# South African Federation of Civil Engineering Contractors

# **NEWSLETTER**

### **HEAD OFFICE**

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### Date: 27 March 2009

### Western Cape News

Elardus Rademeyer and Ernest de Jager came down on Tuesday as part of the kick off to the wage negotiations. The Western Cape members have been invited to a meeting on Tuesday at 17h00, after the HR Committee meeting, when Francis Chemaly will inform those present of the next steps and to discuss what our mandate to the national mandating committee will be. Please confirm with Sonja if you wish to attend the meeting.

Our Manco meeting that followed on Tuesday at 15h00 was well attended. We can now confirm that the date for our **Annual General Meeting followed by our cocktail party will be 20<sup>th</sup> AUGUST 2009.** We're lining up an interesting and excellent speaker but you'll have to watch this space.

### Meetings

**Tuesday 31<sup>st</sup> March** – 15h00 – Tjeka House: **HR Committee** – followed by wage negotiation briefing. Should you have any points you'd like to raise with the Human Resources committee, please contact Francis Chemaly of Haw & Inglis.

**Tuesday 7<sup>th</sup> April** – Time and venue to be advised: **CESA liaison** meeting. This is mainly to discuss GCC 2009. If you have any thoughts on the subject, please contact Jeremy Donnelly of Asla or John Bedingham of Power.

And then we're into April. With all the public holidays coming up, it's going to be difficult to keep productivity at optimum levels but keep on going!

### **Interest Rate**

The monetary policy committee of the South African Reserve Bank has cut the repo rate by 100-basis-points, Governor Tito Mboweni said on Tuesday. The repo rate - the rate at which South Africa's central bank lends to the country's commercial banks - now stands at 9.5%. The prime interest rate has consequently been reduced to 13%.

After that, have a good week.

REF: RM

### Eastern Cape News

### Wage Negotiations

As most of our members probably know it is the time of year when the new wage negotiations with the Unions are due to commence.

You have all received the proposals/demands from the two main Unions, NUM & BCAWU. During the next few weeks (official date still to be confirmed), Ernest De Jager (Independent Consultant) and Elardus Rademeyer (National Negotiating Forum Chairman) will be meeting our members in both Port Elizabeth and East London to discuss these proposals/demands.

It is very important that a senior representative from as many of our member companies as possible attend these meetings. Now is the time to express your views and opinions so that a clear message is sent from the Eastern Cape on acceptable negotiating limits relating to this important subject.

Unfortunately once again our proposed **meeting with Dr M De Villiers**, the Director in Charge of Roads and **Transport** in Bhisho, has been postponed by Dr De Villiers (frustrating to say the least). A new date will be set and hopefully this time this important meeting will take place.



Ref. No. : 1209

### KwaZulu Natal News

Wage Negotiations - 2009

Our regional mandating committee is made up of:

Don Gray	Afrocon Construction
Craig Cavanagh	Icon Construction
Roland D'Unienville	Asphalt Construction
Eddie Wentzel	Namandla Roads
Allan Kader	WK Construction
Sidney Pillay	Pilcon Construction
Ted Fountain	Fountain Civil Engineering
Errol Tate	Group Five KZN
Wantz Klopper	WBHO
Deon de Wilzen	Erbacon
Clive Reucassel	Stefanutti Stocks

The Branch Manager is the region's co-ordinator with the National Negotiating Forum (NNF). The Chairman of the NNF is Elardus Rademeyer of Stefanutti Stocks.

KZN is represented on the National Mandating Committee by our Branch Chairman.

Our committee met on 23 March and will meet again on 30 March to discuss and comment on Union demands.

### FEM Meeting on 25 March 2009

We are currently without a Safety Advisor and until a person is appointed the Branch is responding to OHS enquiries from members. The FEM Branch Manager has advised that the MBA are required to assist our members, as long as members are registered with the Commissioner through FEM.

REF: KK

## **SAFCEC Economic Affairs**

#### Revision in the Tables 11 and 12 of the PPI

PPI came out on Thursday the 26<sup>th</sup> of March and some notable differences were witnessed in indices closely monitored by the construction and civil engineering industry. Changes in some of the indices included changes in figures reported during the January PPI for the fuel price – and material indices. These changes are:

				January	2009	OLD	January	2009	NEW
				<b>Figures</b>			<b>Figures</b>		
Diesel at	wholesa	le level: Coast			227.9			255.5	
Diesel	at	wholesale	level:		200.1			259.4	
Witwater	srand								
Diesel Oil	: Coast	Witwatersrand			281.2			286.5	
Civil Engi	neering	Material			215.8			219.7	

These changes in January reported figures sparked some calls from members requesting more information from STATSSA regarding this matter. According to STATSSA changes were necessary since some variance and discrepancies were picked up in the data. The revised figures are furthermore seen as the official figures by STATSSA and should be used in contract escalation formulas and estimations.

