A research paper presented in partial fulfilment of the requirements for the Degree of Master of Public Administration.

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DATE: 10 May 2005
DECLARATION

I declare that the work contained in this report was written and compiled by me in partial fulfilment of the requirements for the Degree of Master of Public Administration.

R C Pick:  ………………………………..

Date:  ………………………………..
DEDICATION

For their patience, love and understanding, I thank my wife Viola and sons Jaycee and Adley and dedicate this achievement to them.
ACKNOWLEDGEMENTS

I acknowledge that the Grace of GOD has sustained me throughout, without which I would have failed. For that I thank Him.

Sincere thanks is expressed to my good friend, colleague and study partner, Keith Matthews for his continuous support throughout my study career.

I extend my gratitude to all those, known or unknown, including the City of Cape Town, who have had a part in the research, development and presentation of this report.

A special thank you to my Supervisor, Dr. Michelle Esau for her patience, guidance, commitment and intellectual contribution to this report.
ABSTRACT

Whilst many debates are brewing in our country as to how best to address the low Skills Levels in our country and the poor levels of Racial Representativeness in our Organisations, the City Of Cape Town has not emerged unaffected by these deep-seated and contentious issues. This report examined the practices of the City Of Cape Town in the mentioned functional areas with a view to explore and examine.

To this end the study was guided by the following assumptions:

- Transformation within the City of Cape Town has contributed towards feelings of alienation, distrust, anxiety and insecurity between the employees and the City as employer;

- Staff in the City of Cape Town experience low levels of motivation and morale, and are consequently not receptive to training and retraining initiatives introduced by the City of Cape Town

- The lack of suitably qualified and skilled staff affect the levels of representativeness in the City of Cape Town;

- The lack of development and career stagnation exacerbates feelings of frustration and anger on the part of employees in the City of Cape Town; and

- Pessimistic attitudes towards processes aimed at achieving equity in the workplace negatively impact on the achievement of equity targets.
In pursuing these assumptions, the main objectives of the study were to:-

- Critically examine literature focused on affirmative action, equity in the workplace, skills development and training;
- Critically examine the manner in which policies and practices aimed at realising representativeness were implemented by the City of Cape Town;
- Identify reasons for the slow progress made at realising representativeness in the City of Cape Town;
- Identify shortcomings of current policies, procedures and practices; and
- Highlight the main findings of the study and propose recommendations.

It was found that the legislation pertaining to skills development and employment equity in South Africa presented a challenge to the City of Cape Town. Areas of concern included the manner in which the skills levy was refunded to the City and practices of financial control and budgeting; the pessimistic attitudes of senior officials towards measures of affirmative action; and the process of restructuring and transformation of the City itself.
ABBREVIATIONS:

- EMT – Executive Management Team of the City Of Cape Town.
- ETD - Education, Training and Development.
- EE – Employment Equity
- AA – Affirmative Action
- WPSP – Workplace Skills Plan
- IDP – Integrated Development Plan
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>INDEX</th>
<th>PAGE NO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Declaration</td>
<td>2</td>
</tr>
<tr>
<td>Dedication</td>
<td>3</td>
</tr>
<tr>
<td>Acknowledgements</td>
<td>4</td>
</tr>
<tr>
<td>Abstract</td>
<td>5</td>
</tr>
<tr>
<td>Abbreviations</td>
<td>7</td>
</tr>
</tbody>
</table>

## CHAPTER ONE

- Background to the Study ........................................ 13
- Statement of the Problem ...................................... 14
- Objectives of the Study ........................................ 16
- Methodology ..................................................... 17
- Related Studies and Debates .................................. 18
- Organisation of the Study .................................... 23
- Significance of the Study .................................... 23
- Definition of Key Terms and Concepts ...................... 24
CHAPTER TWO

A conceptual Framework for Employment Equity and Skills Development and Training………………………………………26

Introduction……………………………………………………………………26
Defining Employment Equity and Affirmative Action …………………26
Understanding Employment Equity and Affirmative Action in the South African context………………………………………28
Education, Training and Skills Development towards the achievement of Employment Equity…………………………31
The impact and challenges of National Skills Legislation on Local Government…………………………………………………33
Training initiatives at National Level………………………………………………37
South African Qualifications Authority………………………………………….38
National Qualifications Framework………………………………………………39
Education and Training Quality Assurer…………………………………………40
National Standard Bodies and Standard Generating Bodies………40
Sector Education Training Authorities, National Skills Authority and National Skills Fund……………………………………41
The Skills Development Levy……………………………………………………42
Chapter Summary ……………………………………………………………….43
CHAPTER THREE

An examination of the implementation of Skills Development and Training in the City of Cape Town……..46

Introduction…………………………………………………………………………..46

Challenges confronting the City of Cape Town vis-à-vis Employment Equity………………………..47

Staff Integration…………………………………………………………………….49

Service Conditions…………………………………………………………………51

The process of implementing Employment Equity in the CoCT………………………………………51

Towards a skilled labour force in the City of Cape Town……..56

Training Management and Coordination (Interim Structures)…………57

Workplace Skills Plans…………………………………………………………58

City achievements under Skills Plan One……………………………………59

Consultation………………………………………………………………………60

Separatist Approach………………………………………………………………62

City achievements under Skills Plan Two……………………………………62

City achievements under Skills Plan Three………………………………64

Corporate programs of Training and Development………..64

Mentoring Program……………………………………………………………….65
Adult Basic Education………………………………………………...66
Financial Life Skills………………………………………………...67
Leadership Development…………………………………………68
Learnerships…………………………………………………………69
Training Budgets…………………………………………………..70
Internal and External Bursaries…………………………………..71
City of Cape Town’s constraints in
implementing the WPSP…………………………………………74
Chapter Summary………………………………………………..78

CHAPTER FOUR

Main findings and conclusion……………………………………..80

Introduction………………………………………………………..80

The Restructuring and Transformation
of the City of Cape Town………………………………………..82
Training Budget Process…………………………………………83
Collective Bargaining Strategy……………………………………84
Realising Equity Targets in the
City of Cape Town……………………………………………..85
Social Transformation…………………………………………86
Conclusion………………………………………………………86

BIBLIOGRAPHY………………………………………………….88

ADDENDA

Staff Skills Audit Baseline Study Questionnaire

Staff Attitude Survey Questionnaire
CHAPTER ONE

Background to the study

The historic apartheid policies of the South African government, together with the related effects of discrimination on labour and employment activities, have adversely left the larger part of the population unemployed and unskilled. The effects of apartheid policies on levels of, inter alia, unemployment is thus high on the political agendas of the South African government. Through discriminatory employment policies large numbers of people were excluded from the economic cycle. Instead of drawing on the talents and skills of the diverse spectrum of South Africans, only a selected few were preferred to become, and possibly remain, economically active.

Tinder (1991, 56) observes socio-economic inequality as it relates to race by stating that:-

…marked inequalities of wealth, power, and status remain in every nation; the lives people lead are shaped throughout by where they stand within these economic, political, and social hierarchies, and where they stand, in turn, is heavily influenced, and often determined, by such accidents as whether they were born white or black, or male or female.

Tinder’s observations are echoed when the Commission for Employment Equity in their Annual Report of 2001 – 2002 states that:-
Even though blacks (African, Coloureds, Indians) constitute 77% of the economically active population in the Western Cape, whites (males and females) still hold 75% of top management positions in organisations. At a professional and middle-management level, whites still dominate this level with 62%. The Legislative and Senior Managerial levels still sees whites occupying with 72%. In technical and associate professions, the tally for whites is 41% and at elementary levels 25% (Annual Employment Equity Progress Report: 2001-2002: p 11)

The challenge facing the democratic South African government revolves around addressing this imbalance and ensuring that equitable representation of all the races is achieved in the context of the South African labour market realities and peculiarities. There is a big demand for highly skilled people to occupy certain positions, whilst there is extensive unemployment amongst less skilled people. Our economy is crippled by the lack of a competent and trained workforce, which makes it difficult for us to compete internationally and for previously disadvantaged individuals to be placed nationally.

**Statement of the problem**

The government of national unity inherited a system of local governance that was strongly influenced by discriminatory employment policies and practices based on race, gender, disability, sexual orientation, pregnancy, marital status, culture, political opinion and language. Hence these groups were poorly represented at decision-making levels and in other technical occupational classes. The 1996 Constitution of the Republic of South Africa demands of local government to
become non-racist, non-sexist and democratic in nature and to integrate people with disabilities, diversities of culture, language and political opinion.

The current realities facing the City of Cape Town, however, render the meritorious appointment of previously disadvantaged individuals problematic. Council reports, equity plans, skills development strategy documents, the IDP and Directorate Business Plans depict these problems as the unattainability of equity targets in the higher echelons due to the absence of suitably qualified and skilled individuals; the pessimistic attitudes of individuals supposedly driving processes aimed at achieving equity in the workplace; the subtle assertions made about the recruitment and selection process being based on tokenism as opposed to a recruitment and selection process based on fair and meritorious practices. The transformation of local government in the Western Cape is viewed as another factor rendering employment equity difficult. The transfer of functions and staff, the reorganisation of functions and methods of service delivery now calls for training and retraining in the midst of already pessimistic attitudes and challenges.

The study was guided by the following assumptions:
• Transformation within the City of Cape Town has contributed towards feelings of alienation, distrust, anxiety and insecurity between the employees and the City as employer;

• staff in the City of Cape Town experience low levels of motivation and morale, and are consequently not receptive to training and retraining initiatives introduced by the City of Cape Town

• The lack of suitably qualified and skilled staff affect the levels of representativeness in the City of Cape Town;

• The lack of development and career stagnation exacerbates feelings of frustration and anger on the part of employees in the City of Cape Town; and

• Pessimistic attitudes towards processes aimed at achieving equity in the workplace negatively impact on the achievement of equity targets.

Objectives of the study

The aims and objectives of the study were to:

• Critically examine literature focused on affirmative action, equity in the workplace, skills development and training;

• critically examine the manner in which policies and practices aimed at realising representativeness were implemented by the City of Cape Town;

• Identify reasons for the slow progress made at realising representativeness in the City of Cape Town;
• Identify shortcomings of current policies, procedures and practices; and

• Suggest recommendations towards a possible model organisation for obtaining and/or achieving representativeness within predetermined time-frames.

**Methodology**

The researcher relied on primary and secondary sources of data. Secondary sources included books, government documents and publications and discussion papers. Primary sources included interviews and personal observations.

Interviews were conducted with staff selected from all occupational levels and categories within the City of Cape Town. These interviews brought value to the study in that it allowed the researcher greater knowledge and understanding of the prevalent attitudes and perceptions towards the City of Cape Town and its related practices. Interviews were also conducted with senior members of staff and senior officials in the employ of the City of Cape Town. These interviews were less structured. This method of interviewing allowed the researcher to probe and follow-up on responses to questions. It also contributed towards a more relaxed and spontaneous atmosphere. It is however important to note that the interviews were primarily used to validate the prevailing perception of the researcher rather than to be at risk of generalizing and distorting fact. The
interviews therefore was deliberately not interpreted in the traditional manner, but is referred to only to support and confirm the guiding assumptions of this report.

