the hands of the researcher. A model is therefore a realisation or abstraction of the real world, and in the words of Quade (1975 : 142, cf. also Quade, 1989 : 140), "an incomplete representation of the real thing ... an imitation of reality".

As imitations of reality, there are particular models that could be utilised for policy analysis. As these models correspond to a large extent to the models for policy formulation and decision-making, only a broad classification will be provided in the following discussion.

Models can be used either descriptively or prescriptively. Descriptive models are the outcomes of the empirical approach in research. The following models are frequently used in a descriptive way:

- Functional process model;
- Elite/mass model;
- Group model;

- Systems model; and
- Institutional model;

Prescriptive models are the outcomes of the normative approach in research. They frequently include the following (Hanekom, 1992 : 77; cf. Dye, 1995 : 18-40):

- Incremental model;
- Rational model; and
- Mixed scanning model;

As mentioned before, models are only aids or instruments in the hands of the policy analyst. The analyst chooses the type of model he intends to use, and circumstantial factors play a decisive role in this choice. Although the choice of a model partly involves subjectivity, the policy analyst should endeavour to maintain the greatest degree of objectivity during the analysis.

4.3 BENEFITS OF A MANAGEMENT MODEL

Odendaal (1995: 194) rightfully argues that the first benefit of a management model is that the model can be conceptualised and understood. The benefit of such a model is thus that problems that are identified in the external environment and problems that are experienced because of the internal environmental factors (organisational structures and internal institutional arrangements) can be made understandable. Problems can be distinguished and analysed within the broad framework of the management model (Dunn, 1994: 152). Furthermore, management models provide a frame of reference within which identified problems can be addressed and resolved (Harrison,

1981: 388). Roodt (1999: 234) indicates that management models can be useful instruments for management to conceptualise, understand and address complex multi-dimensional challenges brought about by statutory prescribed institutional change in local government. According to the author, it specifies critical elements that demand the attention of management. It furthermore facilitates change management through the identification of alternative actions and the provision of a complete view (total image). Odendaal (1995: 195) postulates that relative accurate predictions concerning future happenings could be made by utilising a management model. A further benefit of management models is that it can have training value. Policymakers can thus be trained according to the proposed model (Odendaal, 1995: 195).

4.4 REQUIREMENTS OF THE MANAGEMENT MODEL

The management model proposed in this study is compiled in such a manner that it is interactive and integrative. It is of importance that management be made aware, through the proposed model, of the key principles of effective change management. The management model proposed could be used as a guideline for the statutory prescribed human resource related transformation process. A framework is created within which identified problems can be addressed and resolved in a structured manner. One of the requirements is that other South African municipalities can utilise the proposed model for the implementation of similar policy. Employees assigned to local government, through the utilisation of the proposed model, can be managed in such a way that this generates a climate of opportunity and challenge for each employee, within which the individual can most effectively contribute to the fulfilment of the their own goals and those of the institution.

This can be accomplished by:

- creating capacity in the organisational structure and balancing out the under representation of designated employees specifically in the middle and top management structure (as required in the *Employment Equity Act, 1998* (Act No. 55 of 1998));
- having a clear understanding of all the qualities of each employee such as skills, knowledge, potential, aspirations and limitations (as required in the *Skills Development Act, 1999* (Act No. 97 of 1998));
- planning properly for contemporary and future manpower needs (as required in the *Skills Development Act, 1999* (Act No. 97 of 1998)); and
- providing designated employees throughout the institution with opportunities for promotion and for developing their job knowledge, skills and satisfaction (as required in the *Employment Equity Act, 1998* (Act No. 55 of 1998)).

4.5 KEY PHASES OF THE PROPOSED MANAGEMENT MODEL

With the above explanation as background, the different phases of the proposed model is set out in Table 4 below. Three phases, each with several implementation steps, can be identified, namely:

- Phase I: creation of an enabling framework;
- Phase II: capacity creation in the organisational structure; and
- Phase III: empowerment of designated employees.

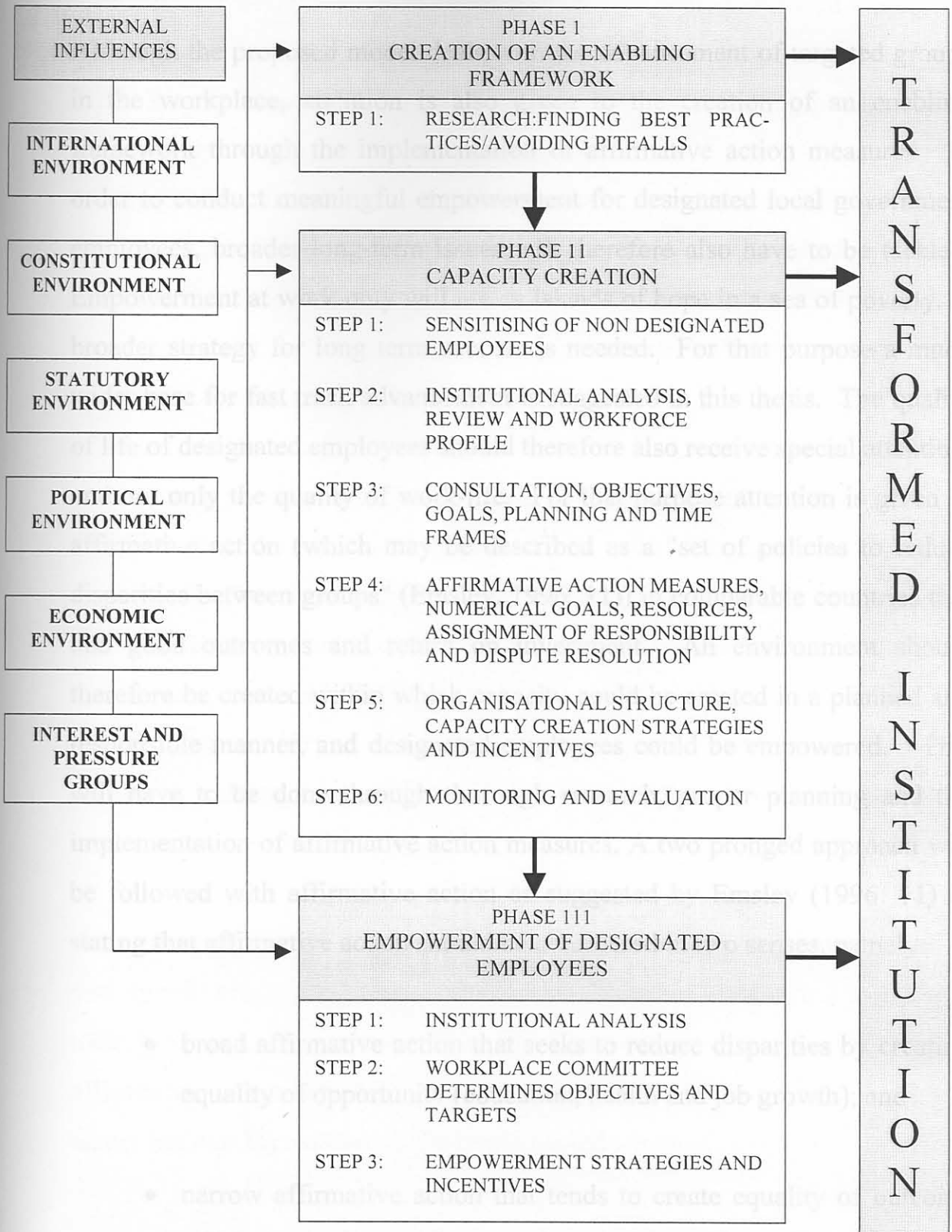
Figure 2: Graphical presentation of key phases of the proposed model

Table 4: Key phases of the proposed management model

PHASE I	CREATION OF AN ENABLING FRAMEWORK
Step 1	Research: Finding best practices/Avoiding pitfalls
PHASE II	CAPACITY CREATION
Step 1	Sensitising of non-designated employees
Step 2	Institutional analysis, review and workforce profile
Step 3	Consultation, objectives, goals, planning and timeframes
Step 4	Affirmative action measures, numerical goals, resources, assignment of responsibility and dispute resolution
Step 5	Organisational structure capacity creation strategies and incentives
Step 6	Monitoring and evaluation
PHASE III	EMPOWERMENT OF DESIGNATED EMPLOYEES
Step 1	Institutional analysis
Step 2	Workplace Committee determines objectives and targets
Step 3	Empowerment strategies and incentives

A graphical presentation of the key phases of the proposed management model is given in Figure 2 below.

Figure 2: Graphical presentation of key phases of the proposed model



4.5.1 PHASE I: CREATION OF AN ENABLING FRAMEWORK

Although the proposed model deals with the advancement of targeted groups in the workplace, attention is also given to the creation of an enabling framework through the implementation of affirmative action measures. In order to conduct meaningful empowerment for designated local government employees, broader long-term issues will therefore also have to be tackled. Empowerment at work only will create islands of hope in a sea of poverty. A broader strategy for long term success is needed. For that purpose a much wider base for fast track advancement is suggested in this thesis. The quality of life of designated employees should therefore also receive special attention, and not only the quality of work-life. For that purpose attention is given to affirmative action (which may be described as a "set of policies to reduce disparities between groups" (Emsley, 1996: 11)) in comparable countries that had good outcomes and return on investment. An environment should therefore be created within which capacity could be created in a planned and responsible manner, and designated employees could be empowered. This will have to be done through thorough research, proper planning and the implementation of affirmative action measures. A two pronged approach will be followed with affirmative action as suggested by Emsley (1996: 11) in stating that affirmative action should be considered in two senses, namely:

- broad affirmative action that seeks to reduce disparities by creating equality of opportunity (education, health and job growth); and
- narrow affirmative action that tends to create equality of outcome within institutions such as local government (the main focus of this dissertation).

In order to do this, research on affirmative action will have to be done to determine the best practices and to avoid pitfalls.

(a) Step 1: Research: Finding best practices and avoiding pitfalls

Although this is not a comparative study, attention is given to the advancement of previously disadvantaged groups in Malaysia and to a lesser extent in India. This is done in order to indicate the importance of particular aspects that will be introduced in the proposed model. Modern research in the globalised world, *inter alia*, requires the study of best practices. In the endeavours to capacitate designated employees, experiences of other countries should therefore be studied. This is required in order to avoid practices that did not work and to avoid pitfalls experienced by older democracies that endeavoured to implement specific policies. It would also be unwise to utilise first world affirmative action and empowerment experiences, such as affirmative action programmes in the United States of America, where affirmative action for a minority only, had to be implemented backed by a strong economy, as a model for Third World countries with weak economies.

The above arguments suggest that affirmative action programmes aimed at society will create a climate conducive for designated employees to excel in their working environment. This will also ensure that the promulgated affirmative action legislation aimed at the advancement of education- and career impaired groups would be implemented.

(i) Economic situation

The state of a country's economy has a direct influence on the ability to give effect to policies. As human resources represent a considerable percentage of the operating budget of any public institution (for example the Centurion Metropolitan Local Council reserve 32% of the operating budget for human resource spending), affirmative action policies rely to a large extent on the employer's ability to fund the policy. In this regard reference to Malaysia confirms this view.

Malaysia had an extensive affirmative action programme implemented over a period of approximately twenty years (Emsley, 1996:1). The Malaysian experience of affirmative action and empowerment contain lessons for South Africa, more specifically the economic lessons and the reality that there are no quick fixes or quick solutions. Not losing sight of the theme of this thesis, however, it must be stated unequivocally that more emphasis should be placed on the funding of affirmative action and empowerment programmes in South Africa. Without the required financial resources no affirmative action and empowerment programme would be successful. It is therefore important to note that one of the key reasons for investigating the Malaysian experience, supported by economic growth as foundation of the programme, is the mere fact that South Africa as a cash-strapped country will fail if it ignores the economic realities in its affirmative action and development programmes.

