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**A digital version of this magazine is
available at www.rmi.org.za**



Automobil is the official journal of the
Retail Motor Industry Organisation (RMI)
which hosts 8 constituent associations:
ARA (Automotive Remanufacturers'
Association), MIWA (Motor Industry
Workshop Association), NADA

(National Automobile Dealers' Association), SAMBRA (South African Motor
Body Repairs' Association), SAPRA (South African Petroleum Retailers'
Association), SAVABA (South Africa Vehicle and Bodybuilders' Association),
TEPA (Tyre, Equipment, Parts Association), VTA (Vehicle Testing Association).

Automobil is available to purchase from the publishers at R25 a copy.

Automobil is produced and published monthly by Future Publishing (Pty) Ltd for the
Retail Motor Industry Organisation. The views and opinions expressed in the publication
are not necessarily those of the publishers or the Retail Motor Industry Organisation.
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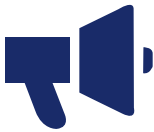
⇒ *Legacy and unity*

- We've been representing the retail motor industry for more than **100 years**.
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⇒ *Your voice*

RMI represents the industry at:

- Centralised wage negotiations.
- Various **MIBCO** and Industry-related Boards and committee structures.
- Various South African Bureau of Standards (**SABS**) committees and working groups.
- The National Regulator for Compulsory specifications (**NRCS**), defending our industry when compulsory specifications and standards are compromised.
- The Moto Health Care Fund, Industry Provident Funds and the Sick, Accident and Maternity Pay Fund.
- Meetings hosted by reputable organisations recognised by government, big business, consumers and relevant stakeholders like Business Unity SA (**BUSA**).



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- Facilitation of a business-to-business complaint where both parties are RMI members, with a complaint resolution rate in excess of 95%.
- Training needs and representation via **merSETA** and **W&RSETA**.
- Industry-specific products like **RMI4BEE**, **RMI4LAW**, **RMI4OHS** and **RMI4SURE**.



⇒ *Keeps you in the know*

- Industry labour relations seminars.
- *Automobil* magazine and weekly web letters.
- Commenting on industry topics in the media, and participating in and hosting numerous conventions and shows.





Cost of compliance

Where belonging matters



Last year RMI commissioned IQ Business, the largest independent management consulting firm in South Africa, to conduct research into the cost of compliance and its impact on commercial sustainability in the retail motor industry. The provisional findings of this report have just been concluded and I wanted to share some top level findings with you.

Business owners generally see the value in regulation

Barring some exceptions, business owners understand the role that compliance plays in their industry and are more often than not, grateful that the industry is regulated. Albeit to varying degrees, many business owners also recognise how the current set of compliance that pertains to their business is relevant to both their industry, as well as to South Africa's unique socio-economic context. This generally means that if communicated properly, resistance to regulation is unlikely to be unmanageable. However, this does not mean that business owners perceive the regulatory environment to be perfect.

Health & Safety and the environment

The research provided insights into the compliance areas business representatives believed they could perform better in. Health and Safety enjoyed a lot of emphasis. This has been

earmarked, given the potential risks involved, as an area requiring further investigation.

Environmental matters


There is overwhelming consensus amongst business owners that not enough is being done by all stakeholders concerned to reduce the impact that industry is having on the environment. Many RMI members also believe that this is an area that is under-regulated. Given the attention that sustainability and sustainable development is receiving globally this finding is not surprising and, at the same time, encouraging to see. It also suggests that if regulation matters in this area are communicated and driven tactfully, then businesses are likely to respond responsibly.

Labour-related matters

Although, business owners didn't always highlight compliance in labour-related matters as an area that they could do better in, across the associations there exists a unanimous and almost-consistent view that labour-related matters are over-regulated. Specifically, business owners expressed the view that the regulation disproportionately favours the employee, with employers feeling that they have inadequate recourse in cases of poor performance. There is a perception that employees are excessively protected even when underperforming or transgressing. Assessing the extent to which regulation

in this space is fair and just to both parties is beyond the scope of this exercise. However, one can conclude that this is an area that cannot be ignored for long.

Commercial impact: Smaller businesses are more likely to be threatened by compliance costs

In spite of the fact that many business owners find themselves worried about the impact of cost of compliance on commercial sustainability, as well as the fact that 23% of business owners overall have considered closing their business on account of compliance costs, when it comes to the question of threat to commercial sustainability, not all businesses are impacted to the same extent. Smaller businesses (categorised as less than R30 million turnover per annum) are the most susceptible. Therefore, this research lends support to the notion that small businesses are the hardest hit, relatively. For example, a SAMBRA business with turnover under R30 million is calculated to show a net profit margin of 14% when not compliant and only 5% when compliant. This phenomenon will inevitably serve as a disincentive for non-compliant SMMEs that are considering becoming compliant and also considering becoming RMI members. It begs the question if there is scope for the compliance obligation to be relaxed somewhat for businesses that fall under this smaller category? If so, what could it mean in practical terms? 

For information on the RMI and its workings, visit www.rmi.org.za or call 011 886 6300

CONSTITUENT ASSOCIATIONS



A DRIVING FORCE IN SOUTH AFRICA'S AUTOMOTIVE AFTERMARKET

The Retail Motor Industry Organisation is a proactive, relevant, retail and associated motor industry organisation recognised as the leading voice in South Africa's automotive aftermarket. It serves the daily needs of its members and plays a key role in enabling motor traders to deliver a superior service to motoring consumers. Eight Associations fall proudly under the RMI umbrella. Inter-associational business-to-business trading is encouraged in the interests of all stakeholders.



ARA - Automotive Remanufacturers' Association

ARA represents the remanufacturing trade sector. This includes component remanufacturers involved in safety-critical components, inclusive of but not limited to vehicle cooling, turbocharger and braking systems; automotive engineers who machine and remanufacture engine components by way of expert engineering – ultimately rebuilding engines to its original specifications; and specialists in the repair, servicing and remanufacturing of diesel fuel injection systems fitted to diesel engines in earth moving equipment, highway trucks, stationary engines and passenger vehicles. ARA promotes the responsible reuse of remanufactured engine components for a 'greener' environment (carbon footprint). Its members are dedicated to providing consumers with only the best of advice, finest service delivery, and highest quality workmanship.



SAPRA - South African Petroleum Retailers' Association

SAPRA represents the interests of all petroleum retailers in South Africa. Its aim is to improve growth and profitability for the investor. SAPRA plays an important role in tracking global and local trends that affect sustainability and help retailers remain relevant in an ever-changing business environment. Retailers voice concerns through one of the seven regional chairs strategically located around the country, into a National Executive Committee (NEC), where strategy and solutions are developed. This bottom up approach is a fundamental SAPRA imperative.



SAVABA - South African Vehicle and Bodybuilders' Association

SAVABA members are professional, certified and regulated vehicle body builders in South Africa who manufacture commercial vehicle body applications (tanker, coal, refrigerated trucks and trailers) and bus bodies (commuter and tourist type). Members manufacture using the latest equipment and highly trained staff to ensure strict compliance with NRCS regulations; SABS standards and all other legal specifications and requirements.



MIWA - Motor Industry Workshop Association

MIWA, the Independent Workshop Association, representing general repairs, auto electrical; air conditioning; accessories and fitment as well as transmission and driveline workshops strives to remain ahead of the ever-changing technologies and best practices of the aftermarket motor industry. MIWA encourages members to support inter-associational, business-to-business trading with a view to strengthen the RMI. MIWA remains the leading resource for members ensuring continued relevance and sustainability.



TEPA - Tyre, Equipment, Parts Association

TEPA represents tyre dealers; garage/workshop equipment and tool importers and distributors; auto part wholesalers, retailers and independent operators in the aftermarket motor parts industry as well as manufacturers and importers of parts for the automotive aftermarket. The members of TEPA represent, promote, sell and endorse the use of legitimate, bona fide, quality branded products. TEPA members also export parts, equipment and components into Africa and other countries in the world. TEPA encourages at all times inter-associational RMI business-to-business trading, intent on strengthening the RMI Organisation as a whole. TEPA is seen as the mark of integrity and fair trade for the consumer, the business operator and the government. The Association is the legitimate voice of the tyre, equipment, and parts industry in South Africa and is positioned as an intermediary between government, business, and the consumer.



NADA - National Automobile Dealers' Association

NADA represents the interests of business people who own or operate new motor vehicle and motorcycle franchise dealerships and qualifying used motor vehicle and motorcycle outlets. NADA is committed to the image enhancement of the retail motor business, facilitating the interface between dealers and OEMs; importers and distributors; building relationships between dealers and customers and bringing relevant industry issues to the attention of government. NADA is the respected voice on all matters relating to motor vehicle and motorcycle dealer business.