A structured skills audit baseline questionnaire was developed. This was circulated amongst those who were interviewed. The questionnaire elicited information on skills levels, skills requirements, biographical information such as race and gender, qualifications and learnerships. Questionnaires were distributed within six broad occupational levels and defined categories, amongst seven administrations that make up the City of Cape Town. The skills audit was an independent research conducted specifically for this report and provided valuable information around human resources capacity and prevailing attitudes existing towards the City of Cape Town.

Related studies and debates

Affirmative Action, representativeness and equality in the workplace and in society as a whole, have been widely debated internationally and locally. Apartheid as a tool, and its related usage, has been powerful and very successful in keeping the South African society uneducated and uninformed. It was orchestrated from the premise that the less you knew, the more you could be manipulated and discriminated against.
Until a few years ago the terms Affirmative Action and Employment Equity were virtually unknown in South Africa. Presently it is two of the most widely debated concepts in the land. It has the responsibility of reforming current structures, policies and procedures and it forces employers to train and retrain, placing reform and force on two separate sides of the continuum. In fact, this is demonstrated when Nelson Mandela stated that:

"To millions affirmative action is a beacon of positive expectation. To others it is an alarming spectre which is viewed as a threat to their personal security and a menace to the integrity of public life (Nelson Mandela, 1991, 3)"

The parameters for Employment Equity and measures such as Affirmative Action are set in the Equality clause of the 1996 Constitution of the Republic of South Africa. Equality is a fundamental constitutional value, upon which a society based on democratic values, social justice and fundamental rights to improve the quality of life of all citizens of South Africa, should be established. The RSA Constitution is further enjoined by other pieces of legislation such as the Employment Equity Act No 55 of 1998 and the Promotion of Equality and Prevention of Unfair Discrimination Act of 2000. Both these Acts serve the compelling interests of government as is clearly demonstrated in the RSA Constitution. Affirmative Action and Employment Equity can thus both have a corrective purpose and a compensatory purpose. Corrective in the sense that it aims to correct the past
imbalances and compensatory in that it attempts to make up for wrongly concentrating on the employment needs and interests of a particular racial group.

The debate on Affirmative Action is one of the most controversial aspects of the arguments about the scope of equality. The measurement for inequality and disadvantage is found in the degree of difference between being equal, as opposed to unequal. Relative to the area of Training and Development, disadvantage or inequality implies that a developmental gap exists with an individual who has either been subjected to an inferior or sub-standard educational background as opposed to someone who has not. It is this perceived gap in development that is closed through training and development. It can thus be argued that the intervention of Training and Development serves as a purposeful educational or academic instrument of correction to restore imbalances and disadvantages. In this way, the developmental gap between incompetent performance and performance at a minimum acceptable standard of previously disadvantaged individuals, is closed or reduced. The Employment Equity practice is therefore aimed at deliberately reserving a number of positions for disadvantaged individuals until such time that developmental gaps are closed owing to training and development.

The error of reasoning is that the concepts of Training and Development and Employment Equity can be interchangeably applied, rather than integrated to
form a coherent one. Practices aimed at achieving equity in the workplace should therefore be accompanied by Training and Development. Through integrating workplace education and training towards eradicating the high level of functional illiteracy among black workers, the apartheid legacy of separate development is confronted.

Mardi (1993) introduces another dimension to the affirmative action and employment equity debate. He observes that strategies and approaches towards employment equity of blacks (as is the case in South Africa) could be viewed as threatening future white employment. Chapter 2 of the Employment Equity Act No 55 of 1998 outlaws the use of unfair discrimination to create equity. However, it appears to be silent on the use of fair discrimination to achieve equity. It thus stands to reason that the application of fair discrimination has both a positive and neutralising effect in the creation of equity; eg. positive if the discrimination applied advances the individual to an equitable position and neutralising if it reverses privileges that were previously unfairly obtained.

Raspberry (2003) claims that the successful implementation of affirmative action measures largely depends on the implementers` understanding and interpretation of the concept, the circumstances and the extent to which one is affected by it. These sentiments relate to Mardi’s concerns of affirmative action and subsequently employment equity viewed pessimistically by untargeted groups.
Qunta’s observations are along similar lines to those expressed above. One of the prominent factors of resistance, whether blatantly or subtly so, particularly in large corporations, is the display of condescending and consciously ignorant attitudes of whites towards affirmative action (Qunta, 1995). These attitudes continue to see only the negative side of affirmative action and are, according to her, the route cause of the failure of black people to survive in corporations today. In the South African case, several examples reflected the accuracy of her opinion with blacks being affirmed to senior positions within organisations, but without the necessary support to succeed.

Rautenbach (2003, 3) in his journal “Affirmative Action by Law is Doomed”, argues from an economic perspective which again creates another angle to building a business case for affirmative action and racial representativeness. Rautenbach’s centre point from which he argues this “business case”, is the question of whether the law considers the financial impact that Affirmative Action implementation would have on business. In other words, would businesses not be spending their budgets trying to create equity, rather than generating profits for conducting “normal” business to sustain the economy.

Gauging from the above a multi-faceted thrust is directed towards the implementation of interventionist programmes such as affirmative action as being complicated by attitudes of those driving such programmes; that equity in the workplace cannot be successfully achieved in the absence of education and
training and; that the development gap will continue for as long as individuals fail to recognise the value of training and retraining in the workplace.

**Organisation of the study**

The study is divided into four chapters, including this one: -

**Chapter 2:** provides a conceptual framework of Employment Equity, Skills Development and Training. The chapter further examines the impact and challenges of skills development and training at the local government level.

**Chapter 3:** examines the practices and plans of the City of Cape Town in the context of skills development and training towards the achievement of employment equity. It furthermore attempts to identify strengths and weaknesses associated with the implementation of practices and plans in the said areas.

**Chapter 4:** suggests recommendations towards a model organisation for obtaining and / or achieving representativeness within predetermined time-frames.

**Significance of the study**

The study is significant for the following reasons:-

- It adds to the body of knowledge on equity in the workplace and associated challenges;
• It creates an awareness and cognisance among policy makers of the South African local government realities and peculiarities with specific reference to equity in the workplace; and

• It proposes a model towards improving current and existing practices.

The study was partially limited by the following:

• Movement of staff in and out of the organisation because of resignations, death, transfers, retirement (natural attrition) and new appointments;

• Reluctance of some staff members to fully cooperate during the process;

• The unreturned information survey forms by some of the respondents; and

• The sporadic location of official documentation.

**Definition of key terms and concepts**

The following key terms and concepts are specific to the study:

• **Local Government** – It is a sphere of government located closest to the people and tasked with the delivery of basic services.

• **Employment Equity** – refers to Equal Employment Opportunities in the Workplace.
• **Skills Development** – refers to the methodologies, practices and procedures used to develop and train the skills and potential of individuals.

• **Representitiveness** – refers to the demographic profile of the City of Cape Town as it relates to race and gender representativeness. Employment Equity Targets are based and derived from the Cape Metropolitan Area demographics in the Western Cape.

• **CMA** – refers to the Cape Metropolitan Area, an area that geographically falls under the jurisdiction of the City of Cape Town.

• **Affirmative Action** – refers to those measures prescribed by the Employment Equity Act to be put in place by the City of Cape Town, to address historical imbalances within the Organisation. Education, Training and Development falls squarely within the scope of Affirmative Action. The abbreviation “AA” shall be used to describe the aforementioned concept for the purposes of this study.

• **Training and Development** – refers to a Human Resources functional activity aimed at training, educating and developing staff. This function inseparably links itself to the Affirmative Action Measures prescribed in the Employment Equity Act.
CHAPTER TWO

A CONCEPTUAL FRAMEWORK FOR EMPLOYMENT EQUITY, SKILLS DEVELOPMENT AND TRAINING

Introduction

Employment equity and the implementation of affirmative action measures as an intervention for achieving representativeness is often obscured by various myths, pessimistic notions and misconceptions. Some of these have briefly been alluded to in the previous chapter. Before examining the manner in which practices and policies have been implemented in the City of Cape Town, therefore, it is important to establish a theoretical framework within which the employer is expected to function.

Defining Employment Equity and Affirmative Action

Equality in local government employment, and representativeness in local government employment, was skewed through racial stratification, supported by a practice of systemic exploitation that took place during the period of colonialism between 1652 and 1994. The RSA Constitution and other related policy documents elucidate the importance of equity as a means to representativeness in government. The need for representativeness of government structures and institutions is without a doubt one of the
most important features of a democracy. Representativeness is shown to result in increased relations of trust between government and society, more accurate identification of societal needs, greater empathy towards society and improved service delivery. It is no wonder that the post-1994 period witnessed the serious attention to policies and practices towards representativeness. In achieving representativeness government must ensure that employment practices, policies and strategies are directed towards those previously disadvantaged through the discriminatory policies of the past. This therefore requires that preferential treatment and consideration be given to those previously disadvantaged in narrowing the inequality gap.

According to Cheminais et al (1998,235) equal employment opportunity “refers to a more passive or soft approach to removing discriminatory practices.” Their definition, however, extends to mention that opportunities of equal employment must be sustainable – equity is only achieved when all employees are able to compete equally and are given equal opportunity to do so in the context of their peculiar circumstances. This definition implies two things. Firstly, that organisations must introduce strategies for training and retraining of new and existing staff aimed at reducing the inequality gap between the races, genders and so on. Secondly, that individual peculiarities and circumstances must be considered. It would be incorrect, for example, to expect the same level of performance from a physically disabled person as from a physically-abled person without providing the necessary infrastructure to assist the former.
In the view of Cheminais et al (1998,235) employment equity is defined as:-

An organisation’s adherence to a holistic set of procedures and policies that ensure that there is equal treatment of all employees, regardless of race, gender, religion, culture, sexual preference or social class. It includes the fundamental commitment to treating all employees as equal and facilitating the human development of all individuals according to their ability and capacity.

In achieving the goals and objectives of equity in the workplace affirmative action measures are introduced. There is a clear and distinct difference in meaning between employment equity and affirmative action. Many a time, though, these terms are used synonymously. It is important that affirmative action be viewed as the measure through which employment equity is advanced. Equal opportunity in the workplace cannot single-handed redress the past inequalities. In fact equal treatment of individuals in the workplace will simply result in inequalities between various groups remaining. Through affirmative action measures all the steps necessary to ensure that previously disadvantaged individuals are recruited or advanced in the organisation are implemented (Cheminais et al,1998). Various definitions and opinions on affirmative action encapsulate this objective.

**Understanding Employment Equity and Affirmative Action in the South African context**
The debate on whether affirmative action poses a threat to the employment of whites arises again when Mardi (1993,33) questions whether affirmative action should be, accepted as a force of empowerment for blacks, or as a threat for future employment of whites. According to Professor Linda Human (1991, 114) “the Equity process should not unduly trample on the reasonable and legitimate interests of competent white men.”

The benefits of Employment Equity and Affirmative Action, according to this viewpoint, should be centred on all competent and able South Africans. In the South African context such application of employment equity would not serve the intended objectives.

Mardi (1993) states that during the apartheid era, government and business discriminated against certain groups of people, namely, people of colour, women and persons with disabilities. Good human resource management now requires that “the right person for the job” be appointed. It is this researcher’s opinion that Mardi’s observation should be extended to include “the right previously disadvantaged individual for the job.” This means that people previously disadvantaged will have a real chance of getting into the system. Notwithstanding the above, an individual classified as previously disadvantaged should possess the proper qualifications, skills, knowledge and experience before being appointed.