South Africa is a developing country. The following socio-economical information obtained during the 1996 census highlights this fact. Significant backlogs and poverty in rural areas, specifically in the Northern Province, Eastern Cape and KwaZulu-Natal, were experienced. It was concluded after

studying the census results that the magnitude of welfare services that are needed in South Africa were totally underestimated (Smit in Beukman, 1998: 11). Socio-economical information gained in the South African 1996 census for example indicates that:

- During census night 18% of South African households were living in traditional huts, 17% stayed in shacks and 63% were living in formal houses, flats and rooms. Electricity was available to 58% households while 29% used candles and 13% paraffin respectively. For cooking 47% households used electricity, 23% wood, 22% paraffin, and 3% coal. Just 45% households had taps in their homes (Beukman, 1998: 11).
- Concerning wealth, qualifications, unemployment, opportunity to formal housing and services, Black people are worst off followed by Coloureds, Indians and Whites (Sello, 1998: 5).

This will have to be taken into account for the reason that for South Africa to be successful in its affirmative action and empowerment endeavours it will have to introduce measures to stimulate economic growth. Malaysia could be followed as a model in this regard.

(ii) Racial composition

According to Raslan (cited in Emsley, 1996:1), no one country's experiences are necessarily applicable to another, but it is the considered opinion of the cited author that common ground exists between Malaysia and South Africa. The author gives the following reasons to substantiate the arguments in this

regard: South Africa, notwithstanding the achievement of a relatively smooth political transformation, still faces an economic reality which poses a daunting challenge, and can therefore not ignore the experiences of Malaysia, a country that has succeeded in creating a stable political culture and a thriving, open economy by implementing one of the world's most extensive and successful affirmative action programmes.

Malaysia and South Africa share a potential for race violence and strife that is similar in its complexity and ugliness. Malaysia has escaped the vortex of destruction notwithstanding the stark differences in wealth, education, and income between the various communities from which parallels could be drawn with the South African realities. South Africa can learn much of the progress of Malaysia due to the implementation of an economic policy that works.

Governance and affirmative action, according to the Malaysian approach, is not about the wholesale adoption of one set of policies and political philosophies, but is about an adaptation of policies to meet practical conditions and circumstances, which should be South Africa's approach as well. The resource-based economies and a racial mix are similar in both countries. Malaysia, like contemporary South Africa, grappled with ragged disparities, more specifically between the "haves" (predominantly found in urban areas) and "have nots" (predominantly found in the Malay dominated rural areas) - a chasm that was reinforced by religion, language and the unfortunate skewed government spending towards the urban elite. Malaysia had to find solutions for areas where poverty, malnutrition and illiteracy were the norms which are similar to particular areas in South Africa, for example the Northern Province and Eastern Cape Province. The Northern Province,

according to Erasmus (1995: 71) for example has an unemployment rate of 25% but exceeding 40% unemployment in some areas. The per capita income is by far the lowest in the country. An estimated one third of the inhabitants derive their livelihood from subsistence economy.

Malaysia had under the aegis of the so-called benign British rule, evolved into two almost entirely separate societies masquerading as a unitary nation-state with a clear-cut disparity between races, which brought major underlying tension, poverty, anger and discontentment to the fore - that again is analogous to the South African situation. The South African Government, for example, is confronted with big indifferences and inequalities. South Africa is partly first world and partly third world (Beukman, 1998: 11). A large gap separates these two worlds (Sello, 1998: 5). The considerable socio-economical imbalances between the different provinces, rich and poor, were the overwhelming message of the 1996 census (Beukman, 1998: 11).

A situation in need of major transformation developed similarly to the current scenario in South Africa where the Malays were traditionally the political, though not the economic masters. South Africa can use examples from the Malaysian programme as an instructive lesson on pragmatism and common sense. Large sums of government money, for example, was ploughed into education and training for the Malays (traditionally a disadvantaged grouping), rural health care, agricultural innovations and infrastructure - creating in a period of some twenty years a Malay middle class as wealthy, competent and as competitive as their white neighbours. The previously disadvantaged are now educated, multilingual and well travelled. Education and training provide a stable bedrock to the nation (Raslan in Emsley, 1996:1).

(iii) Socio-economic conditions

Emsley (1996: 7) rightfully argues that Malaysian affirmative action has been both the world's most extensive affirmative action programme and one of its most successful. Twenty-nine years ago the races in Malaysia were in different socio-economic positions, which resulted in mutual suspicion and sometimes hostility. Today the socio-economic circumstances of the indigenous race (Malays) have been transformed. If there is still mutual suspicion and separation, at least hostility has been replaced by a conviction that co-operation offers greater benefits than alternatives such as resistance or departure. If South Africa could achieve the same sort of generally benign socio-economic evolution in the next twenty-five years, as did the Malaysians, the outcome would surely be hailed a great success. One of the key lessons to be learned from the Malaysian affirmative action programme is that even if a policy of affirmative action has been adopted the national interests should prevail. A continued application of affirmative action should therefore not be the ultimate goal, but a means to ensure the recognition of all sectional interests. Another example to be followed is the approach followed in Malaysia to adopt the policy according to circumstances. For example: The Malaysian government initially applied quotas to the public sector, but reduced them over the course of the 1980's (Emsley, 1996: 8).

(iv) Time scales

The Malaysian affirmative action programme (known as the New Economic Policy) extended over a period of twenty years (Economic growth was a key performance area of the affirmative action programme and Malaysia has enjoyed an annual GDP growth rate of over 7% since 1987 (Emsley, 1996:

7)). It took a lengthy period to empower the disadvantaged sectors in Malaysia economically before workplace empowerment could receive the needed attention. Although the ultimate achievements in Malaysia were far-reaching, relatively modest goals and time scales were established at first.

Bekker (1992: 62), using the affirmative action programme in India as an example, argues that "preferential policies for disadvantaged groups" should be implemented over an "extended period". Over ambitious strategies and unrealistic time scales in India led to failure at first and the *Indian Constitution, 1951* had to be amended one year after promulgation (Bekker, 1992: 62).

This indicates that irrespective of the factual position, realities should be considered carefully. This is of particular importance in cases where funds are not readily available to implement drastic policy changes. In South Africa where municipalities are facing numerous challenges, the allocation of funds have to be carefully prioritised and may result in extending the originally envisaged time scale.

(v) Education

Education, according to Emsley (1996: 8), was crucial to enhancing the developmental status of the Malays. Public education expenditure was maintained at a high level over the affirmative action programme period.

(viii) Justification for affirmative action in South Africa

The core justification for affirmative action in South Africa is to redress past injustices (*Employment Equity Act, 1998 (Act No. 55 of 1998)*). Inter-group

(vi) Poverty

Emsley (1996: 8-9) is of the opinion that one of the main achievements of the Malaysian programme was the elimination of poverty. The Malays have been the greatest beneficiaries of the realisation of the goals on poverty reduction. Growth and structural change in the economy were the principal factors in poverty reduction. Government interventions in the economy also helped to reduce poverty. South Africa can benefit by following a programme to eradicate poverty. Poverty is rife in South Africa. Naidoo (1995: 4) states that many rural people experience dire poverty, and lack of access to the most basic services such as water, electricity, sanitation and transport. This viewpoint was supported by a government-commissioned report on poverty (Fisher 1996: 3) which indicated that poverty is not spread over a wide front, but centred mostly in rural areas and certain provinces (The Northern Province, Eastern Cape, North West and KwaZulu-Natal for example are in the low Human Development Index range – that is people's life expectancy and adult literacy used as an indication of capacities and income used to symbolise opportunities (Erasmus 1995: 17)). The report found that 75% of the country's poor live in rural areas, concentrated in the former homelands. During a conference on poverty facilitated by the South African Development Community, Ms. Katherine Marshall (World Bank Director in South Africa) stated that 81% of the country's poorest people stay in rural areas and that **rural poverty in South Africa is the worst in the world** (emphasis added).

(viii) Justification for affirmative action in South Africa

The core justification for affirmative action in South Africa is to redress past injustices (*Employment Equity Act, 1998* (Act No. 55 of 1998). Inter-group

differences in South Africa are clearly visible and it seems beyond question that a major part of these differences is a heritage of past policies, to the extent that this is a case where it is both just and economically rational that measures should be taken to reduce group imbalances and disparities. Creative inter-active policies will have to be developed in South Africa to narrow the large gap. The government has a massive task to create social and economical equity. If this is not done unemployment, crime, corruption and civil discords will escalate. The government will find it more difficult to enhance democracy. Big institutions such as the 843 municipalities and district councils (to be reduced to 284 institutions after the local government elections on December 5, 2000) should be used by government to develop, empower and capacitate the masses. Poverty should be reduced.

(ix) Broad affirmative action and economic growth

Broad affirmative action or reduction of racial backlogs is an objective that should be supported (Emsley 1996: 12). Questions of how best to proceed and over what time-scale, however, are legitimate matters for debate. Without fear for too many opposing views it could be postulated that a dynamically growing productive economy is the foremost need to be satisfied. Such an economy can provide the additional resources needed to reduce backlogs as successful experiences such as the Malaysian affirmative action programme proved over a period of twenty years. However, in South Africa the economy is expected to grow at only 3,4% over the next three years (Manuel 2000: 5), inhibiting the capacity to implement policies.

The alternative approach in South Africa and the irresponsible political rhetoric of the early 1990's of redistribution of existing assets is a static

strategy that would result in economic damage and political instability if pushed too far (Emsley, 1996: 12). Critically, it would also be a slower means of redressing the apartheid heritage, even assuming that the political and economic problems that were associated with redistribution did not plunge the country into a vicious cycle of decline.

A growing and dynamic economy is needed if more opportunities are to be created for the designated sectors of the workforce as suggested. This could, *inter alia*, be attained by the removal of backlogs. This requirement is vital. However, the creation of new job opportunities is limited. Unemployment is a big problem amongst the so-called poorest of the poor in South Africa (Beest, 1996: 11). The unemployed category according to Fisher (1996: 3), is compiled as follows: 95% Black, 5% Coloured and less than 1% Indian and White. Less than 30% of adults are gainfully employed in the formal economic sector. According to Fisher (1996: 3) 25,6 million adults in South Africa must compete for only 9,6 million jobs. Fisher (1996: 3) argues that the high unemployment rate causes more than a million children to have unemployed fathers and more than a million children to have unemployed mothers. Rapiti (in Kroukamp 1995: 195) is of the opinion that the problem of unemployment is more serious than it appears to be, because if it continues and more people become unemployed, it could result in uncontrolled crime and eventually to anarchy.

When raised expectations (for example resulting from unrealistic political promises during local government election campaigns) are dashed by the reality of un- or underemployment, the political consequences may be very negative. A rapidly growing economy, with an appropriate degree of labour, will create corresponding rapid employment growth (Emsley, 1996: 12). This

is a critical factor in containing some of the negative consequences associated with affirmative action within institutions.

(x) Affirmative action and labour productivity

If affirmative action results in an institution lowering its productivity, then aggregate productivity will fall. In the case of local government it can impact negatively on the effective rendering of goods and services. Some scholars, for example Miller (1996: 7), argues that this will contribute to the total collapse of local government institutions in many areas. Individuals appointed that lack the knowledge and skills to perform efficiently, negate efforts to improve productivity. Alternatively, more of the less capable individuals will have to be employed to generate the same output. It could be argued that only capacitated and empowered officials should be appointed (an objective of the proposed empowerment model.)

(xi) A balanced approach towards implementing affirmative action

The negative aspects of affirmative action should be balanced against the positive aspects. It is, however, indicated in this research through citing the Malaysian experience, that the degree of negativity could be substantially lessened if the programme has a justifiable emphasis, a reasonable time-scale and is supported by a rapid growing economy. Affirmative action results in major costs, something not taken into consideration when so-called progressive affirmative action legislation was passed in South Africa (Smit, 1997: 14).

Economic growth is one of the elements of economic development (Mohr & Fourie, 2000:660). Economic development provides opportunities for the reduction or elimination of poverty, inequality and unemployment in a growing economy (Mohr & Fourie, 2000:660). Economic development provides far greater possibilities for absorbing the cost of affirmative action and re-distributive measures. If the Malaysian model was followed in South Africa it would mean that a broader affirmative action strategy, based on economic development, would run concurrently with measures proposed to affirm designated employees.