SAMBRA - South African Motor Body Repairers' Association

SAMBRA is the pre-eminent motor body repair association in South Africa representing the majority of accredited motor body repairers. SAMBRA's grading system, which was introduced over 30 years ago, regulates repair standards in the motor body repair industry in South Africa and instils confidence in consumers and industry stakeholders alike. The Association works in close collaboration with various key industry stakeholders including Insurers, Original Equipment Suppliers, paint and equipment suppliers, the labour department and trade unions, as well as related SETAs – to maintain industry sustainability and development. It ensures the provision of technical and business management skills training in order for members to meet the demands of the industry.



VTA - Vehicle Testing Association

The VTA represents private vehicle testing stations that are committed to operating within the law in accordance with the Road Traffic Act and the relevant SANS standards. In this highly regulated environment, the association represents the interests of its members at government level working groups and is committed to enhancing the reputation of the industry in all the spheres.

WE ARE BETTER TOGETHER



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Editor: Kate Kennedy.

The coronavirus is having a profound effect on the world, and given its rapid and far-reaching spread, this is no surprise. Sporting and cultural events, including the 2020 Geneva Motor Show, are being cancelled or postponed to minimize the risk of transmission, although the Japanese Prime minister says the 2020 Olympic Games will proceed as planned. All around the world

schools are closing, businesses are shutting their doors and people are stockpiling non-perishable goods (and toilet paper) like they won't shop again for 10 years.

In February, new-car sales in China fell by 79%. In Italy, Fiat Chrysler Automobiles closed a large number of its manufacturing facilities in Italy, Serbia and Poland until 27 March. Groupe PSA closed all of its sites manufacturing Citroen, Peugeot, DS, Opel and Vauxhall models in the UK, France, Spain and Slovakia.

This virus is only a few months old and new cases are being reported at an alarming rate. I wonder what the landscape of the motor industry will look like at the end. Doubtless it won't be a pretty sight.

South Africa is, at the time of writing, still relatively untainted, with a little over 200 reported cases of coronavirus, but that hasn't stopped residents from sweeping the supermarket shelves in preparation for potential quarantine. And I have to admit that I am grateful to be able to work from home and avoid unnecessary contact with possible new germs.

Whatever the status of your work environment, maintain personal hygiene – wash your hands often, keep hand sanitiser (if it's not already sold out) in convenient places, and cover your nose and mouth when you sneeze or cough.

But most importantly, don't panic.

'Til next time
Kate 

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TELL US WHAT'S ON YOUR MIND



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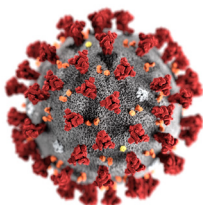


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COVID-19 – unprecedented circumstances

On 15 March 2020 the State President addressed the nation, declaring a national state of disaster as a consequence of the break-out of the COVID-19 pandemic in South Africa. He announced a number of sweeping measures aimed at mitigating the risk of the pandemic, as well as advocating the correct actions to be taken by citizens in order to protect themselves against infection.



We find ourselves facing a challenge unparalleled in our history. It's something new and uncertain for us all, but it's something that we know we will overcome in the only way we South Africans know how: together.

Nothing is more important to us than the safety of our members and their staff and customers. That's why we will continue to take extra precautions at all of our associations and our offices around the country. These measures include intense cleansing schedules, travel restrictions, self-quarantine practices, and hygiene training for not just our people, but our suppliers and customers too.

Keeping members and staff updated has been a key focus over the last couple of weeks. We have been inundated with queries and requests for clarity from members. We have attempted to address all of these queries in the most comprehensive way possible.

Taking heed of these guidelines is absolutely critical, particularly when it comes to practical steps to ensure the safety of your workplace.

At the time of going to press there were just over 202 reported cases of Coronavirus (COVID-19) in South Africa. I stress again that each one of us has a critical role to play in reducing the rate of infection. Each precaution that we take, no matter how small, reduces the risk of infection for ourselves, personally, and for our loved ones.

Reducing the rate of infection will put less pressure on the national health system, thus allowing people who are really sick to get the help that they need. In addition, fewer infections will reduce the impact on the economy, thereby protecting jobs.

We must do everything we can to ensure the sustainability of our people and our own personal health and safety, without creating unnecessary disruptions to our business and our customers. We are unsure what the impact on our business

will be. We will need to assess that carefully on an ongoing basis.

For now however, the guidelines and rules we have shared represent our best judgement, at this point in time, about practical steps we can all take to reduce risk for ourselves and for each other. We can expect things to change rapidly – if not weekly, then daily or even hourly. We will communicate changes to you regularly to keep you informed.

I ask that you support me and your executive teams to safely steer RMI through this national state of disaster. Please try and not panic and be overwhelmed by the changes.

To quote our President: "If we act together, if we act now, and if we act decisively, we will overcome." So let's look after ourselves, our families, our friends and our colleagues.

JAKKIE OLIVIER
CEO : RETAIL MOTOR INDUSTRY
ORGANISATION 

CONCERNED ABOUT COVID-19?

HELLO DOCTOR IS HERE

With the outbreak of Coronavirus, it's good to know that you have a doctor on call. If you're showing symptoms or concerned for your health, ask Hello Doctor – a free, voluntary, mobile-based service that gives you access to doctors within minutes.

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taking care of our own

OCCUPATIONAL HEALTH and the motor industry

Which legislation is applicable?



Occupational Health is a sub-specialisation of the medical sciences dedicated to the interaction between the employee and the working environment and any consequences of such interaction, which include exposure to substances, processes and circumstances that may affect the employee's health and safety.

If not identified and managed appropriately, such exposures lead to occupational disease and will directly affect not only the health of the employee, but the socio-economic circumstances and future of his or her dependents and immediate community. It further impacts on the productivity, labour relations and efficiency of any business. You would never default on your new car's service schedule, rendering the warranty null and void. All engineering and transport companies have maintenance schedules for machinery and equipment. Having said that, does it not make sense for a 'maintenance schedule' for the companies' most valuable assets, its employees? Companies without an Occupational Health Programme and not complying with the necessary legislation, are not only at risk, but are losing money.

Occupational health is dedicated to reducing the probability of adverse events that could result in injuries, illnesses or material losses.

"Better health is central to human happiness and well-being. It also makes an important contribution to economic progress, as healthy populations live longer, are more productive, and save more. Many factors influence health status and a country's ability to provide quality health services for its people, says the World Health Organisation

Key to the success of an Occupational Health Programme is a good understanding of the hazards in the working environment, the effect on the human physiology, the work processes and the inherent physical and psychological requirements of a particular job.

It is important to understand the following concepts:

Risk

RISK = CONSEQUENCE X PROBABILITY
Or

RISK = CONSEQUENCE X
LIKELIHOOD X EXPOSURE

Hazards

A hazard is a potential source of danger, or to put it in another way, has the potential to cause injury and/or harm. In order to reduce the possible adverse effects (injuries and occupational diseases) on employees, the control of such hazards are regulated and legislated across the world, particularly in the ILO (International Labour Organisation) member countries. The ILO, with South Africa being one of



the 187 member states, is the only tripartite U.N. agency bringing together governments, employers and workers, to set labour standards, develop policies and devise programmes promoting decent work for all women and men.

Hazards are categorised as being:

- **Chemical** (liquids, fumes, gases, vapours)
- **Biological** (viruses, bacteria, fungi, animals, insects, reptiles)
- **Physical** (noise, temperature, dust, radiation with both ionising



radiation like x-rays, γ -rays, α & β emitters, as well as non-ionising radiation like bright light, UV and infrared, electromagnetic fields (EMF) and lasers)

- **Ergonomic** (repetitive movements, vibration, illumination, abnormal posture, material and equipment handling like lifting, pulling, pushing, carrying)
- **Psychosocial** (shift patterns, organisational stress, working in isolated or dangerous areas)

These hazards are regulated in South Africa by means of various regulations under the Occupational Health and Safety Act, with responsibilities on both the employer and the employee. These include, but are not limited to, the Hazardous Chemical Regulations, Hazardous Biological Agents, Noise Regulations, Construction Regulations, Environmental Regulations, Lead Regulations and Asbestos Regulations, to name a few.

In December 2019, the Ergonomic Regulations were published, which places a duty on virtually all industries, but are specifically relevant to the motor trade and more specifically the repair and maintenance aspects of the trade. Ergonomics include processes like lifting, pushing, pulling, extremes of reach, repetitive work, carrying, sitting, standing, movements requiring force, squatting, bending, awkward positions (abnormal posture), grip strength, abnormal posture.

In some instances the Chemical Regulations might also apply to certain trades like body repair shops, with the use of organic solvents like electrical cleaners (benzene, xylene, toluene, styrene) as well as with spray painting.