Serobe (2003), states that disadvantage and disempowerment starts when someone is restricted from meaningful participation in the economy. The larger part of black South Africans have been either excluded or had limited opportunities for meaningful
participation in the formal economy. Such participation in the formal economy is restored through the application of Employment Equity and Affirmative Action measures. Serobe’s view on Black Economic Empowerment appears to be congruent with certain initiatives in South Africa. For example, the Department of Trade and Industry, on behalf of National Government, has drafted a Bill on Broad Based Black Economic Empowerment (BEE), soon to be enacted. The Bill emphasises the strategy of broad based and holistic development and the empowerment of previously disadvantaged people.

Qunta’s (1995) cautions in two separate but related areas. The first area is centred on the skill variations of the workforce. These variances demonstrating minorities possessing a higher level of skill than majorities has resulted in the unhealthy reliance on a minority group. She cautions that the current economy can no longer survive by relying on the skills of 12.8% of the population while it subtly ignores the other 87.2% (Qunta, 1995, 22-23). The second area that Qunta warns against refers to the haphazard sprinkling of black people in visible positions. Evidence in most organisations today reflects the “haphazard sprinkling” of blacks into senior managerial positions without the necessary qualifications, training and experience. Job adverts and media reports post 1994 bear witness to the fact that big corporates are attracting black people to serve on their boards and be employed in senior managerial positions. However, the sad reality is that these appointments are very often not based on merit or are not accompanied by the necessary infrastructural support. Organisations should take heed of these cautions. It is
more specifically as a result of these experiences post-1994 that the employment equity act is so explicit about organisations planning around numerical targets. The ‘haphazard sprinkling’ of blacks in senior positions has also been a means of demonstrating compliance.

Lungu (1993,9) refers to such behaviour and action as ‘window-dressing.’ He states that:-

Tokenism is a practice of appointing a few representatives from the underrepresented groups merely for public relations purposes or what can be termed as ‘window-dressing’ appointments. Tokens are used by the appointing authority to reduce pressure for more representation from the groups concerned. It is indeed this practice, which now persists under the new dispensation, and it is contended that more harm than good is done through this practice.

Numerical targets, the appointment of competent and able individuals and the promotion of individuals based on such competence and ability reflects the application of employment equity as a slow implementation process. Nonetheless the positive outcomes are recognised. The African National Congress’s constitutional committee at its conference on Affirmative Action held in Port Elizabeth in October 1991, for example, said the following, “affirmative action is the conscious use of race, sex or national origin in an active attempt to progressively overcome the effects of a history of discrimination.”

Education, Training and Skills Development towards the achievement of Employment Equity
The framework for education in South Africa was established in 1948. It started off with the Bantu Education Act of 1953 which essentially divided all education along racial and ethnic lines. This reinforced the dominant white rule by excluding blacks from quality education. Learning Institutions were differentiated by race and legislation prohibited the entrance of black students to so-called white learning institutions. Between 1978 and 1983 this practice continued with 11.37% of blacks students registered at technikons and universities as opposed to 71% of white students during that same time (Burns, 1987, 116).

Despite the transition to a liberal democratic state, the remnants of discriminatory policies are still evident in education. In most cases, learners exposed to inferior education at the primary and secondary school levels are only now entering tertiary institutions. As a result issues of quality become an area of great concern. Tertiary institutions not only have to ensure that minimum standards of quality are upheld, but also that learners are not discriminated against on the basis of factors beyond their control. The same principle will then apply to the labour sector.

The need for Employment Equity and Affirmative Action implementation, is motivated for, and makes good business sense in the South African context. An employer who successfully implements equity through measures of affirmative action will be seen as an equal opportunity employer who takes cognisance of the past realities. Furthermore, such
an employer is able to attract talent of a diverse nature to the organisation. This will further engender loyalty and commitment which will facilitate the retention of skilled staff.

The impact and challenges of National Skills Legislation on Local Government

The political history of this country clearly reflects an existence of a distinct relationship between disparate power relations, economic poverty, unemployment and training and development. Apartheid aimed to limit the extent to which affluent white municipalities would have to bear the financial burden of training and developing black staff. A wedge was therefore driven deeper between the skilled and the semi-skilled and the professional and the labourer.

Under the Apartheid system, whites were the most educationally advanced, followed by the Indians, Coloureds and finally the Blacks. In the late 1970’s for example, more than 95% of the country’s university graduates were members of the white group, which at the time constituted only 17% of the entire population. (De Crespigny & Schrire, 1978, p62). Twenty years later, most of this group find themselves appointed and strongly positioned in senior managerial posts within large corporates. The table below graphically illustrates:
Educational Levels of the population in the late 1970’s

<table>
<thead>
<tr>
<th>Race group</th>
<th>None/unspecified</th>
<th>Less than Std 6</th>
<th>Std 6 &amp; 7</th>
<th>Std 8 &amp; 9</th>
<th>Matric / Std 10</th>
<th>Bachelor Degree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whites</td>
<td>601049</td>
<td>653399</td>
<td>786204</td>
<td>838682</td>
<td>585514</td>
<td>91592</td>
</tr>
<tr>
<td>Coloureds</td>
<td>810813</td>
<td>896208</td>
<td>246155</td>
<td>68037</td>
<td>13689</td>
<td>1094</td>
</tr>
<tr>
<td>Asians</td>
<td>194324</td>
<td>252717</td>
<td>115020</td>
<td>45479</td>
<td>15369</td>
<td>2302</td>
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<td>Blacks</td>
<td>8881040</td>
<td>5262362</td>
<td>880059</td>
<td>246190</td>
<td>29166</td>
<td>1314</td>
</tr>
</tbody>
</table>

(De Crespigny, 1978, 62-3)

From the above statistics it is clear that the vast majority of those employed in the South African labour market were lower paid officials, who possessed only the most modest qualifications necessary for appointment to lower level jobs.

The table below reflects a more recent status of employment categories occupied by the various race groupings in the Western Cape. It is apparent that the majority of senior positions in 1994 were held by Whites. Furthermore, that the more elementary occupational levels were held by Africans and Coloureds.
<table>
<thead>
<tr>
<th>Occupational Groups</th>
<th>Asians</th>
<th>Coloureds</th>
<th>Whites</th>
<th>Africans</th>
<th>Total No of Occupations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior Officials / Managers</td>
<td>30 363</td>
<td>27 997</td>
<td>305 857</td>
<td>167 282</td>
<td>531 499</td>
</tr>
<tr>
<td>Professionals</td>
<td>19 798</td>
<td>37 808</td>
<td>265 096</td>
<td>299 403</td>
<td>622 105</td>
</tr>
<tr>
<td>Technicians and Associate Prof</td>
<td>35 154</td>
<td>62 721</td>
<td>354 247</td>
<td>370 665</td>
<td>822 787</td>
</tr>
<tr>
<td>Clerks</td>
<td>73 220</td>
<td>143 893</td>
<td>548 951</td>
<td>404 042</td>
<td>1 170 106</td>
</tr>
<tr>
<td>Service and Sales Workers</td>
<td>50 830</td>
<td>121 176</td>
<td>224 710</td>
<td>610 867</td>
<td>1 007 583</td>
</tr>
<tr>
<td>Skilled Agricultural and Fishery Workers</td>
<td>1297</td>
<td>21 360</td>
<td>64 821</td>
<td>45 264</td>
<td>132 742</td>
</tr>
<tr>
<td>Craft and Trades</td>
<td>47 854</td>
<td>169 284</td>
<td>362 171</td>
<td>603 801</td>
<td>1 183 110</td>
</tr>
<tr>
<td>Plant and Machine Operators</td>
<td>56 845</td>
<td>158 077</td>
<td>94 007</td>
<td>822 347</td>
<td>1 131 276</td>
</tr>
<tr>
<td>Elementary Occupations</td>
<td>21 421</td>
<td>396 185</td>
<td>41 156</td>
<td>2 458 271</td>
<td>2 917 033</td>
</tr>
<tr>
<td>Armed Forces</td>
<td>Nil</td>
<td>2803</td>
<td>23 352</td>
<td>20 685</td>
<td>46 840</td>
</tr>
<tr>
<td>Unspecified Occupations</td>
<td>1699</td>
<td>3624</td>
<td>27 017</td>
<td>33 551</td>
<td>65 891</td>
</tr>
</tbody>
</table>

(Source: Statistics South Africa, Occupation Survey, Western Cape, 1994)

Note: Table above was adapted from the original to describe racial groupings reflected.
Furthermore, it is clear that those employed at higher levels in organisations were better qualified, and were white.

One, therefore, logically arrives at a scenario which depicts the unequal division amongst workers along racial and educational lines; a situation which continues to exist presently despite democracy being a reality. The political victory scored during the liberation struggle, and the advent of democracy shortly thereafter, necessitated the introduction and reshaping of policies and legislation, to further give effect to the transformation discourse. A number of legislative initiatives such as Employment Equity, Skills Development, Labour Relations Act as amended, the Municipal Structures Act and the Municipal Systems Act, were put in place to not only strengthen and enforce compliance, but to keep the impetus of change in motion until the freedom of all the peoples of South Africa can be guaranteed.

This new order has taken South African policy makers into unfamiliar and challenging territory. Opportunities to partake in global initiatives are forthcoming and indeed exist. However, the lack of an appropriately skilled and educated workforce makes competing with the global world difficult. There is a strong desire to become globally recognised and internationally appraised. Local government now finds itself with the dilemma of the steadily increasing skills content for certain jobs for which no blacks can seemingly be found.
It is not this researcher’s objective to portray global competitiveness as something unattainable. Instead, the cost of achieving a labour workforce that is able to compete globally should be viewed in the context of the South African priorities. In other words, objective consideration should be given to investment in achieving skill levels of workers to deliver on basic needs and interests of society versus investment in skills levels for purposes of global competitiveness.

**Training initiatives at National Level**

Various initiatives such as the National Skills Development Framework were introduced by National Government to regulate and organise training and development efforts in an orderly and meaningful way. Driven essentially by the huge challenge of low skills levels and inadequate competency levels across the entire country, government could no longer rely on either the skills of a few or on the moral belief that training and development will be realised through the goodwill of those who possessed the skills and knowledge.

As a result, the Skills Development Act No 97 of 1998, and the Skills Levies Act No 9 of 1999, now require the establishment and effective functioning of a Sector Education and Training Authority (SETA). Various authoritative bodies were created under the education and training framework. The framework differentiates between education and labour and seeks to encourage employers to use the workplace as an active learning
environment, offering continuous education and training. Training and Development is regulated, monitored and organised within the framework as follows:

South African Qualifications Authority (SAQA)

As has been alluded to at various occasions, the direct link between training and development and social and economic development is important. SAQA has been positioned intentionally to deliver the outcomes of the Skill Development Act of 1998 in its relation to holistic transformation and upliftment of the skills levels within the South African labour market.