An update regarding the new CPI and conversion factors have been completed and will be placed on the SAFCEC website shortly. Please make sure to read the instructions before attempting to use these figures.

REF: FM

### **SAFCEC Contractual Affairs**

#### **Irregular Tender Conditions**

With reference to the article on the use of functionality in the last news letter it is our opinion that if members submit a bid on an enquiry that has stipulated irregular tender conditions then there is no case for any objection. Objections must be voiced before the tender closing date.

### Abnormal Contract Awards

The case of the Street Lighting for N1 : Koeberg and Old Oak Interchange is now sub-judice.

We will advise our members of the outcome as soon as we have the details as this will have significant repercussions on the Industry as a whole.

We are meeting with the CIDB to discuss various issues including abnormal contract awards. The outcome will be in next week's news letter.

### **Accredited B-BBEE Verification Agencies**

Members are reminded that the following **B-BBEE Verification Agencies** have been accredited by SANAS:

BVA057 BEE Empowered and Labour Consultancy Cc;	
DVA007 DEL Empowered and Eabour Consultancy CC,	
BVA014 BEE Verification Agency Cc;	
BVA056 DRG Siyaya (Pty) Ltd;	
BVA037 Emex Trust;	
BVA030 Empowerdex;	
BVA018 EmpowerLogic (Pty) Ltd;	
BVA046 Honeycomb BEE Ratings (Pty) Ltd;	
BVA020 National Empowerment Rating Agency – Gauteng;	
BVA019 National Empowerment Rating Agency – Kwa-Zulu Natal;	and
BVA021 National Empowerment Rating Agency – Western Cape.	

### CIDB Register of Contractors

### **Overall Statistics (on the 26 February 2009)**

There are **83,900** contractors registered with the CIDB – **78,473** are active and **5,427** are suspended. **70,973** (or **85%**) of the registered contractors are classified as Grade 1, with **68,125** active and **2,848** suspended.

### **Civil Engineering Statistics (by Province)**

Contractors registered in the CE category total 19,037 – 17,571 are active and 1,466 are suspended. 14,421 (or 76%) of the registered contractors are classified as Grade 1, with 13,838 active and 583 suspended.

#### Consulting Engineers South Africa (CESA) has the following course:-

FIDIC Workshop –	SAACE 003-8/02	1	1 day	3 April 2009
Construction Adjudication				R3 125.00/delegate

For more information mailtsce@saace.co.za, register on-line at www.saace.co.za

### Construction Contract Law/New Engineering Contract/FIDIC

Members are reminded that the following 2-day training courses are scheduled to take place in Johannesburg, Durban and Cape Town. For further details, please contact the event organizer at (Tel) 011 447 7470; (Fax) 086 686 8425; e-mail info@alusani.co.za or visit their website at www.alusani.co.za.

Course	Venue	Date
New Engineering Contract	Glen Hove Conferencing,	6 & 7 April 2009
	Johannesburg	
Construction Contract Law	Riverside Hotel,	16 & 17 April 2009
	Durban	
Construction Contract Law	Glen Hove Conferencing,	21 & 22 April 2009
	Johannesburg	
Construction Contract Law	Belmont Square Conference	12 & 13 May 2009
	Centre, Cape Town	
New Engineering Contract	Belmont Square Conference	25 & 26 June 2009
	Centre, Cape Town	

### **Other Construction Seminars**

The following Construction Seminars are scheduled to be held during **2009**. For further details, please visit the BCA website at <u>www.bca.co.za</u>.