Ergonomic Regulations

The South African Department of Employment and Labour issued new ergonomics regulations as part of the Occupational Health and Safety Act (85 of 1993).

These regulations also apply to self-employed persons.

A very high level summary of the regulations with some of the key points are:

Scope

- (a) any employer who carries out work at a workplace, which may expose any person to ergonomic risks in that workplace; and
- (b) a designer, manufacturer, importer or supplier of machinery, plant or work systems for use at a workplace.

Information, instruction and training

- An employer must establish for all employees potentially exposed to ergonomic risks, a training programme.

Ergonomic risk assessment

- An employer must have an ergonomic risk assessment performed by a competent person.


Risk control

- An employer must ensure that the exposure of a person to ergonomic risks is prevented or, where this is not reasonably practicable, adequately controlled.

Medical surveillance

- An employer must ensure that an employee is placed under medical surveillance – based on the ergonomic risk assessment.
- Keep records for 40 years, including all medical records of the medical surveillance and certification of fitness to work.

These examinations must be performed by a registered Occupational Health Nursing Practitioner (OHNP), or Occupational Medical Practitioner (OMP) as per regulation. Examinations performed by General Practitioners (Family Practitioner) will not be accepted.

It is very important, not only to comply with current legislation, but at the same time to address any possible future risk. 



Jakkie Olivier addressing Automatrix attendees.

AutoMatrix 2020 a great success

Networking, Collaboration and Progress. These were the three overriding themes for the 2020 AutoMatrix Industry conference which was held on board the MSC Orchestra last month. Over 340 delegates attended the event, including body shop owners, representatives from NAAMSA, SAIA, RMI, various OEMs, insurers, paint and equipment suppliers and other service providers.

The conference format included keynote addresses from SAIA's Themba Palagangwe; Mike Mabasa, CEO of NAAMSA and Jakkie Olivier, CEO of the Retail Motor Industry Organisation (RMI), as well as interactive sessions during which delegates were able to engage with various guest speakers, resulting in the creation of a platform for networking, collaboration and progress.

Delegates were also treated to quality entertainment and a host of sightseeing activities. That did not detract however

from the important discussions between the various stakeholders.

RMIs Jakkie Olivier focused very specifically on the current Motor Body Repair landscape outlining the South African Motor Body Repairers' (SAMBRA) role and the challenges facing the MBR sector, specifically the difficulties in running a sustainable, profitable SMME business in the MBR sector. He touched on the current employment outlook – which is at a five year low. He said when it comes to employment, jobs are going to come from the small to

medium sized businesses which will help drive the economy so this is definitely the sector we need to focus on.

“Lack of profitability goes hand-in-hand with slow, or a lack of, upskilling due to the cost of training interventions to the business. With continuing technological transformation in the sector there is a mismatch between labour available and the skills required,” says Olivier. He showed how the cost of compliance has a huge impact on commercial sustainability – with research showing that 23% of SAMBRA businesses




Jakkie Olivier, RMI CEO, with AutoMatrix 2020 attendees.

having at some point considered closing due to compliance costs. He questioned the need to revisit statutory regulation within the industry with only 16% of SAMBRA businesses believing that statutory regulation pertaining to their business is relevant. Olivier said many SAMBRA business owners believe that they could be more compliant with equipment and waste management matters, but that budget and skills are the key barriers to improved compliance.

Pay Before Release (PBR) was also a hot topic of discussion. Olivier said that the MBR sector was the only sector not to have exercised its right of lien over vehicles repaired. "PBR is a necessity with delayed insurer payment and their poor payment administration having a negative effect on the business' cash flows. These added to

the "staggering differences between labour rates paid between MBR and OEM-appointed motor dealers, both of whom require substantive investments to their business." The result is that the MBR sector can no longer afford to pay artisans a wage that encourages entry into the sector or upskill their current workforce. "It is so critical we have fair, unrestricted and competitive business practices within the MBR sector."

On a closing note Olivier stressed the importance of raising the SLA labour rates for the MBR sector. He said reviews three months prior to annual SLA renewals; timeous payments to SMME's combined with reduced compliance and regulatory costs, and write-off values returned to more reasonable levels of around 75% will go a long way to sustaining this very important growth sector.

Neal Jackman, Director of AutoMatrix said the format of the conference proved to be a huge success and confirmed they had received numerous requests for a similar session to be repeated on a more regular basis. "We brought together the three key representative industry pillars – membership through RMI; OEMs through NAAMSA and the insurers through SAIA. The feedback from most of these leaders in the automotive industry indicates this kind of platform is vital to address key issues impacting the different sectors. Amongst others we looked at the future state of the industry, the impact of electric cars, transformation issues, insurer procurement policies, write-offs, training, body shop optimisation, paint systems, profitability and others. The big advantage was individual business owners were able to attend and get a holistic view of the challenges and opportunities," concludes Jackman. 

The RMI, NUMSA and the FRA concluded a Wage Settlement Agreement for all Sectors and Chapters of the Motor Industry on 27 February 2020. The wage tables presented herein serve as a provisional guide of impending regulated increases, when the Main Collective Agreement is gazetted by the Department of Employment and Labour.

Employees who earn wages/salaries (gross before overtime allowance and bonuses) below the threshold of R205,433.30 per annum are legally entitled to the increase according to the wage tables inserted below. Wage increases for employees earning above the specified threshold are at the discretion of employer.


It is critically important for employers to understand the difference between actual wage increases, which apply to Chapter III businesses (component manufacturers) only, and guaranteed monetary increases. The latter is calculated by applying the percentage wage increase on the 'old' minimum wage and increasing wages by the monetary value of that increase on the 'old' minimum wage only. In the case of Chapter III businesses, wages are increased by applying the agreed percentage to the wages of employees, irrespective of what they earn.

Employers may also off-set any increases granted to its employees in the preceding 12 months, against those they are obliged to give when the new agreement is published and extended, provided that such off-setting may only occur once in the 12 months period.

Individual employers seeking exemption to pay a lesser actual wage increase and/or a guaranteed increase, or to be exempted from paying such, must do so on a Wage Exemption Application form which is obtainable from their local MIBCO Regional Office or on the MIBCO website: www.mibco.org.za. Such application must be submitted no later than 21 days from the date of gazettal to the local MIBCO Regional Office, either by hand delivery registered mail facsimile or e-mail in the prescribed format with the following supporting documentation attached:

- Formal financial information;
- Written motivation; and
- Detail and proof of the consultative process between the employer, employee and relevant MIBCO Trade Unions.

For further assistance with wage exemptions, please contact your local MIBCO Regional Office as per the contact detail on the MIBCO website: www.mibco.org.za.

Members wanting to obtain further clarity regarding the application and interpretation of the wage schedules, are encouraged to contact their local RMI Regional Office where highly qualified IR specialists are deployed to provide trade-specific advice and assistance in the application of these wage regulatory measures. 

DIVISION B & D - CLAUSE 3 (WAGES) - ALL CHAPTERS & SECTORS												
Provisional WAGE SCHEDULE : MINIMUM WAGES - From Date of Publication by DOE & Subject to date of gazettal												
Class of employee	SECTORS 1,2,3,4,5 & 7						SECTOR 6 ONLY					
	Minimum Wages			Other Areas			Minimum Wages			Other Areas		
	Area A		Area A		Area A		Area A		Area A		Area A	
	PW	R	PW	R	PM	PW	PW	R	PM	PW	R	PM
(a) Office, stores sales and Clerical employee- during 1st year of experience	1 320.03	5 720.13	1 320.03	5 720.13	5 720.13	1 320.03	1 347.23	5 838.00	1 347.23	5 838.00	74.72	323.79
during 2nd year of experience	1 506.18	6 526.78	1 506.18	6 526.78	6 526.78	1 506.18	1 534.81	6 650.84	1 534.81	6 650.84	85.26	369.46
during 3rd year of experience	1 734.64	7 516.77	1 734.64	7 516.77	7 516.77	1 734.64	1 768.94	7 665.41	1 768.94	7 665.41	98.19	425.49
thereafter	2 013.88	8 726.81	2 013.88	8 726.81	8 726.81	2 013.88	2 050.47	8 885.37	2 050.47	8 885.37	113.99	493.96
(b) Motor vehicle sales person- During 1st year of experience thereafter.	1 592.69	6 901.66	1 592.69	6 901.66	6 901.66	1 592.69	1 592.69	6 901.66	1 592.69	6 901.66	90.15	390.65
	2 053.44	8 898.24	2 053.44	8 898.24	8 898.24	2 053.44	2 053.74	8 899.54	2 053.74	8 899.54	116.23	503.66
(c) Bookkeeper	2 589.24	11 220.04	2 589.24	11 220.04	11 220.04	2 589.24	2 611.67	11 317.24	2 611.67	11 317.24	146.56	635.09
(d) Accountant	4 404.71	19 087.08	4 404.71	19 087.08	19 087.08	4 404.71	4 462.95	19 339.45	4 459.25	19 323.42	249.32	1 080.39
(e) Parts salesperson - During 1st year of experience thereafter	1 660.09	7 193.72	1 660.09	7 193.72	7 193.72	1 660.09	1 666.93	7 223.36	1 666.93	7 223.36	93.97	407.20
	2 039.26	8 836.79	2 039.26	8 836.79	8 836.79	2 039.26	2 039.26	8 836.79	2 039.26	8 836.79	115.43	500.20