SAQA is an independent statutory body that plays an oversight role over the development and implementation of the NQF. It was set up by the Minister of Labour to whom it remains accountable. It has 26 members nominated from different constituencies – the Department of Education, Labour, organised labour federations, organised business, training providers for example universities, technikons, training boards and private providers.

The South African Qualifications Authority essentially has two focus areas, namely;

- A standards and qualifications setting process – a process and criteria according to which SAQA will give formal recognition that
an Organisation or a person is competent to perform quality assurance functions.

- A quality assurance process which monitors and audits education and training achievements and systems in terms of national standards and or qualifications.

SAQA plays a key role in ensuring that training outcomes are measured and quality assured and linked to an appropriate educational level or band. In this way training becomes meaningful as it is outcomes-based and linked to a recognised qualification. This process assists greatly with the development of the necessary competencies for employees in Organisations, which can be expertly applied in a particular context for a defined job purpose. Whilst many workers had acquired competencies around tasks, which they perform, many have never had access to the knowledge base or general education or to qualifications.

**National Qualifications Framework (NQF)**

The NQF is intended to be an instrument through which a final goal is arrived at, namely an education policy that will link education and training to the strategic objectives of corporations, the establishment of coherent career development in which the current match between worker skills and actual work being performed is corrected. Undoubtedly these objectives place education and training at the heart of social and organisational transformation directed towards achieving equity in the workplace. Education and training considers the market forces that dictate what sort of skills and
knowledge are required in industry, and adapts and or changes its training interventions accordingly. Sector Education and Training Authorities, prepare sector skills plans, which reflect sector skills needs and priorities. Organisations prepare workplace skills plans to meet the overall sector objectives as it relates to training and skills development.

**Education and Training Quality Assurer (ETQA)**

ETQA’s, established and accredited under the SAQA Act No 58 of 1995 under ETQA Regulations No R 1127 of 1998, are organisations or groups of organisations that have been accredited by SAQA to perform the quality assurance functions of education and training providers and programmes. SETA`s are assigned to perform these functions but choose to devolve them to ETQA bodies. This is the second most important function assigned under SAQA, which sees the design of policies and criteria for accreditation of Education and Training Quality Assurers. ETQA’s are accredited for a particular set of standards and or qualifications in one of three sectors, namely economic, social and education and training sector.

**National Standard Bodies (NSB) and Standard Generating Bodies (SGB)**

SAQA is responsible for the design and criteria for registering NSB’s and SGB’s which in turn are responsible for the setting and registering standards and qualifications. NSB’s are national stakeholder bodies consisting of key interest groups in their particular fields. NSB’s transform training and education through the process of setting standards and qualifications. They play a significant role in integrating training and education and more
specifically, academic and vocational learning. NSB`s ensure that standards and qualifications have national credibility.

This has a direct impact on the content, quality and process of all training conducted. SGB`s are ultimately responsible for developing standards and qualifications and are accountable to NSB`s. They write standards and design qualifications in accordance with SAQA. The Standards generation process is stakeholder-informed, consultative, representative and applies nationally. It ensures the quality of provision. (SAQA Act No 58 of 1995)

Sector Education Training Authorities (SETA`s), National Skills Authority (NSA) and National Skills Fund (NSF)

SETA`s are established by the Minister of Labour. It is established in any national economic sector and can facilitate the establishment of sub-chambers for industries within a sector. For the purposes of training and development, the SETA will govern the particular industry falling within its scope of jurisdiction. A SETA has the following functions:

- To set the priorities for training and development in its particular industry by developing a sector skills plan;
- To establish learnerships;
- To approve workplace skills plans;
- To allocate grants to employers, education and training providers and workers;
- To promote and register learnerships;
- To collect and disburse skills levies in its sector;
- To monitor Education and Training in the sector; and
- To report to the Director General on income, expenditure and implementation of its skills sector plans. (Skills Development Levy Act of 1999)

The Skills Development Levy

The Skills Development Levy Act of 1999 requires all employers to pay a skills development levy to a Sector Education Training Authority (SETA) with which they are registered. In the case of the City of Cape Town the levy is payable to the Local Government Water and Related Services Seta via the South African Revenue Services (SARS). The skills development levy and levy grants are structured as follows:

- The Skills Development Levy is set at 1% of the salary bill of the enterprise;
- The levy is paid to SARS, who in turn pays 80% of the levy to the relevant SETA;
- SARS retains 2% of the levy to cover its administrative costs and pays 18% of the levy to the National Skills Fund;
- The SETA refunds levy grants to organisations who comply with the following:
  - Appointment of a Skills Development Facilitator (SDF) and submission of a workplace skills plan for the financial year;
• Submission of a workplace skills plan implementation report for the financial year;

• Additional discretionary grants can be paid to employers for implementing programmes specifically identified by the SETA, eg. Learnerships. (Skills Development Act No 97 of 1998)

National Government has a clear strategy and agenda to ensure that training and development happens within organisations. These legislative strategies require a new approach to training and development; one that calls for positive interventions and one that demands a non-frivolous commitment to change and transformation. Legislation forces compliance since it dictates that training and development is driven and pursued within a framework of strict controls for quality, measurable outcomes, accelerated timeframes and functioning within a multi-cultural environment to ensure the mobility of employees within the workplace.

Chapter Summary

The main purpose of this chapter was to provide a theoretical framework within which the application and implementation of policies, regulations and strategies aimed at equity in the workplace could be understood. The chapter proceeded to provide a definition of employment equity and affirmative action. It was found that these two distinct concepts are very often used synonymously and contributes to various misconceptions and myths.
Nonetheless, clear definitions of employment equity and affirmative action allows one to develop a clear understanding of the aims and objectives for introducing measures of affirmative action towards furthering equity in the workplace.

An examination of opinions on employment equity and affirmative action in the South African context was undertaken. It is however clear, that although increasing representativeness in Organisations through Employment Equity is important, it is not an end in itself. It must be accompanied by genuine empowerment such as the promotion of diversity in Organisations, embracing differences and reflecting the values of caring and nurturing. There are not only Apartheid legacies to be erased, but a call for an inclusive society within which employment opportunities are widened.

National Government and the National Skills Authority see that skills are linked to quality provision and qualifications, either in whole or in part, and that they are nationally recognised. Furthermore, the delivery of skills and education must follow a route underpinned by cost effectiveness, efficacy and characterised by the acquisition of realistic and relevant competencies that can support and sustain both productivity in the workplace and opportunities for those in work. Given the numerous linkages in strategy and practice, skills development, driven within the current legislative boundaries, demands greater interaction, partnerships and cooperation between spheres of governance. The current skills development and employment equity legislation have
considered, in discernable fashion, the national challenges of globalisation, the subsequent
demand for higher skills, societal and labour market changes and structural changes in
organisations as informants that will change the way organisations operate and carry on
business in the future.
CHAPTER THREE

AN EXAMINATION OF THE IMPLEMENTATION OF SKILLS DEVELOPMENT AND TRAINING IN THE CITY OF CAPE TOWN

Introduction

Skills development and training are recognised by government as being critical towards achieving equity in the workplace and therefore in the City of Cape Town. It is envisioned that the implementation of policies and legislation focused on training and development will facilitate the successful appointment of black staff that are adequately skilled and educated to take up employment in the City.

Training in the past has largely been directed towards technical and functional training. A more responsive approach regarding training and development (as advocated through the legislation and policies examined in the previous chapter) in the City of Cape Town should be followed to firstly, render the organisation competent to deal with the challenges of organisational transformation, service delivery and equity, and, secondly, to develop and train staff to become competent and adequately skilled, for the jobs they are employed to do. The purpose of this chapter is therefore to provide the reader with some insight into the historical context in which the City functioned, the challenges confronting the City as a result of recent transformational changes and the manner in which the City
has complied with regulations and legislation insofar as the improvement of the skills base of workers is concerned.

The challenges confronting the City of Cape Town vis-à-vis Employment Equity

Local government in the Western Cape can best be described as underdeveloped. The City of Cape Town continues to struggle to create viable mechanisms for good governance and policy implementation. The policies and strategies that are currently employed to alleviate particularly unemployment and to increase skills training and education are not implemented in a way that ensures the success of the objectives of the applicable legislation. Evidence of this is discovered in the way the City of Cape Town chooses to implement the Employment Equity and Skills Development Acts. By its own admission, the City of Cape Town needs to move out of a compliance mode insofar the implementation of these Acts. One single factor, though not the only one, is the size of the Organisation and the subsequent fragmented manner in which EE and ETD activities are distributed.

In attempting to provide some understanding of the historical context within which the City of Cape Town functions, it is important to place the apartheid local government in perspective. Marguard (1969,94) highlights the effects of the apartheid policies as advocated by national government when he says that:-
It is at this stage of local government that many of the problems and difficulties of a multi-racial society are best seen. It is there that national policies impinge most directly on the individuals of the population groups, and that the various laws that constitute national policy, or reveal its absence are given personal significance. The regulations drawn up under these laws by distant departments of state have here to be carried into the lives and homes of human beings in day-to-day administration. It is in the sphere of local government that the social effects of laws and regulations are felt.

The above quote reflected local government as the structure used by the national government to entrench the racial divisions between members of society through the implementation of discriminatory policies and laws. Local government possessed no real powers. In fact, local government had delegated powers which were derived from Acts of Parliament and provincial ordinances (Spitz & Chaskalson, 2000). According to Spitz & Chaskalson (2000,183) the very existence of local government was contingent on the will of Parliament. There was nothing preventing Parliament from legislating to abolish local government altogether. The transition process in South Africa, however, witnessed a remarkable change in the powers, roles and responsibilities of local government. Local government was recognised as a structure towards change and reform, as an enabler towards equal access and provision of services and a provider of improved service delivery. Local government became a constitutionally entrenched tier of government with a constitutional claim to all necessary powers to provide services to all community members (Spitz & Chaskalson, 2000,183). Section 151(3) of the RSA Constitution stipulates that:-

A municipality has the right to govern, on its own initiative, the local government affairs of its community…
And further states that:-

The national and provincial government may not compromise or impede a municipality’s ability or right to exercise its powers or perform its functions (RSA Constitution, 1996, 151 (4).

In the light, however, of the past history of local government and its function in service delivery, a dire need existed to change perceptions and attitudes towards all structures of government - but in particular, local government as the sphere of government closest to the people. The first challenge, confronting the democratic government was therefore to ensure representativeness of local government.

**Staff Integration**

The process of transformation at the local government was not an easy one. Previously disadvantaged communities had to be incorporated into new restructured municipalities. New boundaries were demarcated which mapped out new geographical areas of jurisdiction. In addition, a flatter, leaner centralised administration was proposed for the new UniCity Council; one that would be far less expense insofar labour budgets. Staff from existing Administrations had to be migrated to the new structure, and to this end, the City developed a Placement Agreement which would serve as the guiding document to transfer staff to the new structure. Three key objectives became the driving force to restructure Local Government in the Western Cape, namely,
- Employment Equity,
- Financial affordability and sustainability,
- A new Service Delivery and Operating Model.

Traditionally an approach of “strategy-follow-structure” was followed, but this time round the reverse would be attempted to give pure effect to the transformational discourse. It was hoped that this restructuring of Local Government would be largely associated with gains rather than losses.