Seminar Title	Current Validation Number	CPD Points	Duration	Date & Cost per delegate (inclusive of VAT)
VENUE				Sunnyside Park Hotel, Parktown
Advanced Contract Law through Case Studies	CESA 031 11/09	1	1 day	21 May 2009 R3 125.00/delegate
Contract Law	CESA 053-12/02	1	1 day	3 August 2009 R3 125.00/delegate
General Conditions of Contract 2004	CESA 055 12/02	1	1 day	9 September 2009 R3 125.00/delegate
Advanced Contract Law through Case Studies	CESA 031 11/09	1	1 day	6 October 2009 R3 125.00/delegate
JBCC Series 2000 Edition 4.1	CESA 004 08/02	1	1 day	7 October 2009 R3 125.00/delegate
Construction Adjudication	CESA 003 08/02	1	1 day	10 November 2009 R3 125.00/delegate
New Engineering Contract	CESA 014 08/04	1	1 day	11 November 2009 R3 125.00/delegate
VENUE				Protea Hotel, Midrand
Contract Law	CESA 053-12/02	1	1 day	12 May 2009 R3 125.00/delegate
New Engineering Contract	CESA 014 08/04	1	1 day	13 May 2009 R3 125.00/delegate
Delay, Disruption and Extension of Time	CESA 056 12/02	2	2 day	9 & 10 June 2009 R6 250.00/delegate
FIDIC Workshop	CESA 057 12/02	2	2 day	7 & 8 July 2009 R6 250.00/delegate
VENUE				Vineyard Hotel, Cape Town
General Conditions of Contract 2004	CESA 055 12/02	1	1 day	14 October 2009 R3 125.00/delegate
Construction Adjudication	CESA 003 08/02	1	1 day	15 October 2009 R3 125.00/delegate
VENUE				Riverside Hotel, Durban
Contract Law	CESA 053-12/02	1	1 day	23 June 2009 R3 125.00/delegate
New Engineering Contract	CESA 014 08/04	1	1 day	24 June 2009 R3 125.00/delegate
General Conditions of Contract 2004	CESA 055 12/02	1	1 day	25 June 2009 R3 125.00/delegate

REF: NG

### **SAFCEC Human Resources**

### Public Holiday – 22 April 2009

Below is an extract from Government Gazette No 32039, dated 19 March 2009 declaring that Election Day, 22 April 2009 has been declared as a public holiday.

"In terms of section 2A of the Public Holidays Act, 1994 (Act No. 36 of 1994), I hereby declare the Twenty Second day of April 2009 as a public holiday throughout the Republic.

Given under my Hand and the Seal of the Republic of South Africa at PRETORIA this 13th day of March, Two Thousand and Nine."

Members are advised that they will need to make their own arrangements around this date.

# **SAFCEC** Training

### CMP (Construction Management Program) – Stellenbosch

The dates for the 2009 **Construction Management Program** have been announced (**21**<sup>st</sup> **June – 18**<sup>th</sup> **July 2009**). As seating is limited it is advisable to book as soon as possible. The application form and program are being finalised and will be available soon.

To reserve your place on this prestigious program, please contact <u>Alett Slabbert</u>, Institute for Transport Technology, Department of Civil Engineering, University of Stellenbosch, Tel. +27 (0)21 808-4364, fax.+27 (0)21 808-4361, e-mail: <u>alett@sun.ac.za</u>.

### WSP and ATR submissions – 30 June 2009

Please note that the deadline date for the WSP (Workplace Skills Plan) and ATR (Annual Training Report) submissions is 30 June 2009. Early preparation is important. Also please let us know if you are experiencing any problems when working on the Deloitte system.

### **BUSA Skills Development Workshop**

BUSA is hosting a Workshop on Skills Development and Quality Councils 2009, on the 2<sup>nd</sup> April 2009



### Take-a-Girlchild-to-Work Initiative

We are challenging all member companies to get involved and arrange a trip for school girls to your construction sites on **Thursday**, **28<sup>th</sup> May 2009**. We would like to show the youth that our industry is bursting with opportunities.

The "take a girlchild to work" initiative was initially started by Cell C and they are still an active driving force behind this great initiative. It is also endorsed by Department of Education. Companies can get involved with this initiative in one of the following ways:

- Formal Partnership
- Supporting Partnership
- Informal Partnership

Companies can register for this initiative on the Cell C website <u>www.cellc.co.za/microsites/girlchild/index.asp</u> The theme for this year's campaign is "Change Your World", borne, in part from Ghandi's "Be the agent of the change you want to see in your world".

Please contact us should your company wish to get involved in the important initiative and should you wish to arrange with a school to visit your sites.

### Training Schedules

The training schedules for Gauteng, Eastern & Western Cape are now available on our website. Please check under our training section.

Should you require an electronic copy please contact Martha on (011) 409-0907 or e-mail martha@safcec.org.za.