WAGE INCREASES



Class of Employee	All Areas			All Areas		
	P W	P M	P H	P W	P M	P H
(f) Traveller - during 1st year of experience thereafter	1 666.93 2 039.26	7 223.36 8 836.79		1 666.93 2 039.26	7 223.36 8 836.79	408.85 500.20
(g) Supply sales person - during 1st year of experience during 2nd year of experience during 3rd year of experience thereafter	1 666.93 1 909.39 2 140.34 2 296.98	7 223.36 8 274.02 9 274.81 9 953.58		1 666.93 1 909.81 2 140.34 2 296.98	7 223.36 8 275.84 9 274.81 9 953.58	408.85 468.35 524.98 563.42
(h) Part-time employees	*	*		*	*	

* One-eleventh of the minimum weekly wage as prescribed for clerical employees in (a) hereof, for ordinary time worked on each day in any one week, or one forty-fifth of such prescribed minimum weekly wage for each hour or part of an hour of ordinary time worked in any one week, whichever is the greater.

DIVISION C, CHAPTER 1 - CLAUSE 3 - WAGES												
Provisional Wage Schedule : MINIMUM WAGES - From Date of Publication by DOE & subject to date of gazettal												
Class of employee	CHAPTER 1						CHAPTER 1					
	SECTOR 4,5 & 7 ONLY						SECTOR 6 ONLY					
	Area A			Other Areas			Area A			Other Areas		
	PW	PH		PW	PH		PW	PH		PW	PH	
Grade 1 ForecourtAttendant Parking Garage Attendant Cashier Char (Sector5) Char Grade 2 Grade 3 Grade 4 Grade 5 Grade 6	1 418.85	31.53		1 418.85	31.53							
	900.00	20.00		900.00	20.00							
	1 493.10	33.18		1 493.10	33.18							
	1 123.20	24.96		1 123.20	24.96							
	1 041.30	23.14		1 041.30	23.14		1 090.80	24.24				
	1 398.60	31.08		1 398.60	31.08		1 461.60	32.48				
	1 513.35	33.63		1 513.35	33.63		1 569.15	34.87				
Class of Employees	1 653.30	36.74		1 653.30	36.74		1 713.60	38.08				
	1 843.20	40.96		1 843.20	40.96		1 900.80	42.24				
	2 214.90	49.22		2 214.90	49.22		2 263.50	50.30				
APPRENTICES	ALL AREAS			ALL AREAS			ALL AREAS			ALL AREAS		
	ALL CHAPTERS			ALL CHAPTERS			ALL CHAPTERS			ALL CHAPTERS		
3 YEAR TRADE	ALL CHAPTERS			ALL CHAPTERS			ALL CHAPTERS			ALL CHAPTERS		
	ALL CHAPTERS			ALL CHAPTERS			ALL CHAPTERS			ALL CHAPTERS		
4 YEAR TRADE	ALL CHAPTERS			ALL CHAPTERS			ALL CHAPTERS			ALL CHAPTERS		
	ALL CHAPTERS			ALL CHAPTERS			ALL CHAPTERS			ALL CHAPTERS		
Sectr 5 wages increases have been implemented by the Department ofEnergy (DOE) effective 01 January 2020.	ALL CHAPTERS			ALL CHAPTERS			ALL CHAPTERS			ALL CHAPTERS		
	ALL CHAPTERS			ALL CHAPTERS			ALL CHAPTERS			ALL CHAPTERS		

DIVISION C, CHAPTER II - V : CLAUSE 3 - WAGES

Provisional Wage Schedule: Minimum Wages -

From Date of Publication by DOE & subject to date of gazettal

Class of Employee	CHAPTER 2			CHAPTER 3*			CHAPTER 4			CHAPTER 5			APPRENTICES/LEARNERS		
	SECTOR 1			SECTOR 1			SECTOR 3			SECTOR 2			ALL CHAPTERS		
	All Areas			All Areas			Area A			Other Areas			All Areas		
	PW	PH	R	PW	PH	R	PW	PH	R	PW	PH	R	PW	PH	R
Grade 1	1 041.30	23.14	R	1 128.60	25.08	R	1 041.30	23.14	R	1 041.30	23.14	R	1 041.30	23.14	3 Year Trade
Grade 2	1 398.60	31.08	R	1 485.90	33.02	R	1 398.60	31.08	R	1 398.60	31.08	R	1 398.60	31.08	First Year
Grade 3	1 513.35	33.63	R	1 607.40	35.72	R	1 513.35	33.63	R	1 513.35	33.63	R	1 513.35	33.63	Second Year
Grade 4			R	1 755.45	39.01	R	1 653.30	36.74	R	1 653.30	36.74	R	1 653.30	36.74	Third Year
Grade 5	1 843.20	40.96	R	1 958.40	43.52	R	1 843.20	40.96	R	1 843.20	40.96	R	1 843.20	40.96	4 Year Trade
Grade 6	2 214.90	49.22	R	2 349.90	52.22	R	2 214.90	49.22	R	2 214.90	49.22	R	2 214.90	49.22	First Year
Class of Employee	All Areas			All Areas			All Areas			All Areas			All Areas		
	PW	PH	R	PW	PH	R	PW	PH	R	PW	PH	R	PW	PH	Second Year
	2 758.05	61.29	R	3 348.45	74.41	R	2 758.05	61.29	R	2 758.05	61.29	R	2 758.05	61.29	Third Year
	3 153.15	70.07	R			R	3 153.15	70.07	R	3 153.15	70.07	R	3 153.15	70.07	Fourth Year
Watchman	1 273.92	no hourly rate	R	1 328.49	no hourly rate	R	1 273.92	no hourly rate	R	1 273.92	no hourly rate	R	1 273.92	no hourly rate	NQF Learnership
CHAPTER 2 SETTING BONUS	PW			PW			PW			PW			PW		
	5.00			5.00			5.00			5.00			5.00		
	MEASURING INSTRUMENT BONUS			MEASURING INSTRUMENT BONUS			MEASURING INSTRUMENT BONUS			MEASURING INSTRUMENT BONUS			MEASURING INSTRUMENT BONUS		
	CHAPTER 3			CHAPTER 3			CHAPTER 3			CHAPTER 3			CHAPTER 3		
Vernier/micrometer	13.80			13.80			13.80			13.80			13.80		
Tape/rule/square/sets	9.20			9.20			9.20			9.20			9.20		

*** 7.5 % Increase on actual earnings with effect from date of Publication for Chapter 3 Establishments**



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What drives you,
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The Truth about loyalty

As the cost of living continues to rise, it's no surprise that loyalty programmes, especially those that offer cash back and instant savings, have engaged three quarters of South Africans.



The 2018/19 Truth & BrandMapp Loyalty Whitepaper analyses changing consumer attitudes towards loyalty programmes and unpacks factors influencing loyalty programme. And from their research, they found that health and beauty retailer Clicks, with its ClubCard loyalty programme, soared ahead as the most used loyalty programme in South Africa, with 72%. Pick n Pay's Smart Shopper took second place (60%) and Dischem's loyalty programme, Dis-Chem Benefit, came in third (49%).

Through dialogue with Clicks and Dis-Chem, researchers discovered that both retailers successfully surpass industry average in terms of percentage of overall sales through their loyalty programme. A strong loyalty KPI is reaching two thirds of company turnover through the loyalty card. Dis-Chem Benefit members represent 70% of overall Dis-Chem sales, while Clicks ClubCard state that for them this is 77% – both highly impressive statistics.

Dis-Chem offer a 1.5% base earn rate to members as well as donate a portion of eligible spend to the Dis-Chem Foundation, while Clicks

offer a 2% base earn rate and 4% to members who reach a spend threshold of R1,000 over a two-month period.

Coincidentally, both companies have partnered with fuel retailers – Clicks with Shell and Dis-Chem with Total. Other fuel partnerships include Standard Bank's uCount programme with Caltex, FNB's eBucks programme with Engen, and Absa's Cash Rewards programme with Sasol.


Given that loyalty programmes are working well for retailers, where members receive points that convert to cash back rewards as well as instant savings offered by some programmes, should fuel retailers follow suite and create their own loyalty programmes to entice customers to their pumps (and shops)? At face value, it would seem to make sense, but there are more factors to consider.