The December 2000 local government elections ushered in a new type of restructuring which suggested a more centralized approach to local government management. All seven local Administrations, or Metropolitan Local Councils have since been amalgamated to operate as one council called the City of Cape Town. Compliance to enforce the establishment of the City of Cape Town was facilitated through the following pieces of legislation:

- The Municipal Structures Act, No 117 of 1998;
- The Systems Act, No 32 of 2000; and
Service Conditions

One of the major challenges that formed an integral part of this restructuring process, was that over twenty six different types of service conditions were applicable to plus/minus 27 000 staff members of former Administrations. This has resulted in the City of Cape Town administering different types of service conditions under one Uni-City. Employees performing the same function but originally from different administrations would be on different salary scales under the same employer.

Those who have suffered the most in terms of careers and or advancement within careers in Council, were the staff themselves, many such advancements derived from varied service conditions applicable to some staff and not to others. Career paths were stifled by this practice as the service conditions in their varied forms gave preferential treatment to some and not to others, the latter being prohibited under the Employment Equity Act of 1998.

The process of implementing Employment Equity in the City of Cape Town

The City of Cape Town’s current employment statistics reflects a workforce that is severely skewed in terms of its racial mix at various occupational levels and categories. The City of Cape Town has been criticised for making slow progress in the area of
representativeness. Williams (Cape Times, 1998, 9 January), makes the following observation:

The majority of black workers in the City of Cape Town still have no clear job descriptions and thus no clear career path. Most of the work entrusted to black workers has no connection with their formal education and training. It seems that black people are employed as mere tokens to soothe white guilt. In practice, very little has changed since 1994.

Progress towards achieving representativeness in the City of Cape Town was delayed by the change of political control in the Western Cape and divisions between the union and the City as employer. Nevertheless, and in compliance with the Act, a Senior Manager for Employment Equity was identified in 2002 and assigned the responsibility for employment equity by the then City Manager, Robert Maydon. The fact that joint responsibility for Employment Equity, would be shared by the ten members of the Executive Management Committee, was also communicated to the staff. An informal structure was established to support the implementation of Employment Equity in the City of Cape Town:

- An Employment Equity Committee (EEC) constituted of officials and politicians to essentially determine strategy and policy;
- An Employment Equity Task Team (EETT) constituted of officials only to essentially take care of operations and implementation;
- The establishment of Employment Equity Forums (EEF) within each Business Unit of the Council for the purposes of consultation; and
• An Employment Equity Working Group of the Bargaining Council (EEWGBK) to seek consensus on the employer/employee positions.

The Equity Committee, the Task Team and the Equity forums were all regarded as unofficial and interim structures subject to the finalisation of the City’s Placement exercise. The EE Working Group under the Bargaining Council was the consultative structure which would approve policy. No policy for Employment Equity has since been approved by this structure. This structure recommended that the Department of Labour’s compliance report for EE be adopted to facilitate the process of placement of staff in the new structures of the City of Cape Town.

Despite the introduction of various structures and mechanisms towards achieving representativeness in the workplace, other factors affected the attitudes of staff. These attitudes influenced the receptiveness of staff towards training, retraining, developmental opportunities and so forth. The table below is an extract of a more recent profile of the City of Cape Town reflecting its labour spread and staffing arrangements. It is noticeable that white males continue to dominate senior management levels at the City. This is indicative of the slow progress around racial and gender representativeness.
### City of Cape Town Employment Statistics – 18 July 2003

<table>
<thead>
<tr>
<th>Representativeness per Occupational Category</th>
<th>White Males</th>
<th>White Females</th>
<th>Black Males</th>
<th>Black Females</th>
<th>Coloured Males</th>
<th>Coloured Females</th>
<th>Indian Males</th>
<th>Indian Females</th>
<th>Persons with Disabilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive Management</td>
<td>8</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
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<tr>
<td>Senior Management</td>
<td>190</td>
<td>16</td>
<td>11</td>
<td>2</td>
<td>29</td>
<td>4</td>
<td>4</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Professionals</td>
<td>819</td>
<td>202</td>
<td>47</td>
<td>34</td>
<td>310</td>
<td>88</td>
<td>9</td>
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<td>0</td>
</tr>
<tr>
<td>Technicians and associate Professions</td>
<td>1449</td>
<td>678</td>
<td>508</td>
<td>274</td>
<td>1892</td>
<td>733</td>
<td>24</td>
<td>11</td>
<td>0</td>
</tr>
<tr>
<td>Semi-skilled workers</td>
<td>521</td>
<td>513</td>
<td>1103</td>
<td>360</td>
<td>5340</td>
<td>1231</td>
<td>33</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Unskilled Workers</td>
<td>61</td>
<td>20</td>
<td>2036</td>
<td>201</td>
<td>4903</td>
<td>612</td>
<td>10</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>TOTAL</td>
<td>3048</td>
<td>1429</td>
<td>3705</td>
<td>871</td>
<td>12476</td>
<td>2668</td>
<td>80</td>
<td>15</td>
<td>1</td>
</tr>
</tbody>
</table>

Source: Dept of Human Resources – Directorate Employment Equity, July 2003, City of Cape Town. The above is a record of permanent staff only drawn from the HRD IT System.

It is against this backdrop that an urgent need arises for dynamic social and cultural change within the City of Cape Town. A commonly used excuse that frequently
hampered the advancement of black people was their low skills levels and their assumed unreadiness, both academically and intellectually, to be promoted into senior managerial posts. Hence the need for employment equity and training and development as the former, mostly white functionaries of the Apartheid regime have remained largely in tact and are presently entrenched in key decision-making positions in the newly established UniCity Council. Even in the City of Cape Town, these arguments are raised in the context of concrete attempts to address inequalities in the City of Cape Town. The most convenient argument against social transformation of course is the question of funding.

How expensive would it be for the City of Cape Town to bridge the gap of inequality? Economic stratification, which is supported by a non-conformist culture in the organisation, which in turn is further enforced by a beauracratic system of structures, renders employment equity and skills development a contested and unpopular concept in the City of Cape Town. Budgets and its allocation have always been associated with power and status and have been vehemently argued for. However, beneath these arguments lie deeper questions about meaningful social transformation and change.

Nevertheless, the City of Cape Town has complied with policies and legislation on skills development and training. The next section of this chapter outlines the various processes and activities engaged in towards achieving a skilled workforce.
Towards a skilled labour force in the City of Cape Town

On the 13 April 2000, the first Metro Training Committee was established by the UniCity Commission, a temporary body commissioned by the province to convene the establishment of the new City of Cape Town. The objectives of this committee were to:

- Promote an effective system of education and training in the Cape Metropolitan Area, in line with national guidelines and principles for the Skills Development Act;
- To serve as a consultative forum, at a metro level, for the Skills Development Plan;
- To guide and support the development of a holistic Skills Development Plan for the City of Cape Town;
- To be a significant structure for increasing two-way communication so as to ensure that the Skills Development Plan is acceptable to trade unions and management, as well as to meet the obligations for legislative compliance; and
- To create an enabling environment to ensure compliance with regulatory and legislative requirements in terms of the South African Qualifications Authority (SAQA Act No 58 of 1995) and the Skills Development Act (Act No 97 of 1998).
The establishment of the Training Committee under the Bargaining Council served a twofold purpose; one:

- To structure training and development in a coherent and integrated way, and
- To establish a management practice that would consider and adhere to both the legislative consultative and negotiation issues of the function

Training management and coordination (Interim structures)

The Human Resources functional area of training and development takes overall responsibility for managing and co-ordinating all training activities in the City. This includes the management of training budgets. The delivery of training, however, is a line management function and is controlled and administered by various Heads of Departments within the interim structures of the City of Cape Town. The Human Resources Training Department largely assumes responsibility for corporate training. The latter affecting corporate processes, such as the recent establishment of a Corporate Call Centre which benefits both the organisation as a whole, and helps to facilitate public processes, but it also manages its own departmental training. Departmental training is more specific training interventions aimed at particular skill requirements, which are job-specific and contributes to a competent delivery of services. Thus, the Workplace Skills
Plan is strategically linked to the Integrated Development Plan (IDP), the Mayor’s 2020 Vision, the Competency Profile¹ and the Departmental Business Plans.

**Workplace Skills Plans (WPSP)**

The Skills Development Act of 1998 requires that the City of Cape Town submit a Skills Plan to the Local Government and Water Sector Education and Training Authority (LGWSETA) by August of each year. The plan clearly indicates the training strategy to be adopted by the City of Cape Town. Such a plan is developed in consultation with staff by conducting a Training Needs Analyses and in consultation with the trade unions in the Bargaining Council. The skills plan adopts a two-pronged approach in that it focuses on the transferral of job specific skills and generic skills. These will be expanded upon later. The cost of implementing the Skills Plan is facilitated through the Skills Levy Act of 2000; a piece of legislation which compels employers to pay to the Receiver of Revenue a 1% tax levy of their annual labour bill, which in turn is paid to the SETA as a training grant. The SETA pays the levy back to the employer as a grant (various types of grants are payable) based on the Skills Plan submitted by the employer to the SETA. Other considerations that will influence the payment of grants back to employers by the SETA, are, the cost of such a Skills Plan and the training specified; the latter having to comply with the provisions of the National Skills Authority (NSA). Furthermore, the City of Cape Town has been penalised in terms of their Workplace Skills Plan because of no consultation, late submissions, and the failure to appoint a permanent Skills Development
Facilitator. The Workplace Skills Plan has been tabled in the Bargaining Council for consultation on a number of occasions. The consultation process has been characterised by tensions and adversarial confrontations between trade unions and the employer, resulting in WPSP’s being rejected or taken off the agenda. None of the City’s Workplace Skills Plans thus far submitted were adopted. The submission of the City of Cape Town’s latest Skills Plan at the end of August 2003, resulted in a levy grant return from the SETA of approximately R 19 million.

City achievements under Skills Plan One

Workplace Skills Plans in the City of Cape Town is developed to facilitate legal compliance with the relevant law governing education, training and development within organisations. The development of such plans is further achieved by considering and aligning the plans against strategic goals and targets of the organisation, which includes;

- Numerical targets per employment category;
- Race;
- Gender;
- Disability; and
- A budgetary allocation.

1Competency profiles are now compiled and outline the main tasks, roles and responsibilities associated with a job portfolio.
The Workplace Skills Plan is developed annually and submitted to the Local Government Water and Related Sector Education and Training Authority in a format so required by the SETA. The WPSP provides qualitative and quantitative information on training and development and employment equity in the City of Cape Town. The plan conforms and is established around departmental business plans, the Integrated Development Plan (IDP) for local government, priorities of the City of Cape Town, LGWSETA priorities, the National Skills Development Strategy and the City Budget.

Skills Plan One was submitted to the LGWSETA in October 2001. The plan included training courses of all sorts, seminars, technical training, management training, IT training, leadership training, workshops and conferences. The development of the plan saw it being linked to the strategic objectives of the City emanating from the IDP.

The implementation and development of the WPSP did not happen without any incidence or problems.

