



Solidarity vs. Eskom

Fact guide

Eskom's current employment equity plan

- Eskom has compiled and submitted an employment equity plan (“the impugned plan”) to the DoL. The impugned plan is operative for the period 1 April 2015 to 31 March 2016.
- The impugned plan will now be implemented, and will determine Eskom's recruitment and selection policies for the coming year.
- According to the plan, black men will be reduced from 19 286 to 17 600, coloured men from 2 511 to 2 317, Indian men from 1 050 to 935, white men from 5 495 to 4 594, Indian women from 611 to 551 and white women from 2 146 to 1 967.
- The only racial and gender groups that will not be reduced in terms of the plan are black women and coloured women.
- The intention of the plan is to achieve a workforce directly reflecting the racial composition of the economically active population and numerical goals were not based on the needs of the organisation and or the availability of skills, but were determined by way of a mathematical calculation.

Eskom's implementation of employment equity

- The *Breakwater Monitor*, an initiative of the University of Cape Town's Business School, did regular surveys of companies' affirmative action plans. From 1992 to 1995 this monitor ranked Eskom among the top three “affirmative action companies”. Many companies have started to follow the utility's lead and to implement its affirmative action methodology.
- In 1997 Eskom's acting chief executive testified before the Truth and Reconciliation Commission that Eskom undertook to fill 50% of all professional, supervisory and managerial levels with black people by the year 2000.
- From 1994 to 2002 at least 10 207 white staff members, constituting more than half of the utility's white employees, left its employ. According to research done in 2011 by Dr Dirk Hermann, Chief Executive of Solidarity, white people felt alienated by Eskom's affirmative action policy.

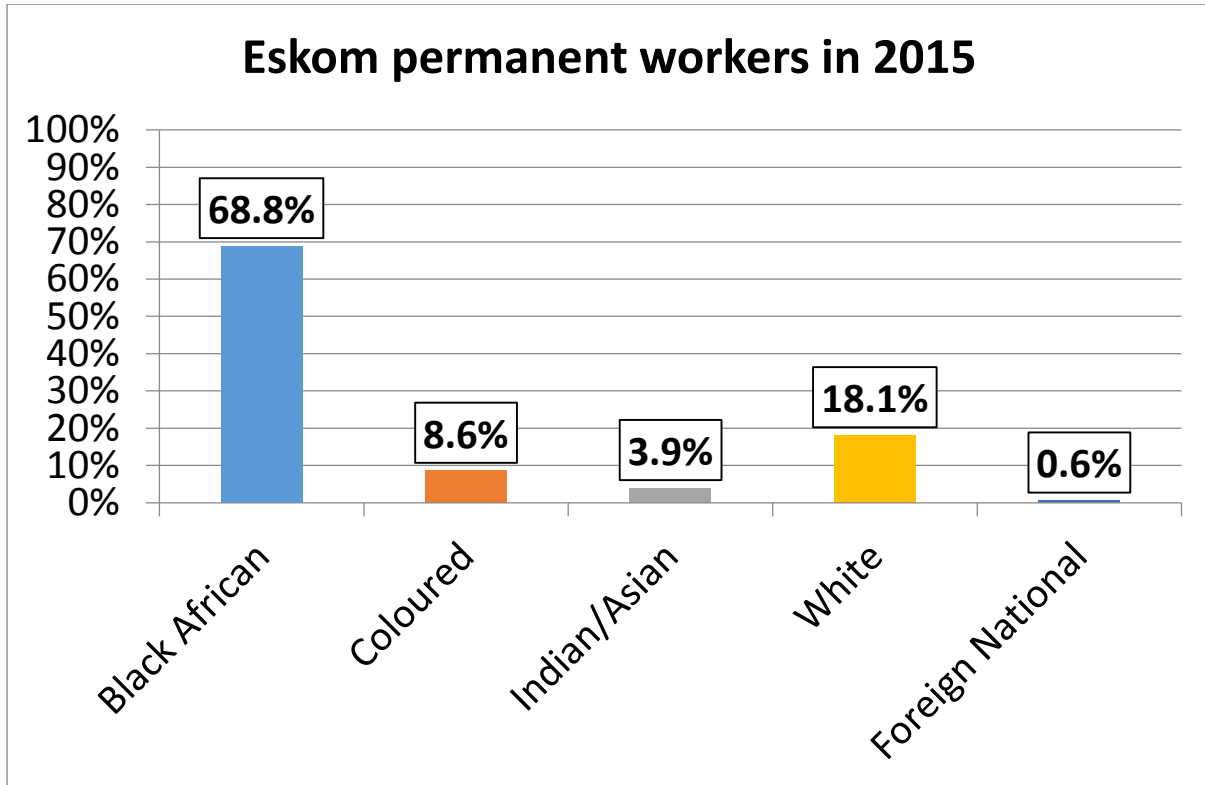
- Meanwhile, Deputy President Cyril Ramaphosa in March this year said in Parliament that Eskom should give preference to merit over skin colour.
- Eskom is in a state of crisis, yet still persists in affirmative action measures that will not benefit the organisation and or the country as a whole.
- In a poll conducted among Solidarity’s 1 200 members at Eskom, critical levels of staff dissatisfaction – and a major risk of further skills losses – were revealed. Solidarity’s survey showed:
 - A total of 81% of the respondents were of the opinion that policies on racial representation impeded their career prospects.
 - Of the respondents, 75% were of the opinion that promotions did not take place in a fair way.
 - A high percentage, 71%, felt uncertain about their positions.
 - In total, 55% were of the opinion that they would accept another job with the same benefits.

