higher education & training

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Higher Education and Training
REPUBLIC OF SOUTH AFRICA

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NOVEMBER EXAMINATION

NATIONAL CERTIFICATE

LABOUR RELATIONS N6

(4110486)

21 November 2016 (X-Paper)
09:00–12:00

This question paper consists of 11 pages.

GENERAL STUDIES

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DEPARTMENT OF HIGHER EDUCATION AND TRAINING
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE
LABOUR RELATIONS N6
TIME: 3 HOURS
MARKS: 200

NOTE: If you answer more than the required number of questions, only the required number will be marked. All work you do not want to be marked must be clearly crossed out.

INSTRUCTIONS AND INFORMATION

1. SECTION A is COMPULSORY and must be answered by ALL candidates.
2. Answer any FOUR questions from SECTION B.
3. Read ALL the questions carefully.
4. Number the answers according to the numbering system used in this question paper.
5. Start each question on a NEW page.
6. Draw a line across the page at the end of EACH question.
7. Answer all questions in full sentences unless indicated otherwise.
8. Write neatly and legibly.

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SECTION A (COMPULSORY)

QUESTION 1

1.1 Various options are given as possible answers to the following questions. Choose the answer and write only the letter (A–D) next to the question number (1.1.1–1.1.5) in the ANSWER BOOK.

1.1.1 Collective industrial action include ...

A absenteeism.
B international pressure.
C go-slow actions.
D labour turnover.

1.1.2 Choose the INCORRECT one. Employees engage in a strike action to ...

A demonstrate dissatisfaction.
B put pressure on management.
C demonstrate individual strength.
D display solidarity.

1.1.3 A characteristic of arbitration as dispute settlement procedure is:

A The arbitrator makes a suggestion
B The arbitrator puts possible solutions on the table
C The arbitrator makes a binding decision
D The outcome of arbitration can be appealed against

1.1.4 Choose the INCORRECT one. The aim of mediation is to ...

A extend the negotiation process.
B bring new perspectives forward.
C put possible solutions on the table.
D make a binding decision.

1.1.5 A characteristic of the CCMA is that it ...

A is a dependent body.
B does not receive any funds from the State.
C is responsible for the code of good practice.
D helps with the establishment of workplace forums.

(5 x 2) (10)

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1.2 Choose from the list of terms below the correct term for each of the following explanations. Write only the term next to the question number (1.2.1–1.2.10) in the ANSWER BOOK.

go-slow action; arbitration; substantive agreement; lock-out; union recognition; mediation; integrative bargaining; distributive bargaining; Bargaining Council agreement; retrenchment procedure

1.2.1 This bargaining style results in a win-win situation.

1.2.2 The employer's equivalent action to a strike.

1.2.3 A form of industrial action where it is not so easy to dismiss employees.

1.2.4 An example of an agreement reached on shop-floor level.

1.2.5 Parties are assisted to reach an agreement.

1.2.6 The decision no longer rests with the disputants.

1.2.7 This type of bargaining style results in a win-lose situation.

1.2.8 An agreement on wages.

1.2.9 This is an example of an in-company procedure.

1.2.10 This type of agreement can be extended to non-parties.

(10 x 1) (10)

1.2 Indicate whether the following statements are TRUE or FALSE. Choose the answer and write only 'true' or 'false' next to the question number (1.3.1–1.3.6) in the ANSWER BOOK. Correct the statement if it is FALSE.

1.3.1 A change in the interest rate forms part of the internal environment of the industrial relations system.

1.3.2 A trade union always has to give the employer 48 hours' notice for a strike.

1.3.3 There has to be a disciplinary interview before a hearing can take place.

1.3.4 All matters have to be taken for conciliation and mediation before they can be taken for arbitration or to a court.

1.3.5 A dispute of right can flow from non-adherence to a contract of employment.

1.3.6 Collective bargaining is a voluntary process. (10)

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1.4 Complete the following table by filling in the missing word(s). Write only the word(s) next to the question number (1.4.1–1.4.10) in the ANSWER BOOK.

EXTERNAL INPUT		OUTPUT AGREEMENTS	
1.4.1	… Labour market Capital productivity	1.4.5	… Wages
1.4.2	LEGAL SYSTEM Common law …	1.4.6	… Fringe benefits
		1.4.7	…
1.4.3	… New legislation and amended legislation	1.4.8	… Union recognition
1.4.4	… Goals and values		CONFLICT (BREAK-DOWN IN RELATIONSHIPS)
		1.4.9	…
		1.4.10	…

(10 x 1) (10)
[40]

TOTAL SECTION A: 40

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SECTION B

ANSWER ANY FOUR OF THE FOLLOWING FIVE QUESTIONS.