**Consultation**

The development and implementation of a Workplace Skills Plan is heavily reliant on consultation with the trade unions in the City of Cape Town. Consultation with stakeholders forms an important criterion of the LGWSETA. The extent of consultation will influence whether or not the City is able to claim back their grant as specified in the
Skills Levy Act of 1999. It should be noted that for three consecutive years the trade unions were unhappy with the plan and rejected it outright. The City of Cape Town was then penalised financially, despite consultation having taken place. Serious accusations were raised against the City by the trade union, that training and development in the city essentially targeted the higher levels in the organisation. It was argued that these levels were largely occupied by, white males and females who did not show any developmental gaps. Evidence of this is displayed in the way the budget had been apportioned and expropriated. Training interventions in the Workplace Skills Plan is costed and the larger part of the expenditure was to conduct leadership training. A further argument, which frustrated the trade union even more, was the listing of conferences, seminars and symposiums on Departmental Skills Plans. Whilst the value of conferences, seminars and symposiums were not underestimated, issues were raised which argued that, in many instances, these were not accredited training but rather opportunities to network, do advocacy work and listen to presentations which results in:

- No skills acquisition which takes place and therefore should not be listed as a training and development event;
- As a result of the above, these should not be funded from Skills Levies; and
- That in most cases these are “nice-to-have’s”, funded by the City and attended by whites to support their own networks.
Separatist approach

The monetary value of the plan for this particular financial year could not accurately be determined owing to the fragmented nature of the way budgets between different Administrations were configured and structured. It must also be noted that at the time Administrations had to individually comply and report on the Skills Development Legislation as separate entities. A process of budget integration was embarked upon during these early stages of restructuring shortly after the advent of the UniCity Commission. This presented a challenge in that financial information was drawn from seven legacy systems into one integrated financial system. Budgets were constantly reprioritised in the process with new and different cost centres being created to render the budget more meaningful and realistic in its application. Probably the single biggest problem arising therefrom, was diminished responsibility and accountability resulting in huge under-expenditures.

City achievements under Skills Plan Two

The methodology for compiling Workplace Skills Plan Two was aligned to meet the objectives as defined in Directorate Business Plans and the IDP. In an effort to lend greater transparency and participation to this process, it was agreed that focus groups be established to assist with the compilation of Workplace Skills Plan Two. The City established Focus Groups, constituting 50% labour and 50% management, within each
Directorate as a practical role-out to formulate the development of Workplace Skills Plans. The purpose of these groups are to conduct a needs analysis within their allocated Directorates, align with City objectives and strategic priorities, and to then list training needs on a SETA template to form a Workplace Skills Plan. Individual Directorate Skills Plans are then quality assured before being integrated to form a single plan for the City of Cape Town. The Workplace Skills Plan thus becomes a technically drafted document, which lists all training needs and interventions and has a projected cost attached to fit the City budget.

Most of the training interventions have been duplicated in Skills Plan Two and Skills Plan Three because little of it was ever implemented. Technical, structural, political and administrative problems stifle the smooth and timeous process of implementation. Technical problems arose out of predetermined electronic reporting templates provided by the LGWSETA for the purposes of reporting. The continuous alteration and changes to these templates, necessitated that changes be effected to the City’s electronic reporting system, SAP, to accommodate these technical changes. The newly adopted service delivery model prescribed new delivery structures and mechanisms to deliver training and development to one single City as opposed to seven individual administrations formally. To successfully achieve this, roles and responsibilities had to be redesigned and re-assigned. Workflow, administrative and management processes had to be redesigned to give effect to the changes in delivery strategy. The slow implementation of training and development in the City of Cape Town can be largely
ascribed to the ongoing restructuring process which often resulted in the disestablishment of functional structures of implementation. The restructuring process, and the subsequent finalisation thereof, has a profound impact on service delivery.

City achievements under Skills Plan Three

Under skills plan three the City envisages two things. The first, that staff currently holding positions in various departments acquire and improve their skills, knowledge and expertise. In this way progress towards improved service delivery is achieved. The second objective is to provide training and opportunities for skills development to staff appointed in alternative positions whilst the City is undergoing restructuring. In the event that permanent positions are created by the City these staff may be suitably qualified and eligible for placement. According to a Department of Labour report which will be submitted in October of this year, a total of 14 253 staff out of 28 686 should have attended job specific training programmes. In this manner the above-mentioned objectives under skills plan three will be realised.

Corporate programs of Training and Development

Examples of corporate programmes of training and development include:-

- Mentorship Training;
- Adult Basic Education and Training (ABET);
- Financial Life Skills;
• Leadership Development; and
• Learnerships.

These are discussed below.

**Mentoring program**

As part of the Affirmative Action Measures, the Trading Services Business Unit embarked on a Pilot Mentoring Programme four months ago to facilitate training and development particularly for EE integration into senior managerial levels. A successful mentorship program is dependent on the seniority, expertise, years of service and knowledge of the mentor. It is therefore against this background and within the political context of South Africa that all mentors are white males.

Mentoring by definition means the transfer of knowledge, theory, processes, behavioural skills, life skills and emotional competence through initiatives such as training, teaching, coaching and counselling. It is envisaged, that depending on the measure of success with the City’s programme, it will be rolled out corporately. It stands to reason that should the mentor be responsible to the learner for understanding the depth of what to do, the depth to which the learner is able to implement into practice his or her understanding, the depth of maturity and growth of the learner, then without a doubt the element of trust must be present in such a relationship. It is, therefore, important for the mentor to reflect on the
experience of the learner, “feeling” the moment when it all comes together because that will be the moment when experiential learning takes place.

The Pilot programme is focused on building a relationship between the mentor and the mentee or protégé which is based on trust, mutual respect, is developmental in nature, tolerant, inclusive and one of understanding. The South African realities depict a society divided by race, gender and culture, among other things. In the context of these realities mentorship becomes more challenging. Organisations like the City of Cape Town are confronted with relationships of distrust, suspicion and conflict. Such relationships by its very nature are contradictory to the success of mentorship programmes. The very configuration of the organisational positions and portfolios within the City of Cape Town results in relationships of mentoring where White Afrikaner males adopt roles as mentors and previously disadvantaged individuals become mentees. Needless to say, the Pilot Mentorship Programme in the City of Cape Town was not successful and no further attempts at it, was made.

**Adult Basic Education and Training (ABET)**

Adult illiteracy is defined as not attaining a level of education higher than Grade 6 (previously standard 4). The objective of the national Adult Basic Education Programme is focused on a particular target group that has been historically disadvantaged in
education. ABET forms part of the National Qualifications Framework (NQF) and is regarded as compulsory education.

The ABET Programme of the City of Cape Town essentially targets the category of illiteracy and innumeracy amongst the elementary levels of occupation in particular. In the absence of reliable statistics which reflect the exact number of illiteracy and innumeracy in the City’s workforce, the Employment demographics of the City indicates that a large number of staff in the City of Cape Town falls within the category of unskilled labour. There are currently four hundred adult learners engaged in the official program of the City. They are split amongst thirty classes; the latter facilitated by external providers. The learners operate between Abet level 1 and Abet level 4. The experience in the City is that staff integrates back into their work-streams after completing Abet level four.

**Financial Life Skills**

Financial life skills are run corporate wide by the City. The primary aim of this program is to ensure that employees stay out of debt, or prevent them from entering into debt. The program essentially focuses on the effective management of budgets, whether it be a City or a household budget. The level of the course is customised and pitched at the appropriate level. Currently, forty five groups of ten persons each have been on this program thus far. The course is presented in English, Afrikaans and Xhosa.
The Financial Life Skills Program of the City has erroneously been linked with the Abet program and the two run simultaneously as one. The marketing of the Financial Life Skills Program has been affected through this as it now carries the stigma of illiteracy and innumeracy. It is therefore not strange that almost all of the participants in the Financial Life Skills Program are from the elementary occupational levels of the Organisation. Both programs thus carry predispositions and stereotypes of historically oppressed and marginalized people. However, the training provided responds to economic and social pressures which extend far beyond particular areas in the City of Cape Town.

**Leadership Development**

In order to build a better society, one that is more just and fair, one that provides greater opportunities for the people of this province, the Leadership Development Program or Policy of the City should prominently focus on the issues of organisational capacity to firstly serve the people, and secondly, to develop and promote the competent performance of its servant-leaders. Critical issues such as common-vision, reality, ethics, political parity, executive coaching and moral courage should be integrated into such a strategy to name but a few. The program should further target all levels of leadership in the City.

The City of Cape Town is currently developing a leadership development program.
Learnerships

“A learnership is a structured learning programme that combines learning at a training institution with practical work-based learning in an integrated programme” (Hattingh, 2003, 4). Learnerships stand in place of the traditional apprenticeships and are different in that it formalises and structures learning to lead to an eventual qualification recognised by the South African Qualifications Authority (SAQA). This practice gives effect to the provisions of the South African Qualifications Authority Act, the Skills Development Act and the Skills Levies Act. The institutional learning component covers the theoretical aspects of the learning whilst the work-based learning is covered by experiential learning experience gained in the workplace.

Learnerships form the cornerstone of the national skills development strategy. The reality of considerably reduced employment opportunities in the formal economy of the Western Cape, particularly for the youth, encourages the need for Youth Development Learnerships. Youth development is listed as one of its top priorities in the LGWSETA Skills Sector Plan.

The City of Cape Town has recently been nominated by the LGWSETA to pilot five learnerships and these are:

- A Certificate in Electrical Engineering at NQF Level 2;
- A Certificate in Local Economic Development at NQF Level 4;
• A Certificate in Waste Water Process Operations at NQF Level 2;
• A National Certificate in Water Purification Process Operations at NQF Level 2; and
• A National Certificate in Water Reticulation Services at NQF Level 2.

Learnerships and skills programmes give effect to the provisions of the Skills Development Act (Act 97 of 1998). In all of these Learnerships the City of Cape Town plays the lead Employer role and is responsible for providing experiential learning to the students enrolled for these learnerships. The City rotates students through different departments to help them gain experience relevant to the Learnership they partake in. In so doing, the City responds to its social responsibility by contributing to the intellectual and experiential body of knowledge of the student and contributes to employability and job creation programs. Experiential learning in the instances of Learnerships, is a requirement for obtaining a recognised qualification.

Training Budgets

The provisions of the Skills Levy Act of 2000 compels Organisations to set aside 1% of their wage bill and pay it over as a skills development tax to the South African Revenue Services (SARS). Only after the calculation of the levy grant is made does the City draft its training and development budget. Training budgets are appropriated to corporate training and job specific training. The overall training budget of the City is then further
divided between approximately thirty-five directorates. Within these directorates the budget is then further devolved to line departments. Clearly, the accountability cycle becomes bigger. More importantly, however, is the impact of this devolution on the size of the budget appropriated to line departments. For example, some line departments’ budgets are so insignificantly small, that line managers choose rather not to spend, or spend on non-training items. This naturally has an impact on lines of accountability and reporting in so far as the spending of training budgets is concerned.

Another possible reason for non- or under-expenditure, is the absence of an effective capturing system for training events. Often training events are not captured and budgets do not reflect expenditure correctly. All training events must be captured under the integrated human resources financial system of the City. Investigations into tracking of training revealed that line managers do not complete the necessary documentation designed to track training interventions in departments. This is one of the main reasons for the poor or lack of capturing of training events. This situation holds further financial implications for the City in that the full claimable grants cannot be recovered in its entirety from the SETA.