The regulation of employment equity plans

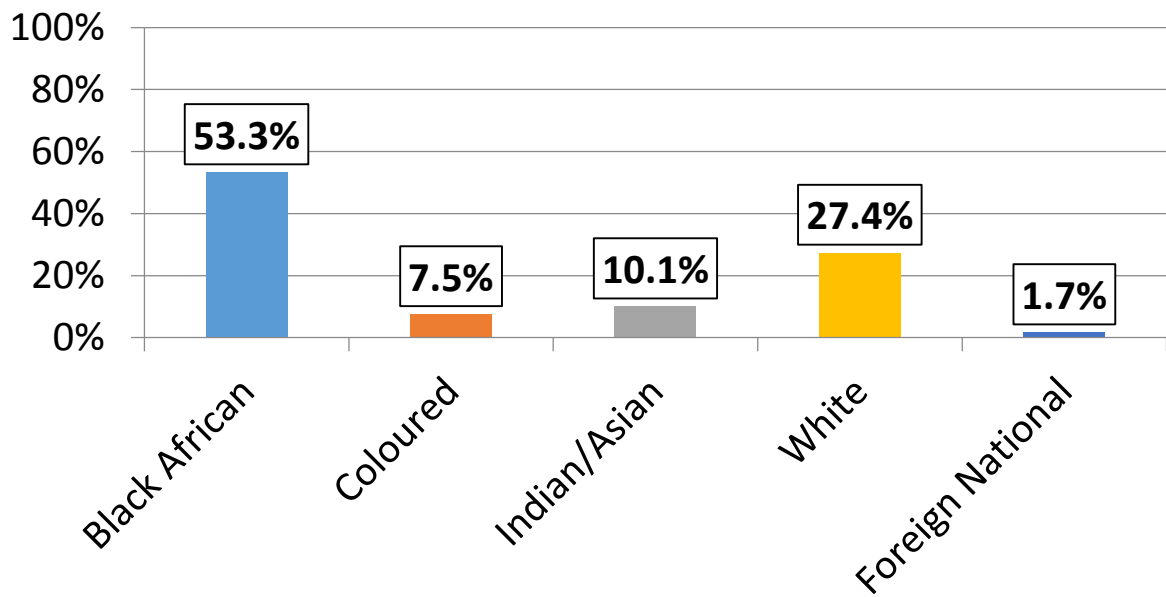
- The code of good practice for employment equity plans, GN R1394 of 1999, regulates the preparation, implementation and evaluation of employment equity plans.
- The code inter alia provides for a number of factors to be taken into consideration when an employer negotiates and implements numerical goals. This includes the following:
 - the extent of under-representation of persons in the designated group;
 - the available pool of persons with appropriate qualifications;
 - economic and financial factors;
 - the sector in which the employer conducts business;
 - the availability of vacancies; and
 - the staff turnover.
- Section 20 of the Employment Equity Act confirms that employment equity plans are intended to facilitate reasonable progress in regard to equitable representation.
- Section 2 as well as section 15 of the Act stipulates that the objective of employment equity is to ensure “equitable” representation, and hence not representation in line with any specific racial demography.
- Section 3 stipulates that die Act must be interpreted in line with any code of good practice.
- Section 17 of the Act stipulates that employers must engage in consultation on the workplace analysis that they conducted, the preparation and implementation of their employment equity plan and their reporting to the Director-General of Labour.
- Section 42(4) of the Act confirms that an employer can raise any justifiable grounds for its failure to comply. Hence, Eskom would be more than justified to indicate that due to the current crisis, merit and service delivery is a bigger priority than achieving

