



## higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

N850(E)(N14)H NOVEMBER EXAMINATION

NATIONAL CERTIFICATE

LABOUR RELATIONS N6

(4110486)

14 November 2014 (X-Paper) 09:00–12:00

This question paper consists of 11 pages.

# DEPARTMENT OF HIGHER EDUCATION AND TRAINING REPUBLIC OF SOUTH AFRICA

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

#### **INSTRUCTIONS AND INFORMATION**

1. This question paper consists of TWO sections:

SECTION A:

40marks

SECTION B:

160 marks

**GRAND TOTAL:** 

200 marks

- 1. QUESTION 1 to 4 are COMPULSORY and must be answered by ALL candidates
- 2. Answer any FOUR of the other five questions (5 to 9).
- 3. Start each question on a new page.
- 4. Read ALL the questions carefully.
- 5. Number the answers according to the numbering system used in this paper
- 6. Write neatly and legibly.

#### **SECTION A: COMPULSORY**

#### **QUESTION 1**

Indicate whether the following statements are TRUE or FALSE. Choose the answer and write only 'true' or 'false' next to the question number (1.1–1.20) in the ANSWER BOOK.

- 1.1 Structures within an organization make communication difficult.
- 1.2 Collective bargaining is a management initiative.
- 1.3 Procedures play a less important role in the workplace.
- 1.4 Changes in the macro economy will influence collective bargaining.
- 1.5 Discipline should aim mainly at correcting unacceptable behaviour.
- 1.6 It is proper to interrupt the other party during negotiations.
- 1.7 Good human relations are possible through good communication.
- 1.8 In a briefing group communication does not take place face-to-face.
- 1.9 The shop steward is the spokesperson for management.
- 1.10 A grievance procedure develops a culture to resolve problems externally.

 $(10 \times 1)$ 

[10]

## **QUESTION 2**

Choose a description from COLUMN B that matches a/an word/item in COLUMN A. Write only the letter (A-J) next to the question number (2.1-2.10) in the ANSWER BOOK.

	COLUMN A		COLUMN B
2.1	Brief	A	Taken place wh
2.2	Collective bargaining		Takes place when management and the union are in opposing positions.
2.3	Demotion	В	A written document which contains relevant information to be discussed by
2.4	Mediation		a departmental head verbally with relevant employees.
2.5	Redundancy	С	This is an alternative for dismissal.
2.6	Union representation	D	Occurs when the parties in dispute get
2.7	Distributive bargaining		together with a third neutral party.
2.8	Lock-out	E	A process where there is pressure and counter-pressure from both parties.
2.9	Productivity agreement	F	Factor influencing the type of
2.10	Retrenchments		bargaining structure established.
		G	This is also known as dismissals due to operational requirements.
		H	Employer's equivalent of a strike.
			The service of an employee is terminated to save labour cost.
		J	Type of agreement established with employees to improve labour effectively.

(10 × 1)

[10]

#### **QUESTION 3**

Give ONE word/term for each of the following descriptions. Write only the word/term next to the question number (3.1–3.10) in the ANSWER BOOK.

- 3.1 This is a strategy to facilitate bargaining rather than a method of bargaining.
- 3.2 Both parties have the same preference for a successful outcome.
- The interactive process aimed at a fair, reasonable and mutually acceptable positioning of one party in the interaction with another party.
- It is a dynamic process of human behaviour and implies a break in the cooperation between people.
- A negotiation style used implemented to meet the other party somewhere in the middle.
- 3.6 The trade union representative at the workplace.
- 3.7 A continuous disagreement between employers and employees or their unions as regards any matter of common interest.
- 3.8 The law makes provision for this type of bargaining at a bargaining council.
- 3.9 Previously known as Industrial Councils.
- 3.10 The purpose of this group is to reduce the negative effects of the grapevine based on rumours.

 $(10 \times 1)$  [10]

#### **QUESTION 4**

Choose the correct word(s) from those given in brackets. Write only the word(s) next to the question number (4.1–4.10) in the ANSWER BOOK.