4.5.2 PHASE 11: CAPACITY CREATION IN THE ORGANISATIONAL STRUCTURE

South Africa has a legacy of discrimination in relation to race, gender and disability. This has denied access to, *inter alia*, opportunities for education, employment and promotion. The *Breakwater Monitor* (July, 1999) (cited in Department of Labour: *Preparing an Employment Equity Plan* (2000: 2), indicates that in management white men and women hold 84% of management positions in South African companies. Men of all races hold 83% of management positions. White employees still constitute about 74% of management promotions and 54% of skilled promotions.

The distorted position and over representation of white males in management positions in the Centurion Metropolitan Local Council is indicated in paragraph 1.3.2 (g) *supra*. Measures should thus be implemented to optimise the representation of designated employees in management positions if employment equity is to be obtained. Recruitment figures show that, in terms of recruitment, black men are most targeted (*Breakwater Monitor* July, 1999 -

cited in the Department of Labour: *Preparing an Employment Equity Plan*, 2000: 2). Managerial and skilled recruitment figures, however, show that white men are still favoured (Department of Labour: *Preparing an Employment Equity Plan*, 2000: 2). For example, managerial recruitment figures show that the recruitment rate for white men is 46% followed by white women at 19% and black men at 18% (Department of Labour: *Preparing an Employment Equity Plan*, 2000: 2). The *Employment Equity Act, 1998* (Act No. 55 of 1998) was promulgated and became effective from December 1, 1998 in order to remove employment-related barriers of the past.

Designated employers, such as municipalities, are required to introduce measures to meet the statutory obligations contained in the Act. Chapter 3 of the *Employment Equity Act, 1998* (Act No. 55 of 1998) lists a series of steps employers are obliged to take to achieve employment equity. Capacity must be created in the organisational structure and policies, practices and working conditions should be reviewed in order to transform the institution and rectify the over representation of white employees in management positions. This, however, should be done in a consultative, voluntary and non-discriminatory manner (section 20 of the *Employment Equity Act, 1998* (Act No. 55 of 1998).

(b) Step 2: Institutional analysis, review and workforce profile

(a) Step 1: Sensitising of non-designated employees

(i) Institutional analysis

International research, according to Emsley (1996: 13), indicates that sensitising should be done beforehand for persons who do not belong to the designated groups. For example, non-designated employees who see that meritocratic procedures are overturned may become demoralised. The non-designated employees have to be included from the start when institutional capacity is created through voluntary early retirement programmes,

incentives, interventions and fixed period mentorship contracts. If non-designated employees believe that their own positions are to be undermined by recipients, they may respond with hostility and attempt to sabotage the process (Emsley, 1996: 13). The most resentful may be those non-designated employees outside the institution who fail to gain entry because of the favouring of affirmed candidates. When these candidates are educated, with marketable skills at an early stage of their career, they may consider employment in other countries, an aspect with destructive potential as evaluated and analysed in the thesis. The reason is that, according to authors such as Emsley (1996: 13), trained and motivated personnel are key factors in economic development and their loss to the country represents a great cost. The proposed model, however, makes provision for the statutory stipulation that the affirmative action measures that are introduced place no obligation on municipalities to introduce an absolute barrier related to people who are not from the designated groups, for example having a policy of not considering white males at all for promotion or excluding them from applying for vacant positions (section 20 of the *Employment Equity Act, 1998* (Act No. 55 of 1998)).

(b) Step 2: Institutional analysis, review and workforce profile

(i) Institutional analysis

An institutional analysis (Section 19 of the *Employment Equity Act, 1998* (Act No. 55 of 1998)) should be conducted for two reasons, namely:

Firstly, to assess all employment policies, practices, procedures, and the working environment, *inter alia*, to identify barriers that may:

- contribute to the under-representation or under-utilisation of employees of designated groups specifically in managerial positions;
- contribute to the lack of affirmation of diversity in the workplace;
- adversely affect designated groups; and
- identify practices or factors that positively promote employment equity and diversity in the workplace.

Secondly, to determine the extent of under-representation of employees from the designated groups in the managerial and occupational categories of the institution.

(ii) Review

Policies, practices and conditions of service should be reviewed. The following are examples of what should be reviewed:

- all employment practices such as recruitment, selection, pre-employment testing and induction;
- practices related to succession planning, obtaining relevant experience, related promotions and transfers; and
- current training and development methodologies and strategies and access to training opportunities.

The following factors should be identified in the review:

- factors that adversely affect employees from designated groups; and

- subtle or indirect forms of discrimination and stereotyping.

All practices should be scrutinised to establish whether they are fair and do not result in unfair discrimination or contribute to the under-representation of designated employees in the organisational structure. Designated employers must, *inter alia*, prepare a profile of their workforce in order to identify problems relating to employment equity (Section 19(2) of the *Employment Equity Act, 1998* (Act No. 55 of 1998)).

(iii) Workforce profile

According to Section 19(2) of the *Employment Equity Act, 1998* (Act No. 55 of 1998), a workforce profile should be established. This should be done for monitoring and comparative purposes by:

- establishing which employees are members of designated groups;
- and
- comparing the number of employees from designated groups with the relevant demographic representation.

Establishing which employees are members of designated groups can be done by obtaining this information from the employees themselves using form EEA 1 of the *Employment Equity Act, 1998* (Act No. 55 of 1998), attached as Annexure B. Demographic information, according to Department of Labour: *Preparing an Employment Equity Plan* (2000: 12-13), are sources of information that employers can use in order to do meaningful comparisons. Forms EEA 8 and EEA 9 of the *Employment Equity Act, 1998* (Act No. 55 of 1998) attached as Annexures C and D respectively, provide information for

comparative purposes. An analysis of the workforce profile should provide a comparison of designated groups by occupational categories and levels to relevant demographic data. Form EEA 2, attached as Annexure E, is useful in establishing the nature of the information the employer should collect and update over time in order to establish a workforce profile and do meaningful comparisons.

(c) **Step 3: Consultation, setting objectives, goals, planning and time-frames**

Consultation (Section 16 and 17 of the *Employment Equity Act, 1998* (Act No. 55 of 1998) should start as early as possible (Department of Labour: *Preparing an Employment Equity Plan, 2000: 9*). This is required to consult and reach consensus with stakeholders on matters such as:

- the conduct of an analysis (Section 19);
- the preparation and implementation of the employment equity plan (Section 20); and
- the compilation and submission of an annual report to the Department of Labour (Section 21).

(i) Consultative forum

A consultative forum should be established (Section 16 of the *Employment Equity Act, 1998* (Act No. 55 of 1998). This enables the employer to consult and reach consensus with the relevant stakeholders.

(ii) Stakeholders

All stakeholders should be included e.g.:

- representative trade unions;
- employee representatives from
 - designated employees;
 - non-designated groups;
 - all occupational categories and levels; and
- senior management, including political office bearers assigned with responsibility according to Section 20(2)(h) of the *Employment Equity Act, 1998* (Act No. 55 of 1998).

The inclusion of all stakeholders will enable the employer to obtain support for its programme to achieve the goals set out in the *Employment Equity Act, 1998* (Act No. 55 of 1998). The employer could also ensure that its activities would be performed efficiently and effectively through the commitment of all stakeholders.

(iii) Proper consultation

Proper consultation (according to the Department of Labour: *Preparing an Employment Equity Plan 2000: 9*) includes:

- the opportunity to meet and report back to the employees and management;
- reasonable opportunity for employee representatives to meet with the employer;

- the request, receipt and consideration of relevant information; and
- adequate time allowed for each of the above steps.

Ongoing interaction with and accessibility to senior management with regard to employment equity is critical to the success of the process (Department of Labour: *Preparing an Employment Equity Plan*, 2000: 9). Employment equity in the workplace is a sensitive issue. It is therefore important that management collectively takes responsibility for its implementation. If this does not happen, the agreed targets and goals will not be met. This could lead to prosecution and drastic measures such as fines of substantial amounts.

(iv) Information supplied by the employer

The employer should provide relevant information relating to, *inter alia*:

- the anticipated growth or reduction of the employer's workforce;
- the turnover of employees in the employer's workforce;
- the internal and external availability for appointment or promotion of suitably qualified people from the designated groups;
- the degree of representation of designated employees in each occupational category and level in the institution's workforce; and
- employment practices of the employer (Department of Labour: *Preparing an Employment Equity Plan*, 2000: 10).

The Department of Labour needs the information mentioned above to determine whether the employer was realistic when the targets, plans and time frames were formulated. It furthermore provides benchmarks to measure progress and allows for the determination of what could be considered as

reasonable progress (Section 20(2)(f)) in terms of the environmental influences that played a role.

(v) Employment equity plan and time frame

Management together with the identified stakeholders must develop an employment equity plan (Section 20 of the *Employment Equity Act, 1998* (Act No. 55 of 1998)), *inter alia*, dealing with the optimisation of the representation of designated employees in management positions. This should include employment equity, representation and advancement goals and objectives. An implementation time frame should be established (Section 20(2)(e) of the *Employment Equity Act, 1998* (Act No. 55 of 1998)). The time frame should specify mutually agreed milestones and the target dates set for reaching these. This includes objectives for the adequate representation of designated employees in management positions. Before the end of the term of a current plan, stakeholders must prepare a subsequent plan (Department of Labour: *Preparing an Employment Equity Plan*, 2000: 10).

(vi) Setting objectives and formulating advancement measures

The analysis (according to section 19 of the *Employment Equity Act, 1998* (Act No. 55 of 1998)) and interactive preparation done should provide employers with a "snapshot" of the institution's profile and valuable information of the institution's profile in respect of race, gender and disability. Designated employers would understand the practices or working conditions that adversely affect and hold back designated employees. They can furthermore determine which practices and working conditions are conducive to diversity. Internal statistics regarding the rate and labour turnover at

various levels would be obtained, as well as internal statistics regarding movements such as promotions and transfers at various levels.

Comparisons between the institution's workforce profile and those of similar service institutions could become useful management information for purposes of planning and monitoring. In setting objectives and developing corrective measures, parties to the consultative processes should attempt to reach consensus on what would constitute reasonable progress over the duration of the plan.

(d) Step 4: Affirmative action measures, numerical goals, resources, assigning responsibility and dispute resolution

(i) Affirmative action measures

Affirmative action measures to address the barriers identified during the analysis, should be developed to improve the under-representation of designated group members including under-representation of designated employees in management positions (Section 15 and 20(2)(b) of the *Employment Equity Act, 1998 (Act No. 55 of 1998)*). Such measures included in the proposed model relate to the following: Increased appointment of members from designated groups on all levels of the institution, including management positions according to the objectives that were formulated interactively, is required.

The pool of available candidates from the designated groups should be increased through empowerment, including the purposeful training and development of people from designated groups. The promotion of high

potential and suitably qualified people from designated groups when positions become vacant, is important. The retention of people from designated groups is a prerequisite for long term success, but will be a challenge because of the fact that capacitated designated employees are targeted for employment by several designated employers. Reasonable accommodation of people from designated groups should be reserved without hampering the labour productivity of municipalities that might affect service delivery negatively. It should have a high priority to ensure that members of designated groups are appointed in such positions that they are able to meaningfully participate in corporate decision-making of the municipality. Employers should strive towards transforming the corporate culture of the past in a way that affirms diversity in the workplace and harnesses the potential of all employees. This includes the introduction of corrective measures to eliminate barriers identified during the analysis - section 19 of the *Employment Equity Act, 1998* (Act No. 55 of 1998).

(ii) Numerical goals

Numerical goals should be developed for the appointment and promotion of people from designated groups (Department of Labour: *Preparing an Employment Equity Plan*, 2000: 37). The purpose of these goals should be to increase the representation of people from designated groups in each occupational category and level in the workforce of the municipality where under-representation has been identified. Thus, in order to make the institution's workforce reflective of the relevant demographic characteristics, as provided for in EEA 8 (attached as Annexure C) of the *Employment Equity Act, 1998* (Act No. 55 of 1998), particular considerations should be taken into account and specific measures should be introduced.