Internal and External Bursaries

The City of Cape Town further extends its investment into human capital by setting a specific budget aside for the allocation of academic bursaries for members of staff and
for members of the public. Bursaries and student assistance have been offered by, the City to both internal\(^2\) and external\(^3\) students and the practice of allocation is explained briefly below. In 2002 a Budget of R 154 000.00 was made available to finance students in 17 different academic fields of study. Fifteen bursaries were approved by Council for this purpose and twelve were awarded. The total expenditure was R 116 005.00 for that financial year. Bursary awards according to race and gender reflected 6 African females, 2 African males, 2 Coloured females and 2 Coloured males (Official Documentation on Bursary allocations in the City of Cape Town, 2002 & 2003).

In 2003 a Budget was approved for R 325 000.00, of which R 68 981.00 was committed to the eight students just referred to for continuing their studies in 2003. The remainder of the funds were applied to cover 28 different fields of study, which created a bigger opportunity for the City to award 35 new bursaries at a cost of R 267 772.00. This is an increase in the number of new bursars reflecting on the figures of new bursars

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\(^2\) Awarding an internal bursary is subject to a condition that it should be a first qualification and a career chosen within the current field of employment of the staff member. Everyone who works for the City is free to apply for study assistance and details of loan and study conditions are normally linked to conditions of service. It has formally been indicated how unequal these employment conditions are and hence the opportunities for training and development, in the form of an internal bursary, is not equally shared.

\(^3\) The same conditions apply for external bursars with a additional condition that household incomes of potential bursars are considered to target the less fortunate.
for 2003 and the 2003 budget allocation. Of the awards made in 2003, 18 were African females, 8 were African males, 7 were Coloured females and 2 were Coloured males.

In 2004 a Budget allocation of R 500,000.00 was approved for which R 139,661.00 remained committed to the 16 students completing their studies in 2005. Thus, the value of new bursaries for 2004 are R 346,824.00, allocated to 22 new students studying in 25 various fields of study within the City of Cape Town. Awards were made to African females, 6 African males, 9 Coloured females, 1 Indian male and 1 White male. An increase in racial and gender representativeness begins to show when comparing allocations made between 2002, 2003 and 2004.

Five broad fields of academic disciplines were chosen within which bursaries were allocated, namely;

- Economic and Management Sciences,
- Arts,
- Natural Sciences,
- Law, and
- Community and Health Sciences
The allocation of bursaries to the various fields of study were informed by the disparity in social and economic equity, academic demands of the Organisation and for reasons of creating comparative equality in terms of race and gender.

**City of Cape Town’s constraints in implementing the Workplace Skills Plan**

The LGWSETA requires of the City to report on all training done in a specific reporting format for which a template is provided. Sophisticated IT systems frustrate the process of recording training on this template and administering training events and interventions for reporting purposes. These lengthy administrative processes often take accredited internal trainers out of the classroom and sit them at a computer capturing names and training events. The role of internal trainers have been redefined in the City’s Policy Framework, which relegates them to mere administrators rather than trainers. In other words, all training is now outsourced to providers that are SAQA approved and whose courses appear on their database. This, despite the fact that competent, qualified staff are employed for this purpose. The argument made for this situation is that existing staff are not accredited and / or registered with the relevant training authorities.

Secondly, the financial processes and systems in the City of Cape Town complicate the tracking and monitoring of training funds. When grants are paid over to the City of Cape Town that does not clearly indicate the ‘path’ the funds should follow, it is paid into a suspense account. Officials have confirmed that often training funds end up in a general
revenue suspense account. Given that the City has to budget for training and development in retrospect of the awaited levy grants, a shortfall is almost always evident in the Training and Development cost centre. The lack of a thorough monitoring system to track expenditure and monitor progress therefore results in large sums of money intended for training and development being spent elsewhere. The amalgamation of seven individual training budgets into one UniCity budget, have further complicated matters. For the 2003 / 2004 financial year, the City recorded an over R 2 million under-expenditure on the Training and Development budget. This can largely be attributed to the lack of a sound financial infrastructure to manage and expend of training funds.

Thirdly, the transformation and restructuring process engaged in by the City has impacted negatively on the implementation of WPSP. It appears that very little time exists to devote to the training and development of staff. Huge amounts of time are consumed during the restructuring for various reasons, such as the migration of staff to new structures. Amidst the opportunity that exists simultaneously to engage in training, other priorities overtake the importance of training and development.

A structure was included in a proposed organisational organogram to properly position the function of employment equity in the City Of Cape Town. It is important to understand how employment equity is negated in the City; whether it is dealt with as a function, a role or a project. The Employment Equity Act No. 55 of 1998 proposes the role assignment of an Employment Equity Manager as opposed to Employment Equity as
a function. These important distinctions in the City of Cape Town will have an influence on whether such a role is interpreted to be a delegated role, whether such a role requires an office with a staff compliment, its reporting lines as well as the size of the budget allocation. This remains unapproved and, therefore, unofficial and hence employment equity has no prominence in the City of Cape Town. In this regard the organisation fails to be frank and direct about the necessity for changes needed in the attitudes of officials towards employment equity and overlooks the changes needed around organisational structure. Instead it chooses to be diplomatic so as not to offend and continues to offer apologies where positive action is required. An Employment Equity Communication Strategy, together with a Training Program, was developed for implementation. The listed grounds for discrimination in Chapter 2 of the Employment Equity Act No 55 of 1998, includes discrimination on the basis of sexual orientation, gender, religion, culture and disability amongst others. Diversity management, disability and sexual harassment draft policies were submitted in this regard, but not approved.

All these initiatives were covered in the Annual Reports to the Department of Labour. To date, the City of Cape Town has still not reached finality on a comprehensive Employment Equity Policy. What is currently operative in the City of Cape Town regarding Employment Equity is an approved interim policy which will help facilitate the migration of staff to the new structure, through an impending staff placement exercise. This policy now also serves as the basis on which recruitment and selection decisions are
arrived at and five year targets spelled out in the policy, are aimed at creating a representative workforce.

For the first time during the financial year 2003 / 2004, employment equity has been allocated a committed budget of R 200 000, 00. This budget was to effect employment equity and racial representativeness amongst a staff compliment of 27 000 across 20 occupational categories and levels. The size of the budget is indicative of the impact it will make across the entire organisation.

In comparison with the table on employment statistics in the City of Cape Town presented earlier in this chapter, the table below illustrates the extent to which employment equity has been achieved in 2004. Occupational categories have been renamed to coincide with that of the LGWSETA template.

<table>
<thead>
<tr>
<th>Occupational Category</th>
<th>AM</th>
<th>CM</th>
<th>IM</th>
<th>WM</th>
<th>AF</th>
<th>CF</th>
<th>IF</th>
<th>WF</th>
<th>Total</th>
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<tr>
<td>Legislators, senior officials and managers</td>
<td>11</td>
<td>28</td>
<td>4</td>
<td>123</td>
<td>2</td>
<td>8</td>
<td>0</td>
<td>15</td>
<td>191</td>
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<tr>
<td>Professionals</td>
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<td>123</td>
<td>2</td>
<td>447</td>
<td>9</td>
<td>57</td>
<td>1</td>
<td>121</td>
<td>780</td>
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<tr>
<td>Technicians and associate professionals</td>
<td>126</td>
<td>677</td>
<td>9</td>
<td>769</td>
<td>149</td>
<td>417</td>
<td>6</td>
<td>295</td>
<td>2448</td>
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<tr>
<td>Clerks</td>
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<td>1,236</td>
<td>4</td>
<td>252</td>
<td>238</td>
<td>944</td>
<td>4</td>
<td>690</td>
<td>3585</td>
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<tr>
<td>Service and sales workers</td>
<td>501</td>
<td>2,202</td>
<td>13</td>
<td>634</td>
<td>159</td>
<td>432</td>
<td>0</td>
<td>65</td>
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<td>Skilled agricultural and fishery workers</td>
<td>8</td>
<td>5</td>
<td>0</td>
<td>7</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>20</td>
<td>0</td>
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<tr>
<td>Craft and related trades workers</td>
<td>152</td>
<td>917</td>
<td>6</td>
<td>216</td>
<td>0</td>
<td>7</td>
<td>0</td>
<td>11</td>
<td>1309</td>
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<tr>
<td>Plant and machine operators and assemblers</td>
<td>339</td>
<td>1,519</td>
<td>4</td>
<td>81</td>
<td>3</td>
<td>12</td>
<td>0</td>
<td>21</td>
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<td>Elementary occupations</td>
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<td>4,253</td>
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<td>37</td>
<td>180</td>
<td>489</td>
<td>1</td>
<td>5</td>
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<td>0</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>2</td>
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<tr>
<td><strong>TOTAL PERMANENT</strong></td>
<td>3,192</td>
<td>10,960</td>
<td>51</td>
<td>2,566</td>
<td>741</td>
<td>2,367</td>
<td>12</td>
<td>1,204</td>
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<td>Non - permanent employees</td>
<td>478</td>
<td>750</td>
<td>7</td>
<td>329</td>
<td>488</td>
<td>749</td>
<td>5</td>
<td>290</td>
<td>3096</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>3,670</td>
<td>11,710</td>
<td>58</td>
<td>2,895</td>
<td>1,229</td>
<td>3,116</td>
<td>17</td>
<td>1,494</td>
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Chapter Summary

Local Government in the Western Cape has, as one of its strategic goals, to become globally competitive and to earn a place alongside the best in the world. In contemplation, the Skills Development Act (Act 97 of 1998) and the Employment Equity Act (Act 55 of 1998) are set out to achieve that. However, the South African peculiarities have resulted in an organisational structure skewed along race and gender. The challenge facing the City is to ensure a representative organisation that is able to accurately identify and satisfy the needs of those they serve.

Against this background the chapter outlined the training and development strategies employed by the City of Cape Town within the legislative framework. Provision was made for both job specific and corporate training. Under job specific training the City has a workplace skills plan that outlined its objectives for a three-year period.

The chapter made mention of the various types of initiatives around corporate training and development. From the discussions raised in the chapter it is evident that the City does not have a clear plan with regard to corporate training. Problems associated with mentorship programmes, ABET and financial life skills were also highlighted.
In discussing and examining the process of training budgets various problems affecting levy grants were alluded to. These included, inter alia, the devolution of the budget, the increase in the cycle of accountability and the failure to properly capture training events.
CHAPTER FOUR

MAIN FINDINGS AND CONCLUSION

Introduction

The nature and context of labour legislation pertaining to skills development and employment equity in South Africa presents a challenge to the City of Cape Town. Under these laws, the City is compelled to find, and to put in place a system which is credible, and which is socially, ethically and politically defensible. Before presenting the main findings of the study it is opportune to reflect on the guiding assumptions and objectives stated in Chapter one of this report.

The study was guided by the following assumptions that:-

- Transformation within the City of Cape Town has contributed towards feelings of alienation, distrust, anxiety and insecurity between the employees and the City as the employer;
- The lack of suitably qualified and skilled staff affect the levels of representativeness in the City of Cape Town;
• The lack of development and career stagnation exacerbates feelings of frustration and anger on the part of employees in the City of Cape Town; and

• Pessimistic attitudes towards processes aimed at achieving equity in the workplace negatively impact on the achievement of equity targets.