a workforce reflective of the racial composition of the national economically active population.

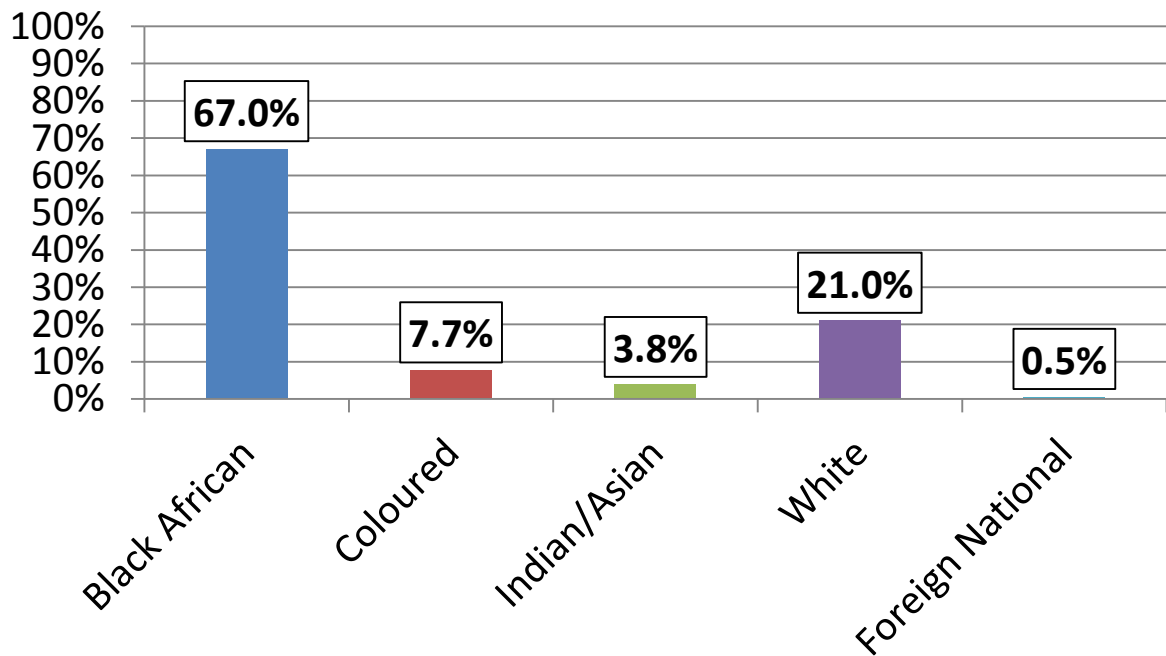
Racial distribution of potentially relevant qualifications