In developing the numerical goals, several factors (according to the Department of Labour: *Preparing an Employment Equity Plan*, 2000: 37) should be taken into consideration. These include the degree of under-representation of employees from designated groups in each occupational category and level of the institution's workforce. Present and planned vacancies should also be considered. The provincial and national economically active population as presented in EEA 8 (attached as Annexure C) of the *Employment Equity Act, 1998 (Act No. 55 of 1998)* is a statutory prerequisite that should be taken into account.

The pool of suitably qualified persons from designated groups, from which the employer may reasonably be expected to draw for recruitment purposes, and economic and financial circumstances of the employer are key considerations for the employer in its employment equity advancement endeavours. The anticipated growth or reduction in the municipality's workforce during the agreed time period, as well as the expected turnover of the employees in the employer's workforce during the agreed time period and the labour turnover trends and underlying reasons, specifically for employees from designated groups (Section 20(2)(c) of the *Employment Equity Act, 1998 (Act No. 55 of 1998)*) should be considered.

(iii) Resources

Resources, including funds, should be appropriately allocated in order to implement the agreed components of the employment equity measures and the Employment Equity Plan. Most employment equity plans need financial resources. The annual human resource budget should make compulsory provision for departmental employment equity programmes and action plans.

Priority should be given to expenditure assigned to vote numbers earmarked for employment equity.

(iv) Assignment of responsibility

Responsibility for the implementation and monitoring of the proposed measures, *inter alia*, to remove employment, promotion and advancement obstacles and barriers - according to the agreed Employment Equity Plan - as assigned during the planning phase, should be confirmed and noted. The *Employment Equity Act, 1998* (Act No. 55 of 1998) - Section 20(2)(h) stipulates that apart from the Chief Executive Officer and the political office bearers with overarching responsibility persons, senior managers should be made responsible. This will enable the employer to efficiently and effectively implement and monitor the plan.

(v) Dispute resolution

Internal procedures for resolving any grievance or dispute about the interpretation and implementation of the plan should be specified and agreed to in the consultative forum. The use of the existing internal grievance resolution procedures should be encouraged and should be used in tandem with the statutory prescribed dispute resolution procedures as set out in the *Labour Relations Act, 1995* (Act No. 66 of 1995). The internal measures, if needed, should, however, be adapted for the specific needs of employment equity. Alternatively, a mechanism with appropriate representation from employer and employees may be established in order to address and resolve such grievances and disputes (Department of Labour: *Preparing an Employment Equity Plan*, 2000: 38). This requirement is an important facet

of obtaining employment equity that would be acceptable to all employees as provision is made for recourse.

(e) **Step 5: Organisational structure capacity creation strategies and incentives**

(i) Management of staff numbers

The management of staff numbers in the public service became apparent in South Africa after the introduction of substantive changes that took place after the first democratic elections in 1994. The new constitutional dispensation that was introduced with the promulgation of the *Constitution, 1996* forced public sector institutions to implement staff reduction measures (Assenmacher, 1999: 9). Historically, according to Assenmacher (1999: 9), staff reduction was introduced for the following obvious reasons:

- financial considerations;
- restructuring; and
- amalgamation.

The reasons listed above are not part of a closed list that limits the possibilities that should be considered. It may be argued that many examples could be cited in the public service where early retirement incentives were introduced as legitimate alternatives. Thus, to create the capacity required for the advancement of designated employees, a scope of alternatives should be utilised. Assenmacher (1999: 9), however, cautions that this should be done in a responsible manner and the chief principle that should be considered is the operating circumstances of the municipality. In the case of Centurion

Metropolitan Local Council it may be argued that early retirement could be a responsible option of capacity creation, thus supporting Assenmacher's point of view.

(iii) Early retirement

(ii) Employment equity advancement

A way of creating the needed capacity in the organisational structure of a Assenmacher (1999: 9) is of the opinion that with the coming into operation of the *Employment Equity Act, 1998* (Act No. 55 of 1998), staff reduction may in future be considered as justification to enable employers to comply with the requirements of the Act. This, however, should be done within the broad parameters and stipulations of the following statutes and policies:

however, dictate whether the institution could make sufficient alternative

arrangements should

incumbent to leave the employment of the

municipalities and certain

and certain hundred-

hundred- designated municipalities through the major

statutory early retirement

early retirement Actions to compel, for example,

white male employees to take early retirement or to block their future

- *Labour Relations Act, 1995* (Act No. 66 of 1995) - Section 189;
- *The Rationalisation of the Local Government Affairs Act, 1998* (Act No. 10 of 1998) - Section 18;
- *Employment Equity Act, 1998* (Act No. 55 of 1998) - Section 20;
- *Local Government Municipal Structures Act, 1998* (Act No. 117 of 1998) - Section 12; and
- *Conditions of Employment (Government Notice No.16047, October 28, 1994)* - par. 17 and par 17.4.18.

Assenmacher (1999: 10) is of the opinion that if Section 12 of the *Local Government Municipal Structures Act, 1998* (Act 117 of 1998) is interpreted and read with Section 18 of the *Rationalisation of Local Government Affairs Act, 1998* (Act No. 10 of 1998), the applicable conditions of employment of employees may not be less favourable due to the amalgamation of municipalities on December 5, 2000 (i.e. the second democratic local also, before the date of actual early retirement, assist the employer in

government elections). This therefore includes the current policies on staff reduction and early retirement.

(iii) Early retirement

A way of creating the needed capacity in the organisational structure of a municipality in order to advance the objectives of the *Employment Equity Act, 1998* (Act No. 55 of 1998), is to grant employees of non-designated groups the opportunity to apply for early retirement. The targeted employees should be employees with extended service and on the brink of the retirement age required by the respective pension funds. Operational requirements should, however, dictate whether the institution could make sufficient alternative arrangements to replace the services of individual employees. Institutions should, however, not allow several well-experienced top management incumbents of the same department to leave the employment of the municipality simultaneously. This could hamper the service delivery process and contribute towards eroding of management skills needed to take the two-hundred-and-eighty-four newly demarcated municipalities through the major statutory changes envisaged. Although strict guidelines should be in place, early retirement actions should be voluntary. Actions to compel, for example, white male employees to take early retirement or to block their future advancement opportunities and by so doing forcing them to resign is *ultra vires* (Section 20 of the *Employment Equity Act, 1998* (Act No. 55 of 1998)). Such actions constitute automatic unfair dismissals according to Section 187 (1)(f) of the *Labour Relations Act, 1995* (Act No. 66 of 1995).

Targeted non-designated employees with adequate relevant experience should also, before the date of actual early retirement, assist the employer in

empowering and capacitating high potential designated employees earmarked for higher positions with more responsibility. Examples of schemes and programmes are:

- mentor schemes;
- learnerships;
- deputy programmes;
- shadow positions;
- appointment on the learning zones (in positions coupled to a career ladder where advancement take place when *quid pro quo* qualifications are achieved and relevant experience gained): and
- job rotation.

Such programmes will not only empower designated employees and increase the available skills-pool of municipalities but will ensure that relevant experience, that could not easily be replaced, is passed on for the benefit of the community.

(iv) Implementation of early retirement

The implementation of an early-retirement-scheme, in order to create capacity for suitably qualified high potential designated employees, should be carried out within the statutory framework and *Conditions of Employment (Government Notice No.16047, October 28, 1994)*, specifically par. 17 dealing with the reduction of personnel as well as par 17.4.18 that prescribes the guidelines for early retirement. These guidelines are attached as Annexure F.

(f) **Step 6: Monitoring and evaluation**

Records should be kept to effectively monitor and evaluate the progress of the agreed employment equity measures, capacity creation initiatives and the equity plan. Mechanisms to monitor and evaluate the implementation of the plan should be agreed upon and include benchmarks that would permit assessment of reasonable progress. The agreed employment equity measures, capacity creation initiatives and equity plan should be evaluated at regular intervals to ensure that reasonable progress is made. This evaluation should be integrated into mechanisms that the employer normally utilises to monitor its operations. The consultative forum should continue to meet on a regular basis and progress reports should be submitted. Progress should be recorded and communicated to employees. Such meetings should take place at reasonable intervals to ensure feedback and inform the ongoing implementation process. The employment equity measures, capacity creation initiatives and equity plan should be reviewed and revised, as necessary, through consultation (Department of Labour: *Preparing an Employment Equity Plan*, 2000: 38).

In the case of the Centurion Metropolitan Local Council the implication would be that the agreed employment equity measures, capacity creation initiatives and the submitted plan will provide benchmarks and milestones for purposes of implementation. When coupled to the agreed time frames it will provide interactively formulated objectives, according to which monitoring and evaluation can take place (Section 34 of the *Employment Equity Act, 1998* Act No. 55 of 1998).

- (i) ... the workplace as an active learning environment;
- (ii) ... provide employees with the opportunities to acquire new skills;

4.5.3 PHASE 3: EMPOWERMENT OF DESIGNATED EMPLOYEES

Municipalities need to create environments that are conducive to the advancement of employment equity and the growth and development of employees. Structural integration entails education and career development. Tinarelli (2000: 133) is of the opinion that the emphasis should be on education rather than training, as education is aimed at changing mindsets. The strategy followed in this thesis, however, specifically with the empowerment of designated employees, is a balance between education and training. The *Skills Development Act, 1998* (Act No. 97 of 1998) places emphasis on training and education (Pricewaterhouse Coopers, 1999: 1)). One can agree with Cox (cited in Tinarelli, 2000: 133) that career development should be used to identify and develop the talent in the institution for senior management positions. Career development, *per se*, (paragraph 4.5.3 (c) (i) *infra*) is the foundation of the proposed model, specifically the part that deals with the empowerment and capacitation of designated local government employees. Training is the most prevalent starting point for managing diversity (Tinarelli, 2000: 131), implementing transformation successfully, and the empowerment of designated employees. Special emphasis will therefore be placed on training as the key to the empowerment of designated local government employees. This will be done within the broad parameters and requirements of the *Skills Development Act, 1998* (Act No. 97 of 1998), specifically Sections 2(b)-(f) aiming to:

- 2(b) increase the levels of investment in education and training...
- 2(c) encourage employers-
 - (i) use the workplace as an active learning environment;
 - (ii) provide employees with the opportunities to acquire new skills;

2(d) encourage workers to participate in learnerships and other training programmes;

2(e) improve the employment prospects of persons previously disadvantaged by unfair discrimination and to redress those disadvantages through training and education;

2(f) ensure the quality of education and training in and for the workplace...

Government, according to Pricewaterhouse Coopers (1999: 1), is of the view that:

one of the principal causes of South Africa's economic deficiencies is the low skills level in the workplace environment that increasingly relies on methods that require enhanced levels of skill. Furthermore, the low skills-base is one of the reasons for low levels of investment in the economy.

Training is therefore, a suitable mechanism to "... raise the skills level of the workforce that would improve the productivity of both capital and labour..." (Pricewaterhouse Coopers, 1999: 1).

(a) Step 1: Institutional analysis

It is a fact that South Africa has a drastic skills-shortage (Pricewaterhouse Coopers, 1999: 1). Census 1996, for example, indicates that there are 23 699 930 adults between the ages of 16 and 56 in South Africa. Of these 3 283 290 have not accessed any schooling. The number of adults that have not completed Grade 9 is estimated at 9 439 244. The conclusion is that 12 722 534 (54%) of the total adult population have not completed a general level of education. The majority of employees in the Centurion Metropolitan

Local Council is unschooled or has limited schooling. The *Skills Development Act, 1998* (Act No. 97 of 1998) stipulates that a skills audit must be done (Pricewaterhouse Coopers, 1999: 28). This has to be done to, *inter alia*, identify key institutional requirements, skills-gaps, labour shortages and designated target groups. The Centurion Metropolitan Local Council as a designated employer is obliged, in accordance with the set time tables and supplementary guidelines issued by the Local Government Water and Related Sectoral Education and Training Authority, to undertake a skills-audit. This in order to draw up a skills-profile of the institution and to determine the skills-shortages that might exist. The audit was done and a drastic shortage of applicable skills was found amongst designated employees (Centurion Metropolitan Local Council, 2000: 1-14).