QUESTION 2

Read the following article and answer the questions.

COSATU DISPUTE ON WAGE NEGOTIATIONS

Efforts to resolve the public sector wage dispute took a grisly turn on Wednesday as Cosatu-affiliated unions declared that negotiations had 'collapsed'. Things seemed to be going well. So what happened? By GREG NICOLSON.



Tensions were eased last week after reports that the department of public service and administration would agree with labour on a wage increase of 7%. The deal would avoid a repeat of 2010, where public service employees went on strike, crippling schools, hospitals and municipal services. But negotiations broke down on Tuesday night. Cosatu-affiliated unions are accusing government negotiators of acting in bad faith.
The unions have declared a dispute and want a mediator appointed this week to resolve the matter in a maximum of 30 days. Maluleke said the mediator would determine how things proceed. He wouldn't rule out industrial action.

'Failure to find a solution [means] we will hit the street,' Maluleke said at Cosatu House.
But the negotiations remained stalled on a number of issues. Labour is demanding a housing allowance of R1,400 a month, while the highest offer on the table is R900.

Despite the collapse of negotiations, labour representatives have praised the performance of Sisulu who took over public services recently. Since she took over, all parties have shown they're willing to compromise, and when the state's chief negotiators disrupted the process by going overseas, it was Sisulu who brought them back.

Source: Adapted from Cosatu clicks dispute on wage dispute resolution, downloaded from http://www.dailymaverick.co.za/article/2012-07-11-cosatu-clicks-dispute-on-wage-negotiations#.VQ1brbcaLIU, 21 March 2015

2.1 'It is clear that there is conflict in a number of businesses in the public sector.'
Discuss what is meant by *conflict* in this statement. (4 x 2) (8)

2.2 '… all parties have shown they're willing to compromise …'

Briefly discuss what is meant by this. (2 x 2) (4)

2.3 Name TWO substantive issues about which parties were negotiating. (2 x 1) (2)

2.4 'The unions have declared a dispute and want a mediator appointed this week to resolve the matter in a maximum of 30 days.' With regard to this statement answer the following questions:

2.4.1 Discuss what is meant by mediation. (3 x 2) (6)

2.4.2 List any FIVE characteristics that a good mediator should possess. (5 x 1) (5)

2.5 'Maluleke said the mediator would determine how things proceed. He wouldn't rule out industrial action.' With regard to this statement answer the following questions:

2.5.1 Define what is meant by industrial action. (2 x 2) (4)

2.5.2 Indicate any THREE forms of industrial action in which employees can engage. (3 x 1) (3)

2.5.3 Employers can also announce industrial action. Briefly explain the method used by them and the requirements for this type of industrial action. (4 x 2) (8)

[40]

QUESTION 3

With reference to the article given in QUESTION 2 answer the following questions:

3.1 'Negotiations are part of collective bargaining.' Discuss the FIVE functions of collective bargaining. (5 x 3) (15)

3.2 'Failure to find a solution [means] we will hit the street,' Maluleke said at Cosatu House.

3.2.1 What is meant by this statement? (2)

3.2.2 'This action should be avoided as it can be a costly exercise for various stakeholders.'

What would be the cost for SADTU and the teachers? Briefly discuss. (4 x 2) (8)

3.2.3 What would be the cost for government? (2)

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3.3 'One conflict indicator is a threatening strike, which is one form of a production attack.'

Discuss any other TWO conflict indicators. (2 x 6) (12)

3.4 On which level are the trade unions mentioned in the article bargaining? (1)

[40]

QUESTION 4

Read the following case study and answer the questions.

Lucinda, an administrative employee at *The Daily Post*, was late for three days in the past week. Her supervisor called her in the first time and without asking any questions, simply informed her that she had trespassed the code of conduct, and issued her with a written warning. When she was late the second time he shouted at her and issued her with a final warning. The third time he informed her verbally that she had to attend a disciplinary hearing in the boardroom the next morning at 09:00 and that she should be prepared to be dismissed. She turned up for the hearing the next morning. Only she, the supervisor and a witness for the supervisor were present. She pleaded guilty to the charge and was dismissed. No reasons were asked why she was late for a third time. Lucinda feels that this is very unfair as other employees are constantly late and are not even reprimanded. She sees herself as a loyal worker who has been working for the company for twenty years without any disciplinary record.