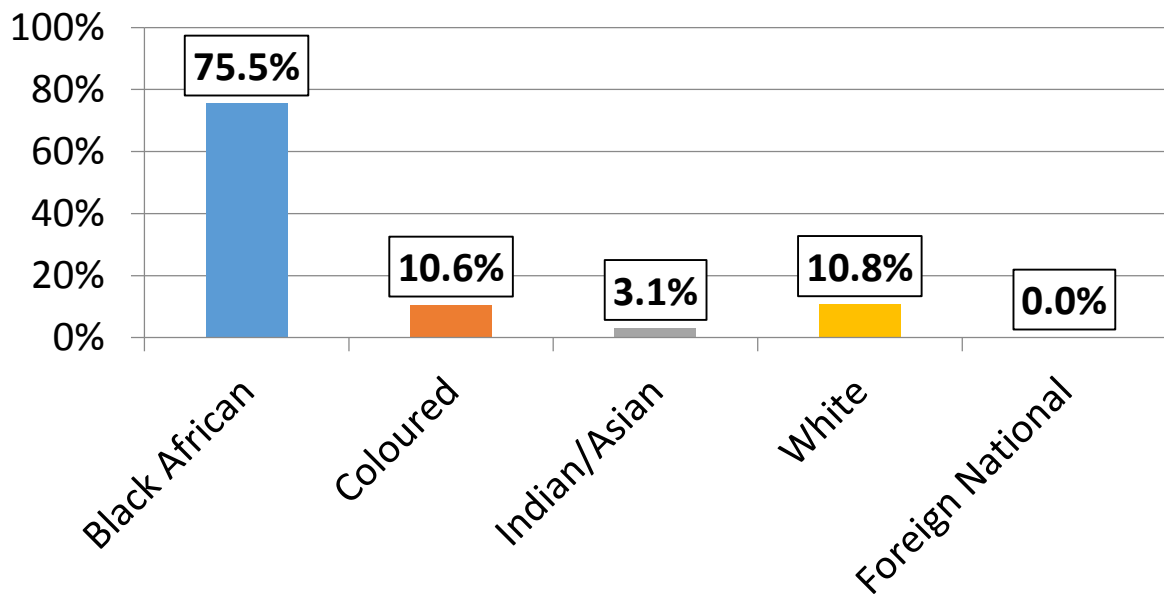
Eskom professionally qualified workers in 2015