(b) Step 2: Workplace committee set objectives and targets

The *Skills Development Act, 1998* (Act No. 97 of 1998) stipulates that an employer with more than fifty employees must establish an in-house Workplace Committee (WC) for consultation with regard to skills development, the appointment of a skills development facilitator and the setting of objectives and targets for skills development programmes. The stakeholders in the Committee will assist the employer in the drawing up of a workplace skills plan that includes learnerships for existing employees. The Committee will also help to compile the annual training report. As with the consultative forum for the advancement of employment equity, the Workplace Committee will not only be co-responsible but will be central in the monitoring and evaluation of education and training through the relevant Sectoral Education and Training Authority (SETA).

(c) Step 3: Empowerment strategies and incentives

(i) Career Development

Career development has received the attention of several authors. The views of noteworthy authors will be provided. London & Stumpf, (1982: 3), for example, postulate that:

Organizational (sic) career development refers to the processes and support systems that affect individual career progression and organisational effectiveness.

The authors are of the opinion that the development of careers is a shared process and responsibility, within which the employee must be co-responsible for career development. Legislation, such as the *Skills Development Act, 1998 (Act No. 97 of 1998)*, includes the representative unions and the relevant Sectoral Education and Training Authority (SETA) as co-responsible for career development. London & Stumpf (1982: 3) argue that institutions develop careers through selectively creating opportunities for specific employees. The activities by institutions are introduced to ensure that the unique future human resource needs are satisfied. London & Stumpf (1992: 9) define the activities as career development, including work role changes. The authors are of the opinion that the result of the activities mentioned above includes one or more of the following:

- a meaningful career;
- quality of work life;
- optimal quality of life;

- feelings of psychological success and self-worth;
- feelings of competence;
- feelings of mastering and accomplishment; and
- obtaining institutional rewards such as
 - money
 - prestige and
 - status.

The authors, in support of the opinion by Tinarelli (2000: 133), argue that the early identification, development and promotion of high potential employees is of specific importance for any institution. The authors furthermore indicate that:

...career management processes associated with the upward movement of employees must be emphasized (sic) if institutions are concerned with individual and institutional effectiveness.

These techniques can be introduced in a differentiated manner on any level of Career management should also take into account current skills levels and development activities to meet future skills needs (Section 2 (a) of the *Skills Development Act, 1998* (Act No. 97 of 1998)). Several techniques could be introduced and utilised by human resource practitioners to promote effective and efficient differentiated career development practices on all levels of the institution. Some of these techniques are the placement of designated employees in the learning zone of positions on the post establishment whilst participating in active learning and gaining of experience (Section 2(c) (i) and (iii) - *Skills Development Act, 1998* (Act No. 97 of 1998)). The introduction of accelerated development programmes as prescribed in section 2(e) - *Skills Development Act, 1998* (Act No. 97 of 1998) is a proven human resource

often used by practitioners. Learnerships (chapter 4 - *Skills Development Act, 1998* (Act No. 97 of 1998)) will not only empower designated employees in a structured way but Sectoral Education and Training Authorities (SETA's) will avail financial resources to address the drastic skills shortages in municipalities (Pricewaterhouse Coopers, 1999: 1). Other proven practices include:

- job rotation;
- career planning;
- career opportunities;
- career development;
- career paths;
- focus groups (optimising diversity management);
- job enrichment;
- job enlargement; and
- support groups (mentors and networking (London, 1992: 11)).

These techniques can be introduced in a differentiated manner on any level of the institution. The career development and empowerment suggestions in the proposed management model must meet specific requirements to be effective. These include meeting the requirements of the relevant statutes, being needs driven (i.e. taking the needs of the community, institution and employee into consideration) and being flexible including the possibility to be implemented in a phased and differentiated manner.

The proposed empowerment model should be accessible to all suitably qualified employees (Section 20(3) *Employment Equity Act, 1998* (Act No. 55 of 1998)) and should allow for the introduction of specific measures to ensure

accelerated development and advancement of designated employees. Accelerated training and capacity building of employees from the education and career impaired sectors of society should be one of the main objectives and it should cater for specific focused career development, advancement, education and training to advance the specific reconstruction and development objectives of government. The ability to be implemented by other municipalities and taking into consideration the aspirations and potential of the employees on the different levels of the institution are further prerequisites. The proposed model should establish a potential/competency pool that ensures sufficient competent career entrants for the next level of employment and should be cost- and time effective. It should furthermore make a contribution towards the standardisation of conditions of employment in the Greater Pretoria Metropolitan Area.

The proposed model should introduce a delicate balance between the responsible advancement of designated employees and the normal development and progress of non-designated employees, addressing specific in-house employment equity related problems. Certified training, focused on eventually obtaining national qualifications as prescribed by the relevant statutes is a statutory requirement. Content, methodology, evaluation and outcome should be in line with the policy of the National Qualifications Framework (NQF), National Education and Training Strategy (NETS) and the applicable Sectoral Education and Training Authority (SETA). It should provide an empowerment framework that is scientifically founded, based on sound human resource practice and responsible public management and administration.

The proposed career development for designated employees should form an

integral part of the normal career development principles of the institution and simultaneously contribute towards a better quality of life. A basis for life-long learning should be established. Employee participation in an outcomes based environment should be optimised.

(ii) Learnerships

The *Skills Development Act, 1998* (Act No. 97 of 1998) - section 16 makes provision for the empowerment of designated employees through learnerships. A learnership within the broad parameters of the Act is a formal learning programme that links theoretical learning and structured workplace experience to prepare designated employees with the relevant skills and knowledge required to perform competently in an occupation for which there is a clear demand such as a management position. This is one of the main objectives of the proposed model. Attached as Annexure G is a guideline for the establishment of registered learnerships in order to empower designated employees.

(iii) Mentoring schemes

A proven practice for the fast track empowerment of designated employees is the establishment of mentoring schemes. Mentoring provides a framework to begin an interactive empowerment and development process. Mentoring, however, is a delicate process which requires sensitivity on the part of both the mentor and the protégé, if it is to derive maximum growth at its culmination. The mentoring programme should be done within the requirements of the *Skills Development Act, 1998* (Act No. 97 of 1998), *inter alia*, the facilitation of learning as contained in Section 10(c)(3). In support

of the learnership-programme described above, designated employees on the programme could be assigned to mentors.

According to the *Skills Development Levies Act, 1999* (Act No. 9 of 1999) - Sections 16(1) and 16(2) applying mentoring with learnerships will allow municipalities to successfully reclaim the maximum training rebate. The criteria for a mentor should be an experienced equipped employee on the permanent staff establishment who is prepared to undergo intensive mentoring training. It should be someone who would be prepared to take the responsibility for the empowerment of a designated employee, someone committed to the reconstruction and development objectives available for the full duration of the programme.

The purpose of the *Skills Development Act, 1998* (Act No. 97 of 1998) - Section 10(c)(3) is to establish effective mentoring, develop the expertise of accomplished modern-day mentors and efficiently utilise mentorship as a training and development empowerment tool. This will lead to the establishment of an interactive development/empowerment process that complies with equity legislation in terms of designated employees.

The act was promulgated to establish a systemised empowerment programme of intent that aligns with the National Qualifications Framework (NQF), Section 10(e) of the *Skills Development Act, 1998* (Act No. 97 of 1998). Accredited mentors should master the critical elements of successful coaching as an integral aspect of effective mentoring; and be able to accurately assess and measure the effectiveness of the mentoring process.

(c) **Step 4: Monitoring and evaluation**

Education and training in the institution will be monitored through the submission of, *inter alia*, acceptable reports, accompanied by appropriate training records within the requirements set out in Government regulations (section 36 of the *Skills Development Act, 1998* (Act No. 97 of 1998) issued in accordance with the relevant legislation, and will be evaluated by:

- the Local Government Water and Related Services Sectoral Education and Training Authority (SETA);
- the skills development facilitator (SDF);
- workplace committee;
- labour unions; and
- Education and Training Providers (ETP).

4.6 IMPLEMENTATION OF THE PROPOSED MODEL

The proposed management model should be implemented in a phased and a structured manner. Specific responsibilities for the implementation of the respective phases should be assigned to particular senior managers. Management under the auspices of the Chief Executive Officer, within the broad parameters of the specific statutory stipulations and requirements of the relevant agreements with employee representatives, should also take collective responsibility to achieve the goals that were set. The majority of unions should be bound into the process from the beginning and should be consulted on the statutory prescribed issues as well as matters that affect them. Sufficient financial resources should be made available and only when the agreed milestones have been reached should more resources be assigned

to specific phases of implementation. A synopsis of a possible implementation-strategy of the proposed model and broad time frames could include the following: The relevant statutes and codes of good practices (as an extension and guideline for the applicable legislation) contain useful information concerning the creation of an enabling framework which includes useful research on best practices and the avoiding of pitfalls. Most employers took part in the interactive compilation of the Employment Equity and Skills Development Plans. The needed research as proposed (par. 4.5 *supra*) should therefore not take longer than one month.

Due to statutory prescriptions, municipalities will enter a new dispensation after local government elections on December 5, 2000. Capacity creation in the organisational structure, through early retirement and other incentives, could therefore be implemented formally when entering the final phase of transformation, which will start on the day of the 2000 municipal elections. The sensitising, identification and selections of non-designated employees to reduce fear and the level of uncertainty, should be done in a transparent manner. Monitoring and evaluation as proposed is an ongoing process.

The empowerment of designated employees as proposed, is a continuous exercise that will include an analysis of the potential of all designated employees. Mentoring and learnerships, according to the *Skills Development Act, 1998* (Act No. 97 of 1998), will differ according to the needs of the different stakeholders and the intensity of the specific programme. It is envisaged that the management learnership agreements, for example, could be as long as four years as it should lead to formal qualifications and the empowerment of designated employees in order to make a meaningful contribution.

4.7 CONCLUSION

The *Constitution, 1996* has fundamentally changed the status and the responsibilities of local government. It has shifted the primary role of local government from administration to service deliverer. Municipalities are fast becoming the centre of delivery and development in communities. The second democratic local government elections on December 5, 2000 will usher stakeholders into the final phase of local government transition. Local government is therefore faced with the challenges of creating new municipalities with structures and systems that will allow for sustainable, accountable, democratic and service delivery orientated local government.

Within the new municipal framework, municipalities will continue to face the challenges of meeting the basic needs of communities in the face of scarce resources. If local government is to successfully fulfil its mandate of development and delivery, a human resource environment that will meet the capacity building and empowerment needs of employees would have to be created and sustained.

The *Skills Development Act, 1998* (Act No. 97 of 1998) sets out an entirely new approach for skills-development in the country. The *Skills Development Act, 1998* (Act No. 97 of 1998) aims to provide a new national strategic approach that allows for needs driven empowerment and training that is incorporated into a national vision of local government training. The proposed model strives towards creating an environment that allows for the effective training and empowerment of employees, specifically designated employees to ensure that they are adequately equipped for a democratic and service orientated government. As they transform, municipalities should

become developmental centres of local growth and governance. The proposed model supports a holistic integrated approach to empowerment and capacity building that will lead to effective and efficient councils building strong democratic and developmental local government. An urgent need exists to build capacity in the short term. Designated employees as well as non-designated employees should be empowered to do their jobs properly and effectively. The proposed model within the broader framework of the *Skills Development Act, 1998* (Act No. 97 of 1998) strives to establish through learnerships and mentoring a range of core skills, management skills, and competency levels required for the challenges of transformation and modern differentiated service delivery. Through the inputs of all stakeholders, *inter alia*, the Workplace Committee (WC), unions and learners, specific training and development needs could be established. The model seeks to facilitate an integrated training strategy for designated employees.

and other relevant introductory information that were covered in the study. Chapter three provided the constitutional, statutory and economical framework within which the study was undertaken and served as the broad parameters of the model that was developed. Chapter four dealt with the prerequisites of a management model, the creation of institutional capacity and made provision for the empowerment of designated local government employees. Chapter five contains the general summary of the study and an evaluation of the findings. Flowing from the evaluation and critical analyses is an extensive conclusion. Particular recommendations are made in this chapter.

