

At **Heartland Leasing**, the second company in AECI's property business, learnerships at the Umbogintwini site include in-service training for two analytical chemistry students, one engineer-in-training, and two engineer-in-training candidates have been identified for development to attain their Government Certificate of Competency. This is issued to electrical and mechanical engineers once they have met certain theoretical and practical requirements.

Apprenticeships have been offered to three electricians and two fitters. In addition, five prospective apprentices have been selected for indenture via the CHIETA. Theoretical training is via accredited training service providers. It is intended that on completion of their trade tests, the apprentices will be considered for appointment as qualified artisans.

Furthermore, two trainees participated in the Boiler Attendant programme, at NQF 4 level, two employees benefited from the New Managers programme, and eight enrolled in the Finance for Non-Financial Managers course.

Labour relations

In the mining solutions business, focus areas in 2008 included establishing employment equity sub-committees; developing a guideline on the application of suspension with full pay and guidelines on adherence to the grievance procedure; and developing a better understanding of incentive bonus schemes.

More contentious issues dealt with by **AEL** in the year included the provision of transport for artisans on standby; demands for payment in the event of employees not arriving at work as the result of the failure of late night transport arrangements; demands for a closure bonus relating to capped safety fuse manufacture at Modderfontein; the payment and structure of incentive bonuses; the incorporation of a market rate allowance into basic pay for payroll artisans; and the transfer of employees from staff to payroll conditions.

With the formation of the new Chemical Workers Union (CWU), interactions with organised labour presented new challenges and required the establishment of new relationships. For 2009, indications are that existing agreements will be challenged, possibly including the *modus operandi* for effecting AEL's automation-related downsizing.

CWU's membership, at Modderfontein, is almost 40 per cent of unionised employees.

Chemserve's mature and positive relationship with trade unions continued in 2008. National substantive wage negotiations were conducted under the auspices of the National Bargaining Council of the Chemical Industries Industrial Chemical sector. An agreement was reached with representative unions in difficult economic conditions, without any industrial action.

In November, AECI announced that it was contemplating the closure of operations at **SANS** in Bellville, Western Cape, after exhaustive and protracted attempts to find sustainable solutions for SANS's long-term future proved unsuccessful.

Accordingly, SANS gave the South African Clothing and Textile Workers Union, being the representative union, and other consulting parties due notice of the contemplated closure in writing, inviting them to enter into a process of consultation on issues associated with the contemplated closure, as required by law.

In February 2009, the parties reached agreement on the rationale for the closure of the SANS operations. The parties also agreed on issues relating to the closure and retrenchment process and confirmed 31 March 2009 as the date on which operations will cease at Bellville.

In line with a commitment made in 2007, AECI is making funds available for reskilling affected SANS employees and is assisting them in finding alternative employment wherever possible.