Please note, we apologise for not adding to the newsletter but unfortunately the documents are too big and some contractors will not be able to download our newsletter.

RE: CU

# **SAFCEC Enterprise Development**

### **Diamond Academy**

The Diamond Academy is running from 9 - 30 May 2009. It is exciting to run the  $2^{nd}$  workshop and it is now fully booked with Emerging Contractors really committed to the Academy.

Our Presenters, who are leaders in the industry, are fully committed and it is great to know that there are so many willing industry leaders, that we have had to inform some of them that they will only be able to present at the next workshop in August 2009.

We have also invited some of the clients to visit us and to see first hand what the Diamond Academy is all about. We are all looking forward to the commencement of the Academy.

### Networking Cocktail – 26 March 2009

We had our Networking Cocktail on Thursday evening, which was very successful attended by over 50 members. We wish to thank the CIDB for their involvement and specifically Ronnie Khoza, Rodney Milford and Ntebo Ngozwana for their contributions. The contractors are very interested in the Cidb's new Contractor Recognition scheme.

The objective of these networking events is to bring our established and developing contractors together, to create an environment that will stimulate partnerships and networks.

REF: CU

### This Week at SAFCEC ....

This week was training and education focussed.

We explained all the processes around the **CETA** and our efforts to rectify the situation from the employers' side;

- We wrote to the Minister of Labour asking for an audience and requested that CETA be put under administration.
- The employer bodies suspend their activities/participation in the CETA structures at all levels, although it was specifically said that individual companies must carry on with their links with it.
- The Minister then suggested meetings between the parties to try and solve the impasse.
- This culminated in three mediation meetings where problems were identified and actions defined to address them.
- A CETA Council meeting took place yesterday where the new Council was elected, as well as a new Exco with Gavin Strydom of the MBSA as new chairman.
- A new Constitution was also approved barring one or two outstanding issues.

All of these are important building blocks towards a better functioning CETA and we hope we can achieve this.

Elardus Rademeyer and Ernest de Jager have been going around the country talking to regions about the mandate for the upcoming **wage negotiations**. We thank members for their participation and will rely on you heavily to have a positive outcome for this process.

CU has been very busy helping **SANRAL** to build the **enterprise development** and training and education into their future contract documents. She has been supported by members of the training committee.

The **Transformation Charter** process moved one step closer to a Sector 9 Code with the documents (mandated compromise position) submitted to the Department of Trade and Industries. We hold thumbs that this will be signed before the elections.

We also welcomed Neville Gurry in our (SAFCEC's staff) midst as the **new Contractual Affairs Manager**. Neville has vast experience in construction, consulting and working on large projects (national and international) for Fluoor the bulk of his career. He has been introduced to the contractual affairs committee, SAFCEC Council as well as the important outside organisations and people we deal with in this field. We wish him a fruitful and enjoyable stay with SAFCEC. His direct contact details are (011) 409-0905, Fax to mail 086-509-8893, e-mail <u>neville@safcec.org.za</u>, and cell number 082-881-7266.

We have signed our first **offer to lease** for part of the Construction Centre. But we still have a lot of office space available for rental, with plenty of parking, an upmarket conference/board room facility and relaxation area on the premises.

Have a great week!

**REF: HPL** 

As you probably John Sheath has worked for the Cement and Concrete Institute as Marketing Manager for the past 13 years but unfortunately, has had to retire at the end of July 2009 at the tender age of 63 (cement industry policy).

John has many good years still left and can offer any potential employer vast experience in industrial, B2B marketing in both the commercial and non-commercial sectors.

Should you require someone with John's experience or know of someone who does please do not hesitate to contact us for a copy of his CV.

# **Optimise your Organisation - Training People for Greatness**

# Camino Consulting's Training Schedule in Gauteng April 2009

6-7 Planning, Scheduling & Resourcing – a key to effective management20-21 Problem Solving and Decision Making

### May 2009

11-12 Personal Mastery - self-management and personal effectiveness

25-26 Performance Coaching - getting results on-the-job

### June 2009

8-9 Planning, Scheduling & Resourcing – a key to effective management18-19 Problem Solving and Decision Making

### July 2009

6-7 Performance Coaching – getting results on-the-job

20-21 Personal Mastery - self-management and personal effectiveness

### Venue

SAFCEC Training Room, 12 Skeen Boulevard, Bedfordview

### For bookings or more information:

Please contact Sunita at 021 852 2958 or admin@camino.co.za.