According to Truth, a boutique consultancy specialising in loyalty, CRM and customer centricity strategy development, many loyalty programmes are launched to convert an unknown customer into a known customer. "However, that alone is not enough,"

it says. "Nothing less than personalised, relevant and timeous engagement will help you realise the true value of your greatest asset: your customer."

"Large corporates have taken consumer data analytics and information gathering to advanced levels, having recently introduced FREEMIUMS as its conduit, a concept that has grown double exponentially across all economic sectors. It remains to be seen to what extent FREEMIUMS have been tested for legal compliance," says Vishal Premllal, National Director of the South African Petroleum Retailers' Association (SAPRA).

"Is the 'spirit' envisaged in affecting legislation superseded by blatant abuse of loopholes within legislation?

"Whilst the advent of loyalty programmes in petroleum retailing has drawn much consumer favour, mostly attributed to the current difficult economic climate consumers are faced with, SAPRA is concerned about the far reaching impact loyalty programmes have and will continue to have on retailer sustainability. Petroleum retailers have raised many concerns on the topic, to which end SAPRA is busy investigating and will provide comment in due course." 



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Voice of motor vehicle dealers



The National Automobile Dealers' Association (NADA) is the well-known and respected voice for motor vehicle dealers in South Africa. Gary McCraw, the National Director explains some of the key activities of the Association.

According to Mark Dommisie, National Chairperson of NADA, "we are in for an interesting ride with industry forecasts in the red for the new car market in 2020. Over the past five years, the South African franchised motor dealer environment has been under enormous pressure. The decline in sales volumes and the vehicle park has had a direct impact on employment and dealer profitability." 



Gary McCraw, NADA
National Director.



Mark Dommisie, NADA
National Chairperson.



Positive attitudes will be the key to business success

At the time of preparing this article the global community is facing one of its most challenging periods in decades with the COVID-19 pandemic gaining momentum globally. We now find ourselves in an unprecedented situation.

At this stage the direct impact in South Africa is low, however by the time you read this article the situation could have changed substantially, if the trends in other affected countries are anything to go by.

Realistically, it is going to get worse before it gets better. The unanswerable question is the time frame.

Given the COVID-19 global uncertainty, the somewhat volatile political landscape in South Africa, the difficult and depressed economic climate, and the potential negativity that can fester therefrom, it is even more important that the relationships we have with our employees are based on trust, are measured and reviewed on a regular basis.

It has been said on many occasions that motor retail is a people business and this remains a valid truism today. So if our employees do not have a positive outlook and are not properly trained they will not be able to deliver the right levels of customer service and satisfaction, which is key to ensuring happy customer's and return business.

We appeal to you, as owners, directors, managers within our industry, you, as leaders have a responsibility to place a strong focus on the interface with your employees by inspiring in them


a sense of commitment and positivity which hopefully will be evident when they interact with your customers.

Over the next 12 to 18 months, motor dealers will need to manage their costs effectively and maximise every business opportunity, no matter how small, to ensure their sustainability into the future. We are sure that with the right positive attitude the motor vehicle dealer sector will emerge from the current uncertain and difficult period stronger and this will largely be due to the dedicated labours of your loyal employees.

Derik Scorer, National Senior Vice-Chairperson says "The recession in the retail motor industry (moreover – franchised motor dealers) is real and has already had a substantial impact on dealer viability. The double edged effect of lower dealer retail volumes with the relentless reduction of margins has caused dealers and original equipment manufacturers to reduce dealership numbers (this is expected to accelerate through 2020), reduce staffing levels, right-size inventories and consider multifranchising in an effort to improve throughput." 

NADA DPP Conference cancelled

It is with great sadness that the NADA Executive Management, in conjunction with its loyal sponsors, took the extremely difficult decision to proactively cancel, until further notice, the NADA DPP Conference which would have taken place in April 2020.

Given the potential negative health risks of the COVID-19 pandemic, this decision is in line with many similar international and local decisions to cancel events until normality returns. The motto has been safety first at all costs. 

The F&I Industry Summit

16 May 2020
Emperors Palace,
Johannesburg

The F&I Industry Summit will bring together 350 of the best and brightest executives in auto finance and insurance, to discuss the most pressing issues facing the industry.

The event's primary goal is to provide the industry with up-to-date information, innovative sales techniques and unparalleled networking opportunities to help delegates navigate the year ahead.


The dynamic and highly interactive programme will include local and international experts in the field, leading industry stakeholders, motivational speakers and highly regarded sales experts. The programme will combine keynote addresses with smaller, more personalised breakaway sessions.

The event will become an annual highlight on the F&I calendar, and the leading event of its kind in Africa. The event will be endorsed by NADA. The intention is to have the event qualify for CPD points.

Topics to be covered include:

- An update on the latest finance and insurance (F&I) legislation and what this means for the F&I practitioner
- Extracting greater efficiencies to mitigate margin compression
- How are borrowers performing in today's economy (adapting to the rising interest rate and what to do about rising consumer debt)
- F&I in the mobile age
- Obtaining and retaining customer loyalty
- Anticipating your customers' needs (crafting custom offerings and identifying cross-sell opportunities)
- The relationship between the F&I and the motor salesperson
- Warranties and how they work
- Strategic sales techniques (quality revenue growth strategies that differentiate their users for a competitive advantage, ensuring sustainable revenue growth)
- Overcoming underwriting hurdles
- Enriching your dealer relationships
- Customising servicing techniques for different borrower demographics



Please NOTE: The organisers have made contingency plans should it be necessary due to the COVID-19 pandemic to postpone the summit to a new date in the future. This decision will be made closer to the time and again it will be based on the motto of safety first. 


RMI ASSOCIATION OF THE MONTH

Guidelines for competition in the South African automotive aftermarket industry

On 14 February the Competition Commission published the draft Automotive Aftermarket Guidelines for public comment.

The NADA Legal and Compliance Committee reviewed the content of the proposed guidelines and on 19 February 2020 the committee met with NADA's attorneys, Bowmans, to discuss how best to respond to the proposed Guidelines.

Bowmans has prepared an appropriate submission which was submitted to the Competition Commission before the close of the comment period on 16 March 2020.

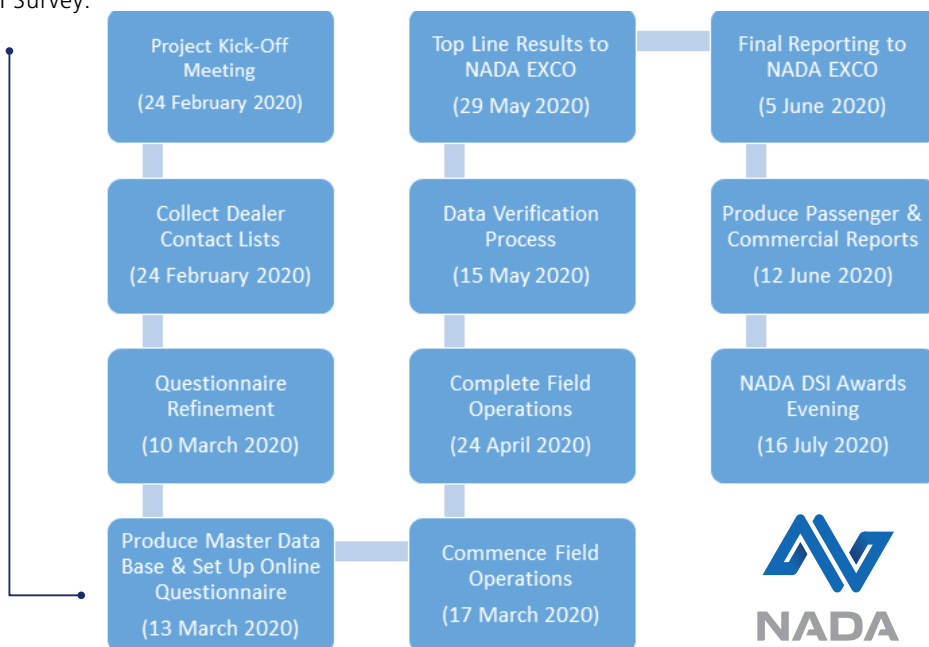
We trust that the Commission will take the NADA comments into consideration and that further dialogue will take place with the Commission before they publish the final guidelines. 

2020 NADA DSI Survey

In 1996, an initiative designed to seek ways of improving communication in the entire value chain of the motor industry was implemented. NADA developed and executed a dealer satisfaction survey (DSI) to measure the relationship and service-related key issues between the franchisor (OEM/importer/distributor) and the franchisee (dealer). This survey has proved to be a valuable management tool for both the motor vehicle dealers (dealer councils) and the motor manufacturers, importers and distributors in South Africa.