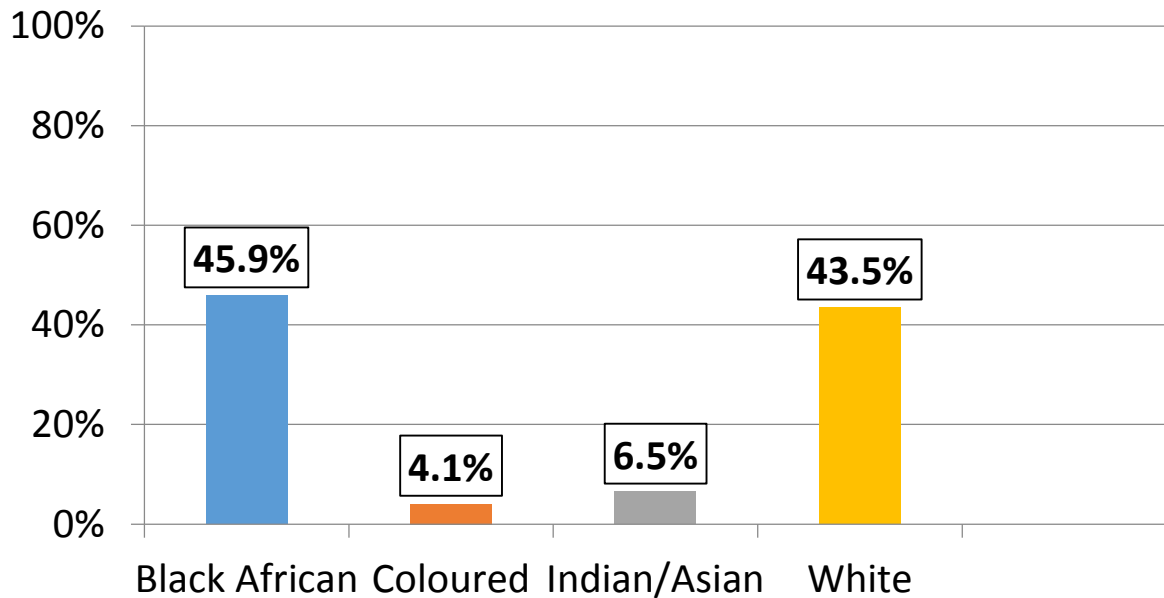
Eskom skilled workers in 2015



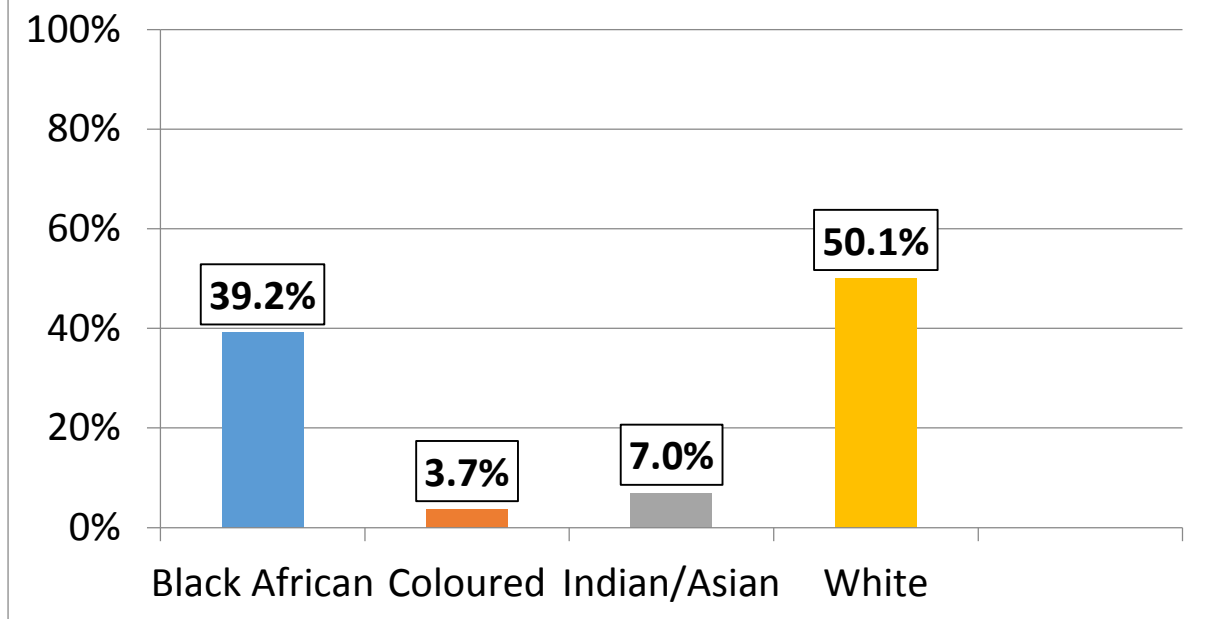
Eskom's target for permanent workers (all levels the same) in 2020



Diplomas and degrees in broadly engineering-related disciplines in 2011



Degrees in engineering-related disciplines in 2011



☎ : 012 644 4300 • ✉ : Posbus / PO Box 11760, Centurion, 0046

🏠 : H.v. D.F. Malanrylaan en Eendrachtstraat, Kloofsig, Centurion
Cnr DF Malan Dr. and Eendracht str., Kloofsig, Centurion

www.solidariteit.co.za • 0861 25 24 23