

Chemserve is also funding an outreach programme in Hoedspruit, Limpopo, coordinated by a nature-based schooling system. The programme includes environmental education, maths, science, technology and computer literacy. It is targeted at educators from rural disadvantaged communities in the area.

Bursaries continued to be awarded to students who are selected on academic merit, with an emphasis on candidates from previously disadvantaged backgrounds.

Furthermore, Chemserve is participating in the "Ikusasa Lami" project coordinated by Edit Works Africa, which works in partnership with the Gauteng Department of Education to identify best performing and talented grade 12 learners with the view to selecting potential bursary students.

Via **Heartland Properties** at Modderfontein, a key site for AECI's property activities, the AECI Group continued to build on its long-standing relationship with the on-site Nobel Primary School, which caters for 1 000 learners, by investing financial and planning resources towards the development of a new entrance, parking and security infrastructure for the school.

Skills development: learnerships and training

As in previous years, AEL provided training for the National Certificate in Chemical Operations for both employed and unemployed learners. These groups were trained on levels 1 and 2 of the qualification in the manufacturing sector. Selected operators also attended NTC 2 and 3 courses via Ekurhuleni West College.

78 learners from AEL registered for engineering and chemical operations learnerships in the following disciplines: Engineering Electrical, Engineering Instrumentation, Engineering Mechanical Fitting, and Chemical Operations.

In the field of engineering training, AEL expanded its artisan development programme to meet the higher technology needs of its new manufacturing plants. Eleven new learner artisans were recruited and are at various stages of training between the Technical Training Centre, at Modderfontein, and AEL's plants.

Many employees undertook operator multi-skilling training throughout the year. AEL intends continuing with this initiative, again with an emphasis on the company's automation process.

At the annual graduation function, 83 learners graduated in NQF 1 and 2, NTC 2 and 3, ABET 4, procurement, and proficiency in software packages.

Chemserve's training and development initiatives are aligned to skills acquisition and employment equity goals. Over and above skills training, some of the interventions implemented include:

- the Chemserve Leadership Development Programme, launched in 2007, is proving to be a resounding success, with more than 100 participants making good progress;
- eight senior employees attended the Programme for Management Development at the University of Cape Town. In an attempt to consolidate and broaden leadership capacity in the Chemserve group, an additional 10 senior employees are participating in a process known as Nine Conversations in Leadership guided by a management consultant;
- Chemserve continued to offer in-service training to students from various universities of technology, primarily in the chemical engineering, analytical chemistry and polymer technology disciplines;
- 25 artisan and chemical operations learnership agreements were entered into with employees as well as unemployed learners. In addition, there are six learnership agreements through the Chartered Institute for Management Accountants;
- over 50 supervisors and potential supervisors have undergone the competency-enhancing Super Management Programme; and
- Chemserve took over the Sasol Polymers' Training Centre (chemical operations) at Umbogintwini. Registration with the Chemical Industries Education and Training Authority (CHIETA) is underway with the training centre intended to become operational in the second quarter of 2009.

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.