Since the initial study in 1996, the survey has been repeated each year and in 2020 NADA will be celebrating the 25th anniversary of the DSI Survey.

Towards the end of 2019, NADA put the DSI research out to tender and, following a robust process, the contract to conduct the DSI Survey on behalf of NADA was awarded to Lightstone. The following table is the timeline for the conducting of the 2020 NADA DSI Survey:



We appeal to all dealer principals to once again complete the survey as and when they receive the online questionnaire (between 17 March and 24 April) from the research house Lightstone.

In the UK the latest NFDA Dealer Attitude Survey Winter 2019/2020 has revealed an improvement in overall average dealers' satisfaction levels with their manufacturers.


It is encouraging to see that most manufacturers in the UK continue to take seriously their performance in the survey and work with dealers to address their networks' concerns. A healthy relationship between dealers and manufacturers is instrumental to the success of our industry. Despite a number of concerns, particularly with regard to profit return and return on capital, franchised dealers were generally satisfied with the ability to do business with their manufacturers on a day-to-day basis. It is vital that manufacturers and dealers maintain an open channel of communication to discuss the main issues affecting businesses and continue to cooperate to allow the automotive sector to thrive through a period of changes and challenges. 

Financial Sector Conduct Authority

The NADA Legal and Compliance Task Team has met with the Financial Sector Conduct Authority (FSCA). The purpose of the meetings have been to better understand the FSCA approach to market conduct in the automotive retail space as well as to bring NADA closer to the FSCA with the aim of becoming actively involved in assisting the FSCA wherever possible in gaining a correct and detailed view of the franchised retail space.

The FSCA's new mandate as a conduct regulator has become extremely wide and now covers credit services, financial services providers and banking (other than prudential matters) and are currently finalising their memoranda of understandings with the Financial Intelligence Centre. The FSCA will be focusing on the entire distribution channels of all regulated entities (banks, insurers, FSPs and credit providers) and it is here that dealers, F&Is and VAPS will come into the net.

In terms of VAPS, they are taking a two-pronged approach. Step one is to determine whether all non-insurance products sold are actually non-insurance, and then as an overall investigation to review the conduct of the industry. This review will be on every product sold and will assess if the product is correctly offered, that there is clear evidence that the consumer knows they have bought the product and what it is for. They will then conduct a product review on the fairness, claims statistics and price of the products.

We have been advised that the FSCA will, in due course, be publishing cell captive insurance amendments, which may have an impact on NADA members. NADA will be engaging in further discussions with the FSCA on 3 April 2020 to discuss all the issues mentioned. 



Financial Intelligence Centre Act


The latest information received from the Financial Intelligence Centre Act (FIC) with regard to changing motor vehicle dealers into accountable institutions (AIs) from their current reporting institution (RI) is as follows

- All industry consultations have been concluded.
- Further consultations which were required by the SARB, Prudential Authority and Financial Sector Conduct Authority were concluded in July 2019.
- The draft amendments to the schedules were sent to the Minister of Finance on 25 July 2019. The Minister's response is still pending.
- If the Minister approves, the draft amendments will be published for comment for a 60-day period.
- After the commenting period, the amendments will be finalised and must be approved by Parliament before publication in the Gazette.
- Unfortunately, the FIC are unable to provide dates as to commencement.
- The FIC is in regular contact with Treasury and are actively following up with respect to the Minister's approval. 

NADA PR strategy

The NADA Management Committee took a decision to re-appoint Meropa Communications as its PR agency, effective 1 July 2019, to assist with raising the profile of NADA and, more importantly, to change the narrative in the market when it comes to doing business with franchise motor vehicle dealers and motorcycle dealers.

NADA has, over the past 12 months, been highly successful in changing the narrative in the media. In recent months, NADA has also been commenting on the monthly new motor vehicle sales figures from a dealer sales channel perspective and here again NADA is receiving significant traction in the press.

NADA will, through its ongoing endeavours and achievements, continue to pursue its vision of contributing to the long term sustainability and growth of the retail motor vehicle and motorcycle dealer businesses in South Africa. 



The merSETA takes precautionary measures Against COVID-19



Wayne Adams, merSETA Acting CEO.

As the world reels from the impact of COVID-19, the merSETA has embarked on a host of precautionary measures to stem the tide of this vicious pandemic.

But at the same time, I must state upfront that we are continuing our digital business as usual, processing mandatory and discretionary grant applications and tending to all stakeholder needs.

In light of the national state of disaster announced by President Cyril Ramaphosa and after careful consideration, we have found it necessary to implement the following actions towards mitigating the COVID-19 risks.

STAKEHOLDER-RELATED MEETINGS AND EVENTS Regional and national stakeholder meetings and events have been suspended with effect from 19 March.

CONTAMINATION IN THE WORKPLACE The Occupational Health and Safety Act 85 of 1993 places an obligation on employers to ensure a healthy work environment. In line with this, a decision has been taken that the merSETA Quality Assurers (QAs) and Client Liaison Officers (CLOs)

will be office bound with immediate effect and will no longer perform site visits.

All our staff, including QAs and CLOs, will remain available telephonically on either landlines or cellular telephones, or digitally via email so as to continue to provide stakeholder support.

In the interest of the community at large, our stakeholders are requested to refrain from physically visiting any one of our offices. Stakeholders are requested to contact us telephonically and digitally. If, in exceptional circumstances, a stakeholder has a need to enter our premises they will be required to arrive with their own computer and telephone equipment for purposes of accessing the merSETA NSDM System. They will also need to comply with strict sanitisation measures upon arrival and whilst on our premises.

While our commitment to offering our stakeholders with support and services excellence remains unchanged, we

believe these decisions can contribute to keeping both our stakeholders and employees healthy for longer.

We realise that this may cause some inconvenience. However, we are committed to immediate and responsible actions in order to support the government's initiatives to curb the COVID-19 infections.


We will regularly review the necessity of the abovementioned measures and will return to normal as soon as it is safe.

Stakeholders are also reminded that the window for our discretionary grants applications remains open until 30 April this year.

You are reminded to use our NSDMS to apply for such grants.

I wish you the best during these trying times.

'Till next month!

Wayne Adams
merSETA Acting CEO 



RMI Connect

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Another challenging year for new vehicle sales

South Africa's new vehicle sales are set to decline 3.5% in 2020 says WesBank, the country's leading vehicle finance provider. WesBank CEO Chris de Kock delivered the bank's view of the market and its annual sales forecast at the 2020 Cars.co.za Consumer Awards in Midrand, Gauteng, in February.

Given the economic and political challenges facing the country, it is likely that both business and consumer confidence will remain subdued. However, the strong growth of vehicle exports continues to underpin the key role that the South African motor industry plays in the South African economy and, despite the challenges, is in a relatively healthy state.

"This is expected to be another challenging year for the motor industry, driven by low demand from both the retail and corporate market," said de Kock. "A 3.5% decline would mean a reduction of 18,626 sales across all categories, however, we can still look forward to continued growth in exports, earning valuable foreign income for SA."

Predicting market trends has become very difficult with extreme market volatility as seen in 2019. De Kock indicated that last year ended slightly stronger than was anticipated and was impacted by the aggressive incentive structures put forward by the brands in order to move vehicles that had been ordered.

Breaking down WesBank's forecast, de Kock said the decline would come from passenger cars and light commercial vehicles. "As always, the new passenger vehicle category will contribute the largest decline, with an expected 345,000 units to be sold this year (-2.9%). However,



light commercial vehicles will fall by the highest percentage given its exposure to the sluggish business side of the economy. We anticipate sales of 146,000 units, translating to a decline of 4.7%. The medium and heavy commercial segments will similarly not be spared, with reductions of -2.51% (8,500 units) and -4.31% (18,500 units) respectively."

Affordability remains the number one factor influencing new car buying decisions in South African households. Rand fluctuations, volatile fuel prices, the inevitable rise of electricity and other utility costs, a possible increase in VAT and rampant unemployment figures continue to haunt us. In the short term this will drive the trend of consumers buying down (opting for cheaper

derivatives), and continue to create demand for used cars. In light of buyers' sensitivity to expenses, people are also holding on to their vehicles for longer. WesBank's average deal now runs for 45 months, up from the traditional three-year buying cycle that we have become accustomed to. "This will continue to put pressure on new vehicle sales during 2020," said de Kock.

"South Africa is not alone in this predicament; the sale of vehicles globally fell sharply in 2019 after a modest fall in 2018, and are expected to fall again in 2020. This follows almost a decade of growth since the financial crisis, reflecting the pressure on the global economy," concluded de Kock. 

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Recycle your used oil responsibly, by storing it in a safe storage container, and by requesting a ROSE licensed used oil collector to remove it for processing.