Municipalities such as the Centurion Metropolitan Local Council is experiencing increasing pressure to provide additional and improved services. These, *inter alia*, include municipal policing, law enforcement, basic health, curative, and community development services to an increased community,

CHAPTER 5

CONCLUSION AND EVALUATION OF THE STUDY

Chapter one of the study served as a general introduction to the study and included an exposition of the motivation of the study, a problem statement and the objectives of the study. Apart from this, the method of how the study was undertaken and the demarcation of the study were outlined. The data collecting method and the study sample were explained which was followed by a glossary to complete the parameters within which the study was conducted and to provide an overarching framework for the rest of the study.

Chapter two contained the conceptualisation of the study and embraced information on the respective phases of local government transformation, the area of jurisdiction, the institutional composition and other relevant introductory information that were covered in the study. **Chapter three** provided the constitutional, statutory and economical framework within which the study was undertaken and served as the broad parameters of the model that was developed. **Chapter four** dealt with the prerequisites of a management model, the creation of institutional capacity and made provision for the empowerment of designated local government employees. **Chapter five** contains the general summary of the study and an evaluation of the findings. Flowing from the evaluation and critical analyses is an extensive conclusion. Particular recommendations are made in this chapter.

Municipalities such as the Centurion Metropolitan Local Council is experiencing increasing pressure to provide additional and improved services. These, *inter alia*, include municipal policing-, law enforcement-, basic health-, curative-, and community development services to an increased community,

largely due to the local and foreigner influx in most demarcated municipal areas. Post 1994 legislation and directives that were promulgated and issued respectively, in some instances (for example in the Centurion Town Council jurisdiction area) nearly doubled the area of jurisdiction.

Simultaneously, pressure is put on local government, as a designated employer, to appoint employees at all levels of the organisational structure in such a manner that institutionalised local government reflects the composition of the broader community it serves. This can be ascribed to the environmental changes that have taken place, requiring local authorities to adapt to this in the spirit of reconstruction and development. A new dispensation of developmental local government is foreseen in the *White Paper on Local Government, 1998*. These changes must take place within the broad statutory guidelines of contemporary legislation. Further pressure is placed on municipalities because of the situation in most municipalities where the current organisational arrangements, measured against community-, employee- and union needs, contemporary legislation, statutory benchmarks and monitoring guidelines, are wanting.

One way of relieving the pressure on local government is to create structural capacity in the organisational structure. This can be obtained through an efficient and effective organising process including early retirement, interim management incentives, voluntary packages, re-training and re-deployment interventions and fixed-period-contracts for affected non-designated personnel. Another way of relieving pressure is to create a general system to capacitate and empower designated local government employees in accordance with their development needs, aspirations and special interests, as well as the unique needs of the specific municipality. It is imperative to

ensure that suitable employees with the required competencies, potential, qualifications and applicable experience are readily available when needed. A universal applicable system could provide justifiable guidelines for the creation of a uniform policy.

The main objective of the study was to indicate that institutional capacity creation and the empowerment of designated employees in an effective management model can create an ideal framework according to which local municipalities, such as Centurion Metropolitan Local Council, could identify shortcomings, and together with employees, set and achieve specific capacity building and career objectives. Taking the above into account it becomes possible to evaluate the contents of the study and to make particular findings.

It has been perceived that a management model could be developed. The model is based on a combination of theory, data and methodology that provides a framework according to which identified gaps and problems, originating from the present circumstances experienced in local government, could be ordained, interpreted and explained.

Through a universal management model it becomes possible to make specific findings concerning the research questions that were posed in chapter one. The research question concerning the need for institutional capacity creation within the municipality concerned, as well as the question concerning the nature of the current career management and advancement system for designated employees, were determined during the environmental reconnaissance. The current career development and advancement system was found to be insufficient and inadequate.

Taking into consideration the influences from the internal and external environment it could be determined that there is a substantial need for institutional capacity creation.

On the question: “Why is a proper career management and advancement system for designated local government employees important?”, the following was determined:

- several problems concerning the career management and advancement of designated employees were identified which in turn increased pressure on the institution; and
- the proposed management structure which will resolve the problems identified, underline the importance of a proper management system.

The research question relating to which factors should be taken into account during the development of an institutional capacity creation model can also be answered in accordance with the information that was gathered during the research. Originating out of the values of the community, reflected in the statutes of the country, the vision, mission, aims, objectives, needs and wants of the community, the needs of designated and non-designated employees and the needs of the inhabitants of the municipality that should be taken into account, could be determined. A further factor that had to be taken into account is the availability of resources - specifically financial resources. That will determine how resolutions concerning the implementation of a capacity creation and empowerment model in the short-, medium-, and long term could be implemented and sustained. The question on how the model should be developed could also be determined. With the consideration of best practices

to emulate and pitfalls to avoid, the statutory prescriptions and the identified shortcomings (internal and external) could be determined and assisted in developing a model that provides for effective implementation of programmes to promote employment equity.

Besides the value of the management model for a municipality, it was found that the national applicability of the model is to be found in the fact that it could be utilised by other municipalities in South Africa facing similar issues. This can contribute towards municipalities in South Africa taking scientifically founded decisions concerning the creation of capacity in a sensitive, responsible, fair and just manner and the empowerment and advancement of previously marginalised sectors of society. This could have a substantial influence on local government.

Taking into consideration the findings in the study, it becomes possible to make particular deductions concerning the hypothesis that was formulated earlier in the study. Making use of the deductions of the study, the validity of the hypothesis could be determined.

In chapter one it was stated that there is insufficient capacity in the organisational structure of the institution to advance designated employees as required by the relevant statutes. This leads to a situation that the statutory prescribed advancement and affirmation of designated employees could not be done in an efficient and effective manner. Originating from the findings of the study it was found that the capacity in the organisational structure of the institution to advance designated employees is inadequate and insufficient. It was found that the municipality has no formal programme or strategy in place to create the structural capacity required to advance employees from the

previously education and career impaired sectors of society. It was further found that there are no special capacity creation measures in place, other than the traditional filling of positions that become vacant. The measures for career management and advancement of designated employees in the institution were also found to be wanting, insufficient and inadequate. The deduction that was made was that the culture based procurement and career advancement practices of the past, due to a lack of creative, cost effective special measures, still continue. This results in the situation that sound human resource practices for the empowerment and advancement of designated employees of the municipality cannot take place. Based on these deductions and conclusions the following segment of the hypothesis is found to be valid viz *there is insufficient capacity in the organisational structure of the institution to advance designated employees as the relevant statutes prescribe.*

It was stated as part of the hypothesis that the development of a model for capacity creation, career management and advancement for designated employees of local government could create appointment- and career advancement opportunities and empower designated local government employees in a pro-active and innovative manner. The proposed model creates a framework within which municipalities can identify problems, interactively formulate objectives, introduce organisational arrangements, implement and evaluate policy. The conclusion that was reached was that uniform, institutional capacity creation and the empowerment of designated local government employees is possible through the utilisation of the proposed management model. Organisational arrangements can be effected through the creation and utilisation of effective empowerment and career development. This will ensure that employees who represent the true

composition of the broad community, and who have the required potential, prescribed qualifications and the required applicable experience as required by the *Employment Equity Act, 1998* (Act No. 55 of 1998) are available when required.

The use of succession planning can bring about the formulation, implementation and evaluation of policy to ensure that the institution's human resources (specifically the need for designated qualified and experienced employees) are optimally satisfied, and it will also create sufficient career entry and promotional opportunities. It also means higher labour productivity, optimised labour peace and is in line with relevant legislation as reciprocal dividends on the part of the institution. Should this be implemented, non-designated employees (seen as pivotal in the empowerment endeavours suggested in this study) can also be incorporated into this process. All employees will regard their relationship with their employer as a long and mutually enriching experience and career where the institution is also seen as one that fulfils its socio-economic role. This in turn can lead to self-actualisation on the part of the employee, while at the same time contributing to a self-sufficient employer regarding the availability of properly equipped officials when posts become vacant.

Based on the preceding deductions and conclusions, the above hypothesis is found to be valid *viz the creation of a model for capacity creation, career management and advancement for designated employees of local government such as the Greater Pretoria Metropolitan Council would create appointment- and career advancement opportunities and empower designated local government employees in a pro-active and innovative manner.*

The implementation of the management model would therefore lead to effective capacity creation, career management and advancement of designated employees of municipalities.

It is proposed that the capacity creation and empowerment model be implemented in a phased and differentiated manner. Special measures should be introduced in the form of learnerships and mentoring programmes. This is required to build the capacity of designated employees. This will assist the municipality in creating opportunities for designated employees and at the same time enlarging the skills-pool available to the institution. The empowerment programme should, however, form part of the normal career development of the institution. Other education and training initiatives should not be neglected. Municipalities need capacitated individuals from all walks of life to guide the transformation process and to ensure effective and efficient service delivery that meet the expectation of the communities they serve.

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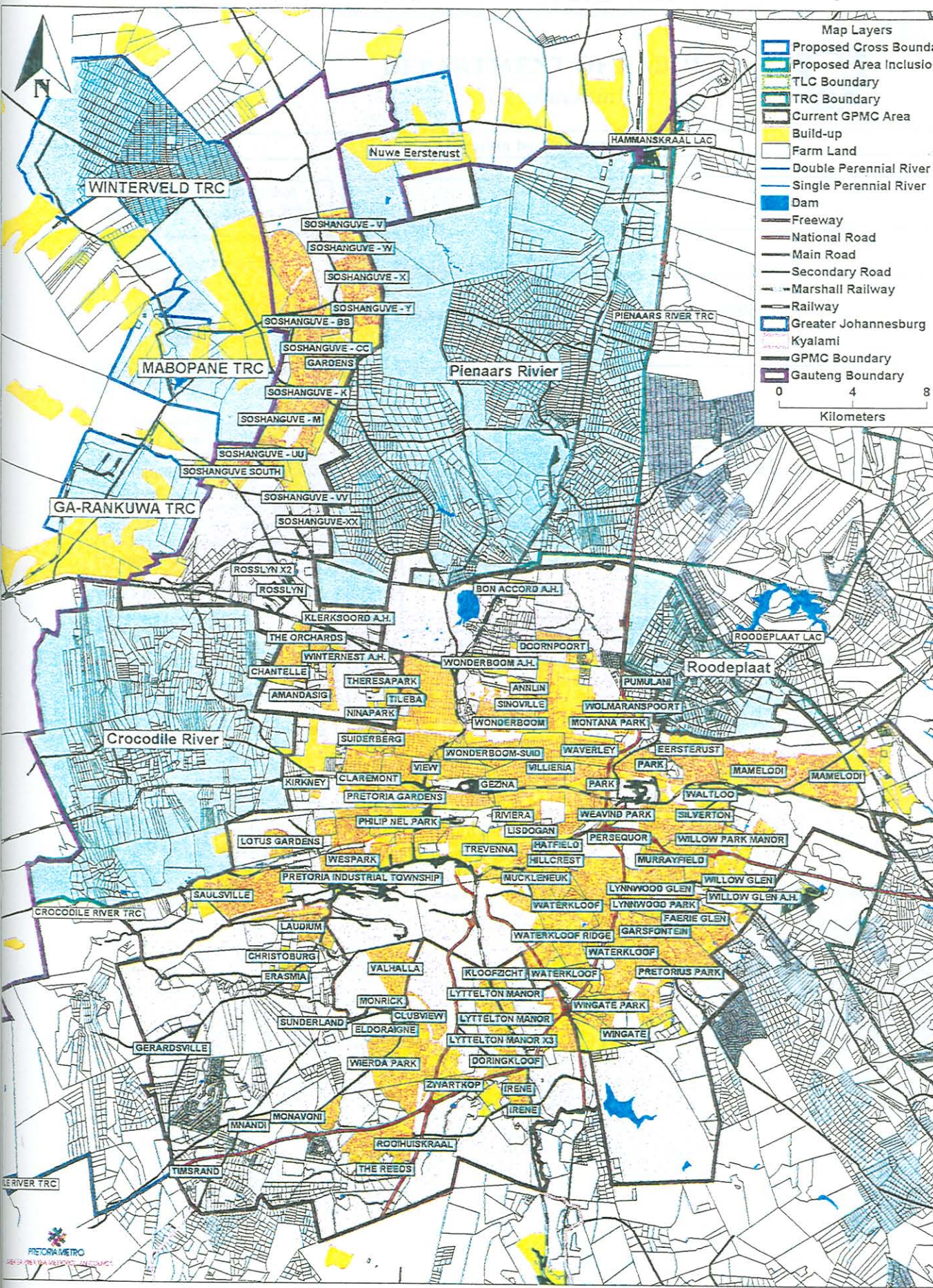
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DEPARTMENT OF LABOUR
(Confidential)



Declaration by employee

Employment Equity Act
55 of 1998, Regulation 2(2)

PLEASE READ THIS FIRST



WHAT IS THE PURPOSE
OF THIS FORM?