In pursuing these assumptions the aims and objectives of the study were to:-

• Critically examine literature focused on affirmative action, equity in the workplace, skills development and training;

• Critically examine the manner in which policies and practices aimed at realising representativeness were implemented by the City of Cape Town;

• Identify reasons for slow progress towards representativeness in the City of Cape Town;

• Identify shortcomings in current policies, procedures and practices; and

• Suggest recommendations towards improved practices in the City of Cape Town.

In examining the literature on employment equity, affirmative action and skills development it is apparent that achieving representativeness of government structures and institutions are imperative. It is at the same time, however, clear that this presents a major challenge to institutions and organisations. The case of South Africa in general and local
government in particular, demands officials that are representative of members of society to allow for the, inter alia, proper and accurate identification of societal needs and greater relations of trust between government and society. Various legislative initiatives and policies have been introduced in the hope of realising this objective. However, an examination of the practices and processes towards achieving representativeness in the City of Cape Town has proven to be complicated. The problems associated with the introduction of opportunities towards equal employment will be discussed below.

The Restructuring and Transformation of the City of Cape Town

The process of restructuring and transformation brings with it feelings of insecurity, fears and alienation. Individuals within the City are uncertain about their future careers and prospects. This creates two problems in particular for achieving representativeness and consequently equity targets. Firstly, that programmes like that of mentorship cannot be implemented successfully. As was mentioned in the previous chapter, for a mentorship programme to achieve its objectives sound relationships need to exist between the mentor and the mentee. The current developments and realities within the City render such relationships problematic. In many cases mentors is Afrikaner white males with mentees being individuals from previously disadvantaged categories. The effects of the past have a continuing impact on the relationships between races, cultures and genders. On the one hand, racial tension and conflict contributes towards heightened relations of distrust between individuals generally and in particular between a mentor and a mentee.
On the other hand, feelings by the previously advantaged of being disadvantaged through the Employment Equity Act contributes towards slow transfer and sharing of knowledge, experience and skill. It is this researcher’s opinion that greater investment should be made towards creating an awareness of the merits of employment equity in achieving equal opportunity in the workplace. This can be done through regular and on-going ‘workshopping’, seminars and awareness campaigns.

**Training Budget Process**

Currently the City employs training that equips staff with job specific skills and knowledge and generic skills and knowledge referred to as corporate training. In Chapter three reference was made to the fact that the City does not distinguish in its training budget between these two training expenditures. As was eluded, funding for both job specific and generic training comes from the 1% skills levy. A two-pronged budget strategy, to address both job specific training and corporate training separately, is recommended for the City. The central trust of such a budget philosophy is targeted at the separation of training which develops individual competence from that of training which renders the organisation competent to deal with the macro challenges it faces. Such an approach will also allow for the distinct separation in functions specifically designed for a Skills Development Facilitator and that of a Training Manager. In addition, the ring-fencing of the statutory 1% wage levy will then be restricted to realising the objectives under the workplace skills plans.
Further examination of the training budget process reveals problems associated with the devolution of this budget. Although greater devolution and delegation of responsibilities, roles and functions are advocated in modern organisations, this practice to the budgetary process in the City seems to present a problem. This is so for two reasons already alluded to in Chapter three. Empirical evidence exists that basic financial soundness and responsible fiscal management is compromised due to devolution and apportionment of the City’s Education, Training and Development Budgets. This, although not the primary reason, has resulted in over R 2 million of ET&D funding unspent in the 2003 / 2004 financial year. At this stage a similar pattern of under-expenditure is evident and a strong probability exists that by financial year-end, a huge under-expenditure will once more be recorded. It is recommended that the ETD Budget be centralized at Service Level to improve accountability and responsibility

Collective Bargaining Strategy

Both the Skills Development Act of 1998 and the Employment Equity Act of 1999 separates the substantive issues for negotiation and consultation and indicates clearly the management responsibilities and prerogatives pertaining to equity and skills development implementation. Both the pre- and post amble of both Acts positions overall responsibility for implementation to the Chief Executive Officer of the organisation; in the case of the City of Cape Town, the City Manager. The City’s implementation process
for five consecutive years, has been subjected to long drawn-out consultation processes, many of which ended in disputes. In some instances consultation between the employer and the employee may not even have been necessary. However, the experience has been that the City chooses to consult on such matters. Legislation dictates that the City consults on matters pertaining to job specific training only. It may therefore be useful if the City were to distinguish between training that is legislated under the Skills Development Act and training that forms part of the City’s strategic plans. In this manner less time will be lost to consultation and greater strides made in training and retraining.

Realising Equity Targets in the City

Besides the requirements of the law, the exercise of political will and moral courage is required to enforce compliance. Even though employment equity, skills development and training is enforceable by law progress towards equity targets is slow. The introduction of a performance grid which is monitored on a quarterly basis, would assist the City of Cape Town to keep track of equity achievements and training and development interventions and events.

Training and development initiatives are closely associated with material benefit to the individual. In the light of the slow progress towards realising representativeness in the City the recommendation is made that a more concerted effort be placed on the selection of individuals for training. It is recommended that the City of Cape Town considers
linking the employment equity numerical targets to training and development interventions. This will ensure that training and development is spread equally across gender and racial lines and, in so doing, representativeness is achieved and maintained.

**Social Transformation**

Local government in the Western Cape has moved through several restructuring processes, all of which focused extensively on the re-configuration of services and functions and the physical reshaping of structures, organograms and new designs. The attitude and perception survey conducted as part of this research report, reveals that what is required more is a focus on social transformation. It must be remembered that discrimination, racism, apartheid, segregation and exclusivity are not merely fancy concepts learned during the liberation struggle; it remains a daily experience for many in the City of Cape Town. Social transformation will therefore encompass cultural issues and a different value system that will conform to the City’s aspirations of becoming a nurturing and caring employer. Social transformation will extend beyond mere equity targets.

**Conclusion**

Between the current political partnership and the administration of the City of Cape Town stands the official, some of whom are not sure which course to take. Some have
over time become liberated and are embracing changes that are currently taking place. Others are either not sure, or are clinging to the coats of politicians and becoming partisan. Yet it remains a daunting task at the hands of those who are showered with the responsibility of training and development of staff and creating representativeness in the administration through the application of employment equity.

Politics in this country have gone from “divide and rule” to “divide and develop” (separate development) and presently under the new regime, to educate, train and then allow for participation of the “now informed and educated.”
BIBLIOGRAPHY

Books:


Discussion Papers:


8. Towards a national skills development strategy, Discussion document by the NSA, October 2000.


Legislation:


Interviews with City Officials

Alicia Bosman – Committee Secretariat – 13/03/02
Wil Anderson – Property Management – 19/03/02
Kevin Gallagher – Property Management – 07/05/02
Kevin Jackson – Property Management – 28/03/02
Fiona Shannon – Finance – 10/05/02
Mandy Zeeman – Insurance – 13/06/02
Freddy Nel – Building Survey – 14/06/02
Joan Finley – Building Survey – 15/08/02
Joseph Coulsen – Human Resources Administration – 30/08/02
Shannon Swail – Access Control Officer – 26/09/02
Goolam Begg – Housing Finance – 17/05/02
Sedick Fakier – Housing Finance – 24/01/03
John Middleton – Housing Finance – 19/03/03
Kurt Schneerberger – Finance Expenditure – April 2003
Lawrence Salida – Engineering Services (Waste Disposal) – 19/06/03
Chris Sullivan – Dir. Engineering Services – 30/06/03
Mark Callaghan – Dir. Environmental Services – 22/05/03
Bill Carter – Dir. Building Survey – 10/06/03
Desiree Mentor – Committee Secretariat – 02/07/03
Ivan Bromfield – CEO. South Administration – 24/04/03

Mpumi Kubeka – Training and Development Practitioner- Telephonic Interview on 09/06/03

James Bodiba – Skills Development Facilitator (SDF) – 10/10/02 and 23/07/03

Anne Koen – Employment Equity Officer – 22/10/02 and telephonically on 12/08/03
STAFF SKILLS AUDIT BASELINE STUDY

Employee questionnaire

Purpose: You are kindly invited to partake in this baseline staff skills audit which will provide valuable information to contribute to my research paper in the listed field / area of study. The research essentially examines the employment equity and training and development practices of the City of Cape Town. The information collected will provide important data for the training and career development of employees of the City of Cape Town. The information collected will be dealt with in the strictest confidence and your participation is voluntary.

This is an independent research exercise and is not linked to any other official survey conducted by the City of Cape Town. The researcher is a registered Masters student with the School of Government, University of the Western Cape and has been authenticated by the City Manager to conduct this work for Academic purposes only.

Your co-operation in completing this questionnaire is appreciated.

(Please complete the Skills Audit Questionnaire and the Attitude Survey Questionnaire.)
Interviewer: Rodney Pick

Date of Interview:

Staff Number of Interviewee:

---

A. BIOGRAPHICAL DATA

Name and Surname: ___________________

ID Number: _________________________

Contact Details: ____________________

Date of Birth: _______________________(required by the LGWSETA to determine and record statistics of different skills levels per age group category)

Gender: ____________________________

Race: (eg. African, Coloured, White for the purposes of Employment Equity)

________________

Disability: (If yes, state the nature and extent) __________________________

Marital Status: _________________

Citizenship: (eg. SA Citizen, SADC or Other)_____________________________
Home Language: ____________________

Any other Languages: ________________

<table>
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<th>Language</th>
<th>Speak</th>
<th>Read</th>
<th>Write</th>
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B. PRESENT EMPLOYMENT

Directorate: ________________

Department: ________________

Employment Status: (eg. Permanent, Casual, Contract, Temporary)

________________________

Occupational Category / Designation: __________________________

List the Key Performance Areas of your job:

____________________________________________________________________________

________________

Do you need any further training in the above listed areas: (Only state Yes / No)

_____
C. QUALIFICATIONS

Schooling / Tertiary

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<tr>
<th>Year Completed</th>
<th>Institution</th>
<th>Highest Qualification</th>
<th>Part Qualification</th>
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| School         |             |                       |                    |
| Tertiary       |             |                       |                    |

Trade / Learnership / Profession

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<th>Year Completed</th>
<th>Highest Qualification</th>
<th>Part Qualification</th>
<th>Institution</th>
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| Learnership    |                       |                    |              |                         |                     |
| Trade          |                       |                    |              |                         |                     |
| Profession     |                       |                    |              |                         |                     |

Are you currently studying?_____________________

Are you receiving a study allowance from the City of Cape Town? _______________

Are you receiving on-the-job training? _______________________

If yes, what kind. _______________________

99
Do you have an official Career Plan provided by the City of Cape Town when you were inducted? 

Are you aware of the City’s Training and Development policy? 

Please provide me with any other information that you feel will reflect your skills and knowledge and abilities.

STAFF ATTITUDE SURVEY TO SUPPORT RESEARCH STUDY

**Purpose:** To elicit feelings amongst staff members towards the City of Cape Town in relation to Career Development and Career Progression. This information is an important component of the Training Needs Analysis as it will inform the Training and Development Gap Analyses.

What are the Strategic Objectives firstly of this Organisation, and secondly of your Department / Branch.
What in your opinion influences your career path negatively.

What in your opinion influences your career path positively.