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Toyota ramping up environmental programmes in South Africa

Toyota South Africa Motors (TSAM) has been an enthusiastic and very active supporter of local environmental initiatives for many years, participating in public projects such as beach and river clean-ups as well as having long-running, structured programmes for the company itself and its dealers.



Halfway Toyota George (right) has implemented waste separation and solar energy.

A strategy is now being implemented to ramp up the programme on all levels in South Africa, particularly at the 219 Toyota and Lexus dealerships countrywide. There is also a strategy to increase public awareness of all these eco-friendly actions at the dealerships which benefit local communities as well as the environment.

"We are keen to encourage other automotive vehicle dealerships in South Africa to get involved in environmental projects to show consumers a caring attitude by the local motor industry as a whole," says John Thomson, Vice-President – Service, at TSAM. "Driving environmental programmes is a win-win situation for all involved and that is why we are now stepping up our dealer programme."

Each dealership has a chief environmental officer with the seniority and correct reporting line. He or she can take any transgressions to the dealer principal and institute remedial action immediately.

Already 200 of the Toyota and Lexus dealerships have attained Toyota's ECO-3 standard, which included several of the relevant, key elements of the international ISO 14001 standard. Now the Toyota benchmark has been raised to ECO-3 Advanced which brings it in line with recent revisions to the ISO 14001 standard. TSAM uses its own standards because obtaining ISO 14001 certification is extremely onerous and expensive for individual dealerships.

The ultimate driver of this programme is the Toyota Environmental Challenge 2050 which was launched globally in October 2015 and aims to make Toyota the most environmentally responsible motor manufacturer in the world. Here in South Africa, the requirements and solutions are very much home-grown to suit local conditions and resources with the aim of continued positive results.


The main tool used to manage progress is the Dealer Environmental Risk Audit Programme, where dealers

have to undertake self-audits twice a year to monitor compliance. This process involves the dealer evaluating five fundamental points comprising of 16 assessment points to demonstrate compliance. The Toyota field staff provide an additional checkpoint at each dealer to verify conformance.

Dealers are encouraged to voluntarily implement action plans and precisely measure and evaluate the impacts of their activities on the environment and the outcomes of actions to improve the situation.

Halfway Toyota in George is the current holder of this title, which followed the relocation of the dealership to new premises that included a number of design elements and installations to minimise energy consumption and dependency on the municipal water supply.

Installation of 288 solar panels on the roof are capable of supplying more than enough power for the dealership. LED lights are used in the workshop, while louvers in the roof permits natural light, thereby reducing electricity use substantially.

Three large tanks collect rainwater, while recycled water is used for the car wash – which has a sophisticated filter system that permits in excess of 50 cars a day to be washed. 



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Major international investment in BOSAL Afrika

BOSAL Afrika, part of the BOSAL Group and global Tier 1 automotive supplier, has invested about R25 million in the upgrade and relocation of the new OEM manufacturing Emission Control Systems (ECS) plant in Koedoespoort Industrial, Pretoria.

"World-class standards have been implemented in the plant's layout, manufacturing efficiency and operational excellence. The plant possesses full in-house capabilities to develop and produce state-of-the-art emission control systems for passenger cars and commercial vehicles," said BOSAL Chairman, Karel Bos.

"The new plant will allow BOSAL Afrika to more than double its revenue with new business both for hot- and cold-end emissions control systems by week 48 of this year. To achieve this revenue increase, in excess of R20 million will be invested in production capacity in the months to come. This increase will not stop there; we see additional opportunities to grow both the cold-end as well as the hot-end business significantly. The hot-end business would not only be for the local market, but also the export market." BOSAL Afrika has moved out of the manufacturing, distribution and sales of aftermarket products, tube and tubular products, hydraulic and mechanical jacks, and irrigation and electrical conduit products to name a few.

"This change has necessitated that we re-evaluate our South African business and its strategy. We have decided to initially focus on Original Equipment hot- and cold-end emission control systems and automotive carrier and protection systems."



From left to right: Paul Hiel, Bosal Division Operations Director Lummen – Belgium; Honourable Deputy Minister Fikile Majola; Karel Bos, Chairman BOSAL; Embassy of Belgium – Ambassador Didier Vanderhasselt; Elisabeth Bos.

The re-orientation resulted in the requirement to invest in the plant which was made to achieve a paradigm shift in the areas of quality and competitiveness by implementing lean flow manufacturing processes.

Deputy Minister Fikile Majola said: "We want to commend BOSAL for introducing the latest and best automotive technology to South Africa. As government, we are pleased that in establishing this facility, local content will increase and new jobs will be created." Renai Mothilal, Executive Director of The National Association for Automotive Component and Allied Manufacturers (NAACAM) of which BOSAL Afrika

is a member, added: "This is another great example of the SA Automotive Masterplan delivering positive results for the components sector."

"As government, we are constantly strengthening our systems, regulations and procedures to improve our country's standing in global business competitiveness measures. We must make it easy for investors to do business," concluded Deputy Minister Majola. "We want a large auto industry in South Africa with an ecosystem of small, medium and large players able to reach the scale of production necessary to make us a serious global player." 

Recipients of Jacaranda FM educational bursary campaign

AutoX subsidiary, Willard Batteries, has awarded five educational bursaries in partnership with Jacaranda FM's Good Morning Angels.

"AutoX is committed to several CSI initiatives, and Jacaranda FM's Good Morning Angels provides a platform to make a difference in a country with such potential and a hunger for learning," says Corne Strydom, Sales and Marketing Executive at AutoX, manufacturers of the Willard battery range.

"Being able to provide bursaries to individuals who deserve them is a way of staying connected to the community in which we operate, making a contribution to the upliftment to these communities, placing an emphasis on education."

Amongst the five individuals to receive bursaries from Willard is Hamza Noormahomed from Laudium, west of Pretoria, whose dream has been to pursue a B.Com in Supply Chain Management. Having been accepted to study at the University of Pretoria, all he needed was the required funding. The Willard Batteries team has announced it will sponsor Hamza's tuition fees to study BCom Supply Chain Management for this year.

Neo Megan Maile is a born-and-bred Jo'burger. Although Maile matriculated with excellent marks in 2018, she has not been able to start her tertiary studies due to a lack of funding. Maile will not have to wait any longer as Willard has stepped forward and will cover her tuition fees for 2020.

18-year old Carli van Jaarsveld is another ambitious youth who has defied the odds, aced matric, secured a bursary but who needed further funding to pay her tuition fees. She is a determined person who worked weekends and holidays to pay for her school fees to take the pressure off her parents. Not only did van Jaarsveld play provincial hockey, but she also excelled at public speaking, and was chosen as Head Girl of her school. Willard will assist to fund her fees at the North West University for this year.

Malcolm Windvogel (23) from Eldorado Park in Johannesburg, lives for music. He goes by the name of The Producer and produces anything from Hip-Hop, R&B, House, Trap to EDM. In 2017, along with two friends, Windvogel started a production company, Studio 7. He wants to back up his talent, passion and hard work with a qualification. Well, now he can because Willard will sponsor Malcolm's one-year Higher Certificate course at Academy of Sound Engineering.

Entrepreneur, breadwinner and mother of three Elaine Ngoni Zwane, is ready to reach the sky and stars. A proud mother of three beautiful children

and dedicated entrepreneur, Zwane started a business sewing and selling Shweshwe picnic blankets, oven gloves, dog beds, dog blankets, ironing board covers and recently started making sun hats for school children.

She's been building her business, initially going door-to-door, since 2014, when she received a sewing machine. For the past seven years she tried to further her education and give her children a brighter future. Willard is giving Elaine wings and is sponsoring her first year of studies.

"There are so many people in our country who can benefit from educational assistance," Strydom says. "We are proud that we can assist, and look forward to seeing the recipients of these bursaries succeed in the future."



Neo Megan (second from right), recipient of R52,000 bursary with the team from Willard.

Innovative new export programme for Isuzu

Isuzu Motors South Africa in Port Elizabeth has started supplying knocked down (KD) Isuzu D-MAX pick-up kits for assembly purposes to its Isuzu manufacturing facility in Kenya.



Lionel Terblanche, Isuzu Motors South Africa Knocked Down Co-ordinator shows the knocked down kits which are ready to be shipped.

This represents the first intra-continental regional trade exchange of its kind for Isuzu on the continent and is aligned to its strategy for its South African vehicle assembly plant to serve as a hub for growing its overall volumes in sub-Saharan Africa.

Isuzu Motors Limited, majority shareholder of Isuzu East Africa, regards the opportunities in Africa, based on infrastructural investment, to be significant. The East African operation previously focussed only on truck and bus assembly operations while fully importing light commercial vehicles from South Africa.

Isuzu is a leading brand in the East African markets, with a commanding 44.5% share of the Kenyan new vehicle market in 2019.