This form can be used to obtain information from employees, on a voluntary basis only; for the purpose of assisting employers with conducting an analysis on the workforce profile; and to ascertain which of the existing employees are from designated groups in terms of the Employment Equity Act, 55 of 1998.

WHO FILLS IN THIS FORM?

Employees.

INSTRUCTIONS

The contents of the form shall remain confidential, and shall only be used by employers in order to ensure compliance with the Act.

'People with disabilities' are defined in the Act as people who have long-term or recurring physical or mental impairment which substantially limits their prospects of entering into, or advancement in, employment.

1. Name: _____
2. Employee No: _____
3. Please indicate to which categories you belong:

Male	<input type="checkbox"/>	Female	<input type="checkbox"/>
African	<input type="checkbox"/>	Coloured	<input type="checkbox"/>
Indian	<input type="checkbox"/>	White	<input type="checkbox"/>
Person with a disability: Yes <input type="checkbox"/> No <input type="checkbox"/>			
If yes, specify nature of disability: _____			

4. I verify that the above information is true and correct.

Signed: _____
(Employee)

Date: _____

ANNEXURE 1: Demographic Data

Employment Equity Act,
55 of 1998

PLEASE READ THIS FIRST



WHAT IS THE PURPOSE OF THIS ANNEXURE?

The data contained in this annexure were taken from the Census 96, published in 1998 by Statistics South Africa.

INSTRUCTIONS

Employers may use this data, when conducting an analysis of the workforce profile, to make a comparison with the relevant national and provincial demographics. Please note that the columns and rows do not always total exactly. This is because Statistics SA rounds off the numbers in their publications.

Should more demographic information be required, these may be obtained from Statistics SA.

1. ECONOMICALLY ACTIVE POPULATION BY PROVINCE

	Eastern Cape	Free State	Gauteng	Kwazulu Natal	Mpumalanga	Northern Cape	Northern Province	North West	Western Cape	Total
Employed	786818	701175	2564243	1570573	605925	215523	570129	725287	1374174	9113847
Unemployed	742427	299948	1007766	1008944	297290	86060	486554	443546	299114	4671647
Total	1529245	1001123	3572009	2579517	903215	301583	1056683	1168833	1673288	13785493

Employed (%)	8.63%	7.69%	28.14%	17.23%	6.65%	2.36%	6.26%	7.96%	15.08%
Unemployed (%)	15.89%	6.42%	21.57%	21.60%	6.36%	1.84%	10.42%	9.49%	6.40%
Total (%)	11.09%	7.26%	25.91%	18.71%	6.55%	2.19%	7.67%	8.48%	12.14%

2. ECONOMICALLY ACTIVE POPULATION BY RACE AND GENDER

	African	Coloured	Asian	White	Other	Male	Female
Employed	5682476	1129515	363486	1856452	81917	5481903	3631944
Unemployed	4205992	299231	50379	89066	26980	2039917	2631730
Total	9888468	1428746	413865	1945518	108897	7521820	6263673

Employed (%)	62.35%	12.39%	3.99%	20.37%	0.90%	60.15%	39.85%
Unemployed (%)	90.03%	6.41%	1.08%	1.91%	0.58%	43.67%	56.33%
Total (%)	71.73%	10.36%	3.00%	14.11%	0.79%	54.56%	45.44%

3. OCCUPATION BY PROVINCE

	Eastern Cape	Free State	Gauteng	Kwazulu Natal	Mpumalanga	Northern Cape	Northern Province	North West	Western Cape	Total
Legislators, senior officials and managers	29805	18068	128722	49079	22133	5551	12647	21720	75302	363028
Professionals	96195	49539	250676	144273	42114	14382	73320	57539	124540	852578
Technicians and associate professionals	47329	26188	192410	89794	22108	9152	20135	29277	97776	534169
Clerks	52655	40005	256633	109067	33235	13974	25260	42478	133725	707032
Service workers, shop and market sales workers	66686	54491	258104	126425	52669	16844	50008	64105	121471	810804
Skilled agricultural and fishery workers	34422	39906	52972	51696	40916	17365	45455	33428	39466	355626
Craft and related trades workers	88833	92949	410630	186319	96941	23136	79517	143011	156551	1277888
Plant and machine operators and assemblers	42547	65161	175937	118776	56150	8946	26835	57015	88668	640033
Elementary occupations	217469	251245	498279	377072	179233	82686	164692	200910	403862	2375449
Unspecified/Other	110876	63622	339879	318073	60426	23488	72259	75805	132812	1197239
Total	786818	701175	2564243	1570573	605925	215523	570129	725287	1374174	9113847

4. OCCUPATION BY RACE AND GENDER									
	African	Coloured	Asian	White	Other	Total	Male	Female	Total
Legislators, senior officials and managers	26.66%	8.32%	7.50%	56.37%	1.15%	363028	72.55%	27.45%	363028
Professionals	48.98%	8.62%	4.83%	36.40%	1.17%	852578	44.69%	55.31%	852578
Technicians and associate professionals	32.60%	10.26%	6.71%	49.32%	1.12%	534169	52.06%	47.94%	534169
Clerks	34.91%	14.81%	7.58%	41.49%	1.21%	707032	31.20%	68.80%	707032
Service workers, shop and market sales workers	62.47%	11.39%	4.34%	20.92%	0.88%	810803	65.35%	34.65%	810803
Skilled agricultural and fishery workers	75.15%	9.98%	0.05%	14.24%	0.57%	355626	80.11%	20.34%	355626
Craft and related trades workers	68.83%	11.97%	3.29%	15.10%	0.81%	1277888	87.14%	12.86%	1277888
Plant and machine operators and assemblers	73.25%	13.99%	4.97%	6.98%	0.81%	640033	84.50%	15.50%	640033
Elementary occupations	80.61%	15.65%	0.79%	2.26%	0.68%	2375449	43.02%	56.98%	2375449
Unspecified/Other	59.41%	10.37%	6.35%	22.83%	1.04%	1197239	70.93%	29.07%	1197239
Total	62.36%	12.40%	3.97%	20.37%	0.90%	9113847	60.16%	39.86%	9113847

ANNEXURE 2: Occupational Levels

Equivalent occupational levels

Semantic Scale	Paterson	Peromnes	Hay	Castellion	
Top management	F	1++ 1+		14	
Senior management	E	E UPPER	1	1	13
		E LOWER	2	2	
Professionally qualified, experienced specialists and mid-management	D	D UPPER	3	3	12
		D LOWER	4	4	11
			5	4	13
Skilled technical and academically qualified workers, junior management, supervisors, foremen, superintendents	C	C UPPER	6	5	9
			7	6	
		C LOWER	8	6A	8
			9	7	
			10	8	
Semi-skilled and discretionary decision making	B	B UPPER	11	9	7
		B LOWER	12	10	6
			13	11	5
			14		4
Unskilled and defined decision making	A	A	15	12	3
			16	13	2
			17		1

Employment Equity Act 55,
1998

PLEASE READ THIS FIRST



WHAT IS THE PURPOSE OF THIS ANNEXURE?

Job evaluation or grading systems are used by many organisations to measure jobs according to their content and establish comparative worth between jobs.

This annexure provides a table of equivalent occupational levels which may be used by employers when completing forms EEA 2 and EEA 4.

INSTRUCTIONS

The table indicates the occupational levels within organisations as determined through the use of different job evaluation or grading systems. The table provides equivalent levels from each of these job evaluation systems.

Organisations that make use of neither one of the job evaluation systems in this table, nor a customised system linked to one of these, should use the Semantic Scale for guidance in determining occupational levels within that organisation.



Employment Equity Act
55 of 1998, Section 21

PLEASE READ THIS FIRST



WHAT IS THE PURPOSE OF THIS FORM?

This form contains the format for employment equity reporting to the Department of Labour. The form incorporates the reporting requirements for designated employers, both smaller (less than 150 employees) and larger (150 or more employees). The form also contains the progress report to be completed after the first round of reporting.

WHO COMPLETES THIS FORM?

All designated employers that have to submit a report in terms of the Employment Equity Act, 55 of 1998. Any employer completing the Employment Equity Report voluntarily.

INSTRUCTIONS

A designated employer that employs 150 or more employees must:

- Submit the first report by 1 June 2000, and thereafter annually on the first working day of October, starting in 2001.
- Complete all sections of this form, except for section G (progress) in the first report.
- Complete all sections of this form, including section G, in subsequent reports.

A designated employer that employs less than 150 employees must:

- Submit its first report by 1 December 2000, and thereafter every second year on the first working day of October, starting in 2002.
- Complete sections A, B, F and H in the first report.
- Complete sections A, B, F, G and H in subsequent reports.
- Complete question 8.2 (termination categories) in all reports.
- Optionally complete sections C, D and E in all reports.

SEND TO:

Employment Equity Registry
The Department of Labour
Private Bag X117
Pretoria 0001
Telephone: 012 3094000
Facsimile: 012 3202059 / 3220413
e-mail: ee@labour.gov.za

Section A: Employer Details

Employer:	
Registration No:	
SARS Registration No:	
UIF Number:	
Industry Sector:	
Contact Person:	
Address:	
Town/City	
Postal Code	
Telephone No:	
Fax No:	
E-Mail Address:	
Date of Submission:	

Organ of state:

Yes	No
-----	----

Are you voluntarily complying with this Act as specified in section 14:

Yes	No
-----	----



Section C: Workforce movement

Reporting period for workforce movement (past 12 months): From: _____ To: _____

6. Recruitment (report the total number of new recruits during the twelve months preceding this report):

Occupational Levels	Male				Female				TOTAL
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management									
Senior management									
Professionally qualified and experienced specialists and mid-management									
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents									
Semi-skilled and discretionary decision making									
Unskilled and defined decision making									
TOTAL PERMANENT									

People with disabilities									
--------------------------	--	--	--	--	--	--	--	--	--

7. Promotion: (report the total number of promotions into each occupational level during the twelve months preceding this report)

Occupational Levels	Male				Female				TOTAL
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management									
Senior management									
Professionally qualified and experienced specialists and mid-management									
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents									
Semi-skilled and discretionary decision making									
Unskilled and defined decision making									
TOTAL PERMANENT									

People with disabilities									
--------------------------	--	--	--	--	--	--	--	--	--

DEPARTMENT OF LABOUR



Employment Equity Report

Page: 6 of 12

Section C: Workforce movement – continued

8. Termination

8.1 Termination: (report the total number of terminations in each occupational level during the twelve months preceding this report)

Occupational Levels	Male				Female				TOTAL
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management									
Senior management									
Professionally qualified and experienced specialists and mid-management									
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents									
Semi-skilled and discretionary decision making									
Unskilled and defined decision making									
TOTAL PERMANENT									

People with disabilities									
--------------------------	--	--	--	--	--	--	--	--	--