- 4.1 (Policies/Procedures) bind management to definite and specific action.
- 4.2 An agreement about wages is a (Procedural/Substantive) agreement.
- 4.3 The right to strike is the right of (Management/Trade union).
- 4.4 (Retrenchment/Lay-off) occurs when the services of the employee is terminated because no jobs are available for a certain period of time.
- The (Briefing group/Workplace forum) aims to promote the interests of all employees and not only those belonging to trade unions.

- 4.6 Employers do not use the (Productivity/Technology) agreement to bypass yearly negotiations for higher salaries.
- When the trade union approaches the employer for recognition, a (mandatory/voluntary) relationship is formed.
- 4.8 (Bargaining/negotiation) is a win or lose interaction between two parties in an economic exchange process.
- When the contract of employment is signed, there exists a (formal/informal) relationship between employer and employee.
- 4.10 Relations with trade unions are part of the (personnel/labour relations) policy.

 $(10 \times 1)$  [10]

TOTAL SECTION A: 40

#### **SECTION B**

### **INSTRUCTIONS FOR QUESTIONS 5 TO 9**

- 1. Answer any FOUR of the five questions (QUESTION 5 TO 9).
- Use headings to distinguish between sections.
- Avoid repetition of facts.
- 4. Use clear, full sentences and show the examiner that you understand the question and its contents.

#### QUESTION 5

Read the following scenario and answer the questions that follow.

AB Furniture is a Sole Trader operating only in Guguletu. The employees at AB Furniture are currently very unhappy about their wages. They are demanding an increase of 30%. The company intends to scale down on manual labour by investing in new technology. The government recently introduced amendments to current labour laws, for example, that employees have to become permanent after a year. Trade union XY had been recognised by management of AB Furniture and approaches management for negotiation.

- 5.1 List SIX *environmental factors* that trade union XY will have to take into account when negotiating for higher wages.  $(6 \times 1)$  (6)
- The members of XY trade union form a *bargaining unit*. Briefly discuss what is meant by the term *bargaining unit*.  $(2 \times 1)$  (2)
- On which TWO levels will bargaining take place?  $(2 \times 1)$  (2)
- 'Trade Union XY had been recognised by management of AB Furniture.' List any SIX items that will be included in this *recognition agreement*.  $(6 \times 1)$  (6)
- 5.5 Name and briefly explain the SIX steps/stages that need to be followed during this negotiation for higher wages. (12 × 1)
- 5.6 When bargaining collectively, negotiating parties should aim at a win-win situation. Discuss *integrative bargaining* as a method to enable the parties to ensure this.  $(5 \times 1)$  (5)
- 5.7 Name SEVEN *subjects* that should be included in an labour relations policy.

 $(7 \times 1) \qquad (7)$ 

6.2

#### QUESTION 6

Read the following case study and answer the questions.

of the grievance procedure.

Songezo works in the mining industry. He is concerned about his health as he has to work regularly underground and also very long hours. He is unhappy with management as they do not pay attention to his complaints about serious possible risks at the work.

- It is clear that management is neglecting their role with regard to health and 6.1 safety at the workplace. Describe management's role in the operation of the Health and Safety Committee.  $(5 \times 1)$ 
  - Songezo can register a grievance. Name and briefly discuss the FIVE steps  $(5 \times 3)$ (15)

(5)

- 'To help Songezo to make his voice heard, he can join representative bodies 6.3 at plant level. With regard to this statement:
  - 6.3.1 Name FOUR plant level bodies he can join.  $(4 \times 1)$ (4)
  - 6.3.2 Briefly discuss SIX reasons why employee representation is important at plant level.  $(6 \times 1)$ (6)
- 6.4 Name TEN alternatives to retrenchment.  $(10 \times 1)$ (10)[40]

#### **QUESTION 7**

- Discuss FIVE differences between centralised bargaining and decentralised 7.1 bargaining in TABLE FORM.  $(10 \times 2)$ (20)
- 'The characteristics of a mediator can have an influence on the effectiveness 7.2 of mediation.' List any FIVE characteristics.  $(5 \times 1)$ (5)
- Discuss a dispute of interest and a dispute of right with reference to: 7.3
- 7.3.1 Definition of a dispute of interest.  $(2 \times 2)$ (4)