4.1 4.1.1 The supervisor called Lucinda in twice. Would you say that these disciplinary interviews were handled in the correct way? (1)

4.1.2 Motivate your answer by listing any FIVE rules for the conducting of a disciplinary interview. (5 x 1) (5)

4.2 Can a disciplinary hearing take place by giving an employee notice orally? (1)

4.3 Suppose that a disciplinary notice should be in writing. Compile a disciplinary notice to inform Lucinda about her hearing. (10 x 2) (20)

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4.4 Would you say that Lucinda's dismissal was fair? Motivate your answer by referring to:

4.4.1 What is procedurally unfair. (4 x 2) (8)

4.4.2 What is substantively unfair. (2 x 2) (4)

4.5 Which procedure can Lucinda follow to take this matter further should she be unsatisfied with the outcome of the disciplinary hearing? (1)

[40]

QUESTION 5

Read the following article and answer the questions.

SAA won't say how many retrenchments

Photo: Reuters



Cash-strapped South African Airways (SAA) declined to say on Monday how many workers the national carrier plans to retrench.

'At this point there is no indication of actual figures on the number of heads that could be affected,' spokesperson Tlali said in a statement. Reducing staff numbers would be a consultative process with all stakeholders in the company.

He said the 90-day action plan was implemented towards the end of last year with the intention to bring the airline back to implementing the milestones of its long-term turnaround strategy (LTTS). 'In order to return the company to relative stability in the context of the 90-day Action Plan, SAA has had to re-examine every aspect of the business,' Tlali said.

'This has already resulted in substantial savings and stronger governance. The reality, however, is that SAA's staff headcount grew over the past few years beyond sustainable levels as losses continued to impair business stability.' The company's 2013 annual report states that 11 462 people are employed at the airline.

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The *Business Day* newspaper reported on Monday that SAA was planning to cut staff as part of efforts to turn around the business. According to the newspaper, acting CEO Nico Bezuidenhout told the company's staff in a note on Friday that this had to be considered in addition to other measures taken.

Edited by: Sapa
[Source: Adapted from *SAA won't say how many retrenchments*, downloaded on 21 March 2015 from http://www.engineeringnews.co.za/article/saa-wont-say-how-many-retrenchments-2015-03-09]

5.1 'Reducing staff numbers would be a *consultative process* with all *stakeholders* in the company.' With regard to this statement, answer the following questions:

5.1.1 One stakeholder that must be consulted is trade unions. Discuss any FIVE aspects that must be discussed with trade unions before retrenchments can take place. (5 x 2) (10)

5.1.2 Name ONE other stakeholder with whom consultation must also take place. (1)

5.2 According to *Business Day*, acting CEO Nico Bezuidenhout told the company's staff in a note on Friday that retrenchments had to be considered in addition to other measures taken. It can be derived from this statement that SAA had already considered alternatives to retrenchments.

List any FIVE such alternatives. (5 x 1) (5)

5.3 Assume that there was a conflict at SAA about wages. By making use of the industrial relations system discuss how this conflict can possibly be resolved by referring to the linkage between the external and internal input, the conversion and output. (8 x 2) (16)

5.4 One of the employees at SAA complained about the employer not adhering to her contract of employment. It had been stated that SAA would contribute R400 per month to her medical aid, but they have not made a contribution for months. She approached management, but in vain and decided to declare a dispute of right.

Discuss this kind of dispute. (4 x 2) (8)
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QUESTION 6

6.1 Discuss the importance of upward and downward communication in labour relations by referring to:

6.1.1	The role that the organisational structure plays in both down- and upward communication.	(2 x 2)	(4)
6.1.2	The purpose of a grievance procedure	(4 x 2)	(8)
6.1.3	The main functions of workplace forums	(4 x 2)	(8)

6.2 Briefly explain the meaning of the following terms:

6.2.1	Negotiation	(3 x 2)	(6)
6.2.2	Arbitration	(3 x 2)	(6)

6.3 Discuss FOUR factors that will be taken into account before a trade union will be recognised. (4 x 2) (8)

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TOTAL SECTION B: 160
GRAND TOTAL: 200

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