8.2 Termination categories: (report the total number of terminations in each category during the twelve months preceding this report)

Terminations	Male				Female				TOTAL
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Resignation									
Non-renewal of contract									
Dismissal – Operational requirements (retrenchment)									
Dismissal - misconduct									
Dismissal - incapacity									
Other									
Total									

Section D: Disciplinary Action

9. Disciplinary action: (report the total number of disciplinary actions during the twelve months preceding this report)

Disciplinary Action	Male				Female			
	African	Coloured	Indian	White	African	Coloured	Indian	White

DEPARTMENT OF LABOUR



Section F: Qualitative Assessment

11. Awareness of Employment Equity

11.1 Please indicate which of the following awareness measures were implemented by your organisation:

	Yes	No
Formal written communication		
Policy statement includes reference to employment equity		
Summary of the Act displayed		
Employment Equity training		
Diversity management programmes		
Discrimination awareness programmes		
Other (please specify):		

11.2 Please indicate how many employees received employment equity/non-discrimination training during the past year:

Number of employees trained	
-----------------------------	--

12. Consultation

12.1 Please indicate which stakeholders were involved in the consultation process prior to the development of your employment equity plan:

	Yes	No
Workplace forum		
Consultative body or forum		
Registered trade union (s)		
Employees		
Other (Please specify):		

12.2 What was the level of agreement reached in the formulation of the plan:

Total	Sufficient	Some	None
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12.3 How regularly do you meet with the stakeholders mentioned in 12.1:

Weekly	Monthly	Quarterly	Yearly	Other
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DEPARTMENT OF LABOUR

Employment Equity Report

Section F: Qualitative Assessment – continued

15. Numerical goals:

15.1 Please use the table below to indicate the numerical goals you have set for your current employment equity plan:

Occupational Categories	Male				Female				TOTAL
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers									
Professionals									
Technicians and associate professionals									
Clerks									
Service and sales workers									
Skilled agricultural and fishery workers									
Craft and related trades workers									
Plant and machine operators and assemblers									
Elementary occupations									
TOTAL PERMANENT									
Non – permanent employees									
TOTAL									

15.2 By which year do you plan to achieve the above numerical goals:

16. Resources:

Please indicate what resources have been allocated to the implementation of employment equity during the past year:

Allocation of Resources	Yes	No
Appointed a designated officer to manage the implementation		
Allocated a budget to support the implementation goals of employment equity		
Time off for employment equity consultative committee (or equivalent) to meet on a regular basis		
Other (Please specify)		

17. Monitoring and evaluation of implementation:

How regularly do you monitor progress on the implementation of the employment equity plan:

Weekly	Monthly	Quarterly	Yearly	Other
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Section G: Progress Report

(Section G to be completed from the second cycle of reporting onwards)

18. Reporting period: From _____ to _____

19. Did you achieve the numerical goals as set out in your employment equity plan for this period:

Yes	No
-----	----

20. Did you achieve the affirmative action objectives as set out in your employment equity plan for this period:

Yes	No
-----	----

20.1 If not, what were the obstacles you experienced:

Obstacles to the employment equity goals and objectives during the past year

20.2 If yes, what factors promoted the accomplishment of your goals and objectives:

Factors contributing to the accomplishment of the employment equity goals and objectives during the past year

Section H: Signature of Chief Executive Officer

Signed on this _____ day of _____ year _____ at place: _____

Signature Full Name

GUIDELINES FOR EARLY RETIREMENT

Voluntary early retirement figures as one of the selection criteria for staff reduction (par. 17.4.2). Early retirement could be considered by Centurion Metropolitan Local Council, on the request of an employee, in accordance with the stipulations of the relevant pension and medical aid funds (par. 17.4.2.2(a)). The retirement benefits (according to Assenmacher 1999: 6) to which employees are entitled to, if their services are terminated due to early retirement as part of staff reduction are set out in par. 17.4.8. It could be summarised as follows:

- Clause 17.4.8.1: Notice period

Three months written notice is required alternatively the payment of three months in lieu of notice.

- Clause 17.4.8.2: Annual Bonus and leave payment

The employee is entitled to pro-rata annual bonus as well as the payment for the accrued leave.

- Clause 17.4.8.3: Pension

The employee shall receive the pension benefits applicable within the rules of the pension fund.

- Clause 17.4.8.4: Outstanding loans

Debt concerning outstanding study loans and furniture removal costs should be written off.

- Clause 17.4.8.5 Outstanding vehicle loans

The employee, dealing in the Council approved motor loan scheme is entitled to an amount equal to nine months of the amount received as vehicle allowance subject to the detailed stipulations of the scheme and clause 17.4.8.5.

- Clause 17.4.8.6 Housing guarantee

Suitable arrangements should be made by the employee in order to release Council of the obligation for the housing guarantee.

- Clause 17.4.8.8 Severance pay

Differentiated benefits are applicable for employees with less than ten years service and employees with more than ten years service, namely:

- Ten years and longer service - three weeks salary for every completed year of service, up to nine years, with a maximum of twenty seven weeks; and
- Less than ten years service - one weeks' salary for every completed year of service to a maximum of twelve weeks.

ANNEXURE G

(a) Establishments of learnerships

The provisions in the *Skills Development Act, 1998* (Act No. 97 of 1998) for the establishment of learnerships can be summarised as follows:

A municipality through the relevant Sectoral Education and Training Authority (SETA) may establish a learnership if:

- the learnership consists of a structured learning component;
- the learnership includes practical work experience of a specified nature and duration;
- the learnership would lead to a qualification registered by the South African Qualifications Authority (SAQA) and is related to an occupation; and
- the intended learnership is registered with the relevant Director General (DG) in the prescribed manner.

(b) Learnership Agreements

A learnership agreement, according to the *Skills Development Act, 1998* (Act No. 97 of 1998) means:

an agreement entered into for a specified period between:

- a learner;
- an employer or a group of employers; and

- if a learner was in the employment of the employer party to the learnership agreement concerned when the agreement was concluded, the learner's contract of employment is not affected by the agreement;
- if the learner was not in the employment of the employer party to the learnership agreement concerned when the agreement was concluded, the employer and learner must enter into a contract of employment; and
- the contract of employment with a learner is subject to *the Basic Conditions of Employment Act, 1997* (Act No. 55 of 1997).

(e) Rights of the learner

The act establish the rights of the learner as follows:

- to be educated and trained adequately in terms of the agreement;
- to negotiate, in conjunction with the employer, with the provider on:
 - selection, content and sequencing of specific outcomes,
 - timing, location and mode of delivery, and
 - who conducts the assessment.
- to use necessary resources to enable the learner to receive quality training;
- to complain or express dissatisfaction about the training presented where it falls short of the quality or set standards;
- to be assigned to an alternative registered training provider where the current training provider is dissolved, insolvent or de-registered;
- is entitled to proper/professional assessment of his performance in training;

- to continue training until the period specified lapses, or whenever he meets the required outcomes;
- to certification;
- to be available for all learning and work experience as outlined in the learning contract; and
- to a fair hearing in disciplinary matters.

In relation to the employer the learner furthermore has the right to:

- enter into a contract of employment with the employer;
- be provided with relevant structured work experience;
- access to the relevant resources of the employer to further the learnership as contemplated in the agreement;
- proper supervision, monitoring and assessment of his work which include access to information regarding his progress;
- remuneration;
- legislative protection such as:
 - leave (sick and annual leave);
 - normal working hours;
 - healthy and safe environment;
 - fair disciplinary hearing access to grievance and dispute procedures;and
- have the employer substituted under certain strict conditions as laid down in the *Skills Development Act, 1998* (Act No. 97 of 1998).

(f) **Rights of the Registered Training Provider** determined in the learning contract;

According to the *Skills Development Act, 1998* (Act No. 97 of 1998) the provider is entitled to:

- negotiate the release of the learner from the learnership from the employer when the time is due for the learner to attend training as reflected in the learning contract;
- co-operative relationships with the employer;
- record, monitor and retain details of training provided to the learner;
- evaluate or assess the performance of the learner in terms of the relevant criteria which includes access to the learner's books and learning material;
- report the learner to the relevant authorities in cases of misconduct or incapacity;
- ensure compliance with rules governing his business;
- to discipline the learner;
- terminate the agreement, provided that the Sectoral Education and Training Authority (SETA) approves; and
- inherent protection according to applicable legislation.

(g) **Rights of the Employer**

The employer according to the *Skills Development Act, 1998* (Act No. 97 of 1998) has the right to:

- a co-operative relationship with the provider;
- enter into a contract of employment with the learner;

- use the services of the learner as shall be determined in the learning contract;
- to negotiate, in conjunction with the learner, with the registered training provider on:
 - selection content and sequencing of specific outcomes;
 - timing, location and mode of delivery; and
 - who conducts the assessment.
- the release of the learner from the provider from the learner to gain structured work experience as laid down in the learning contract;
- ensure that the learner adheres to the rules and regulations governing his business concern; and
- report poor learner work performance to the relevant Sectoral Education and Training Authority (SETA) for appropriate action.

(h) Rights of the Sectoral Education and Training Authority (SETA)

The Sectoral Education and Training Authority according to the *Skills Development Act, 1998* (Act No. 97 of 1998) has the right to:

- withhold registration of the learnership agreement;
- de-register an existing learnership Agreement;
- terminate or withhold approval to terminate a learnership agreement as recommended to it by either the provider or the employer;
- grant or refuse requests for withholding a learner from attending training;
- grant or refuse requests for financial assistance from institutions; and
- enforce the rights and obligations of any party to the agreement in accordance with the Standards Development Authority.

(i) - Learner Obligations

The Learner according to the *Skills Development Act, 1998* (Act No. 97 of 1998) has the following obligations:

- to avail himself to the services of the employer as part of the learning process;
- to comply with workplace policies and procedures such as arriving at work timeously and wearing the correct apparel;
- to complete timesheets or any written assessment tools supplied by the employer in the employers endeavour to provide relevant work experience; and
- to attend all study periods and theoretical learning sessions with the specific training provider and to apply himself to all learning material.

(j) Entry requirements for learners

According to the *Skills Development Act, 1998* (Act No. 97 of 1998) the following entry requirements are required:

- age
 - (i) - An age of at least 16 years;
- educational, physical and mental requirements
 - Learners shall have acquired a minimum of grade 8 or equivalent; or
 - An Adult Basic Education and Training (ABET) Level 3 qualification;
 - Learners who do not have these qualifications but who have acquired the relevant skills and knowledge, may apply for recognition of prior learning (PL);

- if sufficient credits are obtained, such learners may qualify for entry;
- physical and mental requirements shall be stipulated by the Sectoral Education and Training Authority (SETA) according to the nature of the occupational area.

(k) Period of Agreement

The period of agreement, as stipulated by the *Skills Development Act, 1998* (Act No. 97 of 1998) is:

- ultimately determined according to the rate at which the unit standard (competencies) are achieved, as stipulated in the learning contract, but not exceeding twelve months;
- the registrar of learnerships under exceptional circumstances may grant an extension of this period;
- previous learning achievements (competencies) gained during the learner's educational or working life may be recognised and therefore reduce the learning period; and
- this should be discussed with both the employer and the registered training provider.

(l) Termination of a learnership agreement

The *Skills Development Act, 1998* (Act No. 97 of 1998) stipulates that a learnership agreement may not be terminated before the expiry of the period of duration specified in the agreement unless:

- the learner meets the requirements for successful completion of the

learnership;

- the Sectoral Education and Training Authority (SETA) which registered the agreement approves of such termination; and
- the learner is fairly dismissed for a reason related to the learner's conduct or capacity as an employee.

(m) Learnership Benefits

The *Skills Development Act, 1998* (Act No. 97 of 1998) makes provision for the following learnership benefits:

- empowerment of designated employees;
- provide institutions with a more effective recruitment screening device;
- allow institutions to align new skills to precise company specifications;
- allow institutions to provide comprehensive induction programmes;
- reduce recruitment costs;
- reduce the premium to be paid for skills in the open market; and
- produce high profile "social spin-offs" for the institution.