- 7.3.2 Indicate in each of the following cases whether it is a dispute of right or a dispute of interest:
  - (a) negotiation for higher wages
  - (b) employer not adhering to the contract of employment
  - (c) non-adherence to a collective agreement
  - (d) negotiating for better medical benefits

 $(4 \times 1) \qquad (4)$ 

List any SEVEN *variables* that determine whether bargaining will take place on a centralised or decentralised level.  $(7 \times 1)$ 

(7) [**40**]

#### **QUESTION 8**

8.1 Complete the following table to explain the differences between the following concepts:

CONCEPT	DEFINITION	PARTIES INVOLVED	DECISION- MAKING POWER
Negotiation	8.1.1	8.1.5	8.1.9
Conciliation	8.1.2	8.1.6	8.1.10
Mediation	8.1.3	8.1.7	8.1.11
Arbitration	8.1.4	8.1.8	8.1.12

 $(12 \times 2)$  (24)

8.2 Read the following scenario and answer the questions that follow.

Mrs Janet allegedly stole money. She was informed through a written notice of a disciplinary hearing that she had to attend.

- Name any FIVE items that should appear in a disciplinary hearing notice.  $(5 \times 2)$
- 8.2.2 Which sanction should be applicable for stealing money?  $(1 \times 1)$
- 8.2.3 'Mrs Janet must be given the opportunity to put *mitigating factors* on the table to soften the possible sanction.' What are the FIVE factors that she could consider?  $(5 \times 1)$  Name the FIVE parties that should be present during this meeting.
- 8.2.4  $(5 \times 1)$

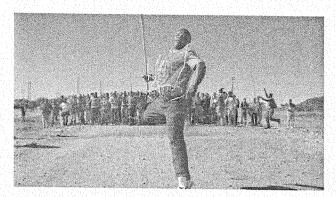
#### **QUESTION 9**

Read the following case study and answer the questions that follow.

Mining strike hits SA macro and micro economy

20 Mar 2014 13:59 ED STODDARD

The ongoing illegal strike in the platinum belt is having a detrimental effect on the pockets of not only miners, but the community at large.



As South Africa's biggest post-apartheid mine strike marks its eighth week on Thursday, there are still no talks between the two sides to the strike, the Association of Mineworkers and Construction Union (Amcu) and the world's top platinum producers, Anglo American Platinum, Impala Platinum and Lonmin, and they remain poles apart on the issue of wages.

A wave of violent, wildcat strikes that erupted periodically in 2012, rooted in a turf war between Amcu and the National Union of Mineworkers (NUM), cost platinum and gold producers more than R16-billion that year.

The lost wages have been felt immediately in the communities along the platinum belt northwest of Johannesburg. Many workers want to return to work, but are too afraid as they fear for their lives.

Source: Adapted from Mining strike hits SA macro and micro economy

http://mg.co.za/article/2014-03-20-mining-strike-hits-sa-macro-and-micro-economy

9.1	What is	meant by an illegal strike?	$(2\times1) \qquad (2\times1)$	2)
ANSE 1831	5 19785a. 53995		` ,	/

9.2 Define a wildcat strike. 
$$(2 \times 1)$$
 (2)

GRAND TOTAL:

200

9.3	'It is said that this ongoing strike had a detrimental effect on the pockets of the strikers and the community at large.' With reference to this statement discuss the costs of strikes with reference to:		
	9.3.1 Public costs $(3 \times 2)$	(6)	
	9.3.2 Private costs $(4 \times 2)$	(8)	
9.4	Briefly discuss the role of the police during a strike. $(3 \times 1)$	(3)	
9.5	List TWO other industrial actions that trade unions could have used instead of a strike. $(2 \times 1)$		
9.6	'It is very important that management should be aware of possible indicators of conflict. Briefly discuss any THREE conflict indicators. $(3 \times 2)$	(2)	
9.7	Illustrate the route for dispute resolution according to the Labour Relations Act 66 of 1995 that should have been followed by these trade unions before engaging in a strike. $(4 \times 1)$	(4)	
9.8	It is clear that there was a breakdown in communication between the parties.  Briefly discuss SEVEN reasons for conflict that necessitates collective		
	bargaining. $(7 \times 1)$	(7) <b>[40]</b>	
	TOTAL SECTION B:	160	