Isuzu Motors South Africa CEO and Managing Director Michael Sacke said Isuzu's market strength in East Africa can be contributed to the vehicles' overall performance, reliability and customer satisfaction.


"We have put this project together in record time and anticipate that it will result in a win-win for both South Africa and Kenya. Some of the vehicle kits have already arrived in Kenya and the Kenyan

team received comprehensive training in Port Elizabeth late last year in preparation for actual operations," said Sacke.

The vehicle kits, which are exported from the Port of Ngqura, provides additional volume at the port while ensuring job retention at the South African plant. While volumes have been projected at 1,300 vehicles per year to Kenya through this KD programme, it is expected that this will further increase in the medium- to long-term.

"The Kenya KD project is an important step in achieving our growth strategy which is geared at strengthening our presence in key sub-Saharan Africa markets through a combination of tactical SKD initiatives as well as various initiatives to strengthen our dealer distribution network," emphasised Sacke.

Rita Kavashe, Managing Director of Isuzu East Africa, welcomed the decision to import KD kits. She said the KD programme gives the Kenyan operation more flexibility and an opportunity to remain competitive. "Our import tariffs are lower on the KD kits, we create employment and we positively influence employee and customer morale by assembling the Isuzu D-MAX locally."

Isuzu Motors South Africa has a network of 79 dealers in South Africa and 33 in sub-Saharan Africa. 

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What happens to used lubricating oil in SA?



Global warming and environmental pollution has intensified our need to recycle our limited natural resources and to extend the lifespan of the manufactured products we use. The lubricants industry is no exception and currently in South Africa most of the used oil collected is recycled into heating fuel. However, internationally especially in the European Union, there is a significant trend in the larger refineries towards re-refining used oil back to base oil.

The European Union's Waste Directive strongly favours re-refining over burning for energy recovery, and as a result, it is thought that re-refined base oils could meet nearly a quarter of Europe's base oil demand by 2020.

Used oil processing in South Africa

Bubele Nyiba, the CEO of the ROSE Foundation (Recycling Oil Saves The Environment) explains that in South Africa less than 20% of used oil is re-refined to base oil with most being used as heating fuel.

"The international trend of refining the majority of used oil back to base oil is exciting, but premature for a developing country like South Africa because of the prohibitive cost of the technology and developing the necessary processes."

Re-Refining vs Recycling

Nyiba explains that the term recycling is very different from re-refining.

"The term 'recycling used oil' generally means to take used motor oil and use it for a different purpose, most commonly to be burned as fuel. In the lube oil industry, 'recycling oil' or 'reconditioning oil' is most commonly referring to using

commercial filtration systems to remove insoluble impurities. This method, however, does not remove any of the soluble contaminants. This resulting oil is generally used for fuel and is only good for one-time use. Reconditioned oil is not suitable for use in vehicles.

Re-refining used oil is a process that has been developed over many years. It removes all impurities, both soluble and insoluble, and returns the oil to a quality suitable for use in vehicles. Re-refined oil has quality that is equal to or better than some virgin base oils and motor oils can be re-refined many times.

The used oil refining process explained

Pre-treatment of used oil involves removing any water within the oil by placing it in large settling tanks, which separates the oil and water.


Next the oil is filtered and demineralised to remove any solids, inorganic material and certain additives present in the oil, producing a cleaner burner fuel or feed oil, which can be further refined.

The demineralised oil is filtered to remove suspended fine particles (to solid waste) and run off to storage as a clean burner

fuel. It can be further diluted or 'cut' with a lighter petroleum product (called cutter stock) to produce light viscosity lubricants suitable for general lubricant applications, low viscosity lubricants for automotive and industrial applications, and high viscosity lubricants for heavy-duty applications. The oil that is produced in this step is referred to as re-refined base oil (RRBL).

Next comes propane de-asphalting to remove the heavier bituminous fractions, producing re-refined base oil. This is an important pre-treatment step in the re-refining process producing de-asphalted lube-oil, which becomes a feedstock for the next step in a re-refining facility. The residue (waste) component is mixed with bottoms from the vacuum distillation tower to produce an asphaltic material.

Following de-asphalting comes distillation to produce re-refined base oil suitable for use as a lubricant, hydraulic or transformer oil. This process is very similar to the process undergone by virgin oil.

The final step is blending additives into the oil to produce final products with the right detergent and anti-friction qualities. Then each product is tested again for quality and purity before being released for sale to the public. 

Trysome changes lives

Gifting technology to Ithembelihle's Learners with Special Needs and, in the process, inspiring a change to the school's vision and mission statements.

On Friday 21 February 2020, management and staff of Trysome Electrical Engineering presented the children of Ithembelihle LSEN School in Germiston with the gift of 68 tablets and accessories. This gift was received with great jubilation, a special thank you from the children in every official language and culminated in an inspiring rendition of our National Anthem.

Trysome's gift is intended to stimulate the children's natural curiosity, provide easier access to educational support enhancing reading, comprehension and vocabulary as well as mathematical concepts.

While the tablets will also enable access to fun activities and games, there is a therapy aspect to the gift that will enhance vision, enable non-verbal learners to communicate with peers and educators and, through the downloading of special programmes, learners unable to use their hands can control the programme through eye movements.

These tablets can also be put to great use in the many commercial initiatives run by the school like its coffee shop and car wash where an initial menu choice can then generate an order.

Over the past 10 years, Trysome and Ithembelihle have developed a strong partnership and become good friends. And it all began with a game of golf way back in 2010 where a group of pupils and their teacher very enthusiastically

manned one of the holes promoting Ithembelihle and charming all the players out of their money.


A most exciting and involved project was the construction of the Lapa Coffee Shop where students are learning practical cooking and serving skills and the sustainable and commercial aspects of running a profitable business.

Trysome is looking forward to collaborating with Ithembelihle on a journey to develop the nation's children.

About Ithembelihle

The Ithembelihle LSEN (Learners with Special Educational Needs) School in Primrose was established to cater for the needs of various children who are physically disabled. Admitted children include those with arthrogryposis, cerebral palsy, muscular dystrophy, phocomelia, poliomyelitis, and spina bifida, as well as amputees. These children are admitted to the school by doctors, social workers, teachers, and parents.

The boarding school is partially state-aided, whilst it mostly relies on support from private entities for the majority of its requirements, and is open to children of all races..

If you or your company are able to assist Ithembelihle and make a difference in the lives of the more than 250 pupils who attend the school, please contact Suzette Grobler on 011 828 8524. NPO number: 041-695 



Eddie Smith (Chief Executive Officer – Trysome), Leonor Ngozi (School Principal) and Lesley Bennett (Chief of Staff – Trysome)

Ithembelihle Vision

To facilitate the holistic development of all learners in our innovative education system, thus encouraging independence and enabling them to become contributing members of society.

Mission Statement

To provide special needs education for physically disabled and cerebral palsied learners from all sectors of the community.

We aim to accommodate these learners in a non-threatening environment which is suitably adapted for them and therefore conducive to learning, relaxing and fun. Growth in academic, social and life skills is encouraged and facilitated by a team of enthusiastic, dedicated, spirited and creative personnel. We endeavour to constantly develop the knowledge and skills necessary to enable our learners to reach their potential as citizens of South Africa.





Engine wear in the SPOTLIGHT

Some of the causes are counter-intuitive

The causes of engine wear have been exhaustively researched, not only by engine manufacturers but also by oil companies, with the result that modern lubricants have played a major role in reducing engine wear. The fascinating part is that the findings run contrary to what most of us intuitively feel to be correct. Consider two of the conclusions that I am going to discuss:

- The hourly loss of metal along the cylinder bore is the

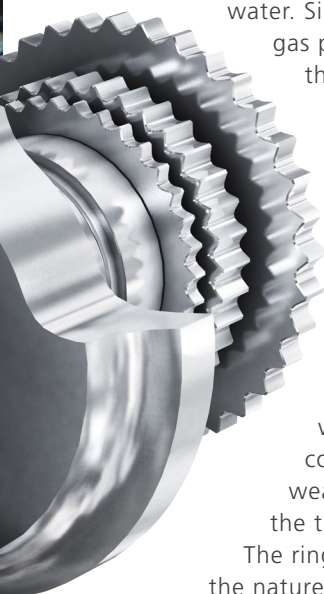
same whether the engine is running fast or slow.

- The biggest single factor determining cylinder bore wear is engine temperature.

Driving style hardly comes into the picture but driving patterns that effect engine temperatures do matter. This article is concerned mainly with the cylinder bores, pistons and rings. These parts often need refurbishing before any other parts are worn out.

THE ROLE OF THE TOP RING

The cylinder bore/piston interface is a good place to start. The major wear-inducing culprit here is the top ring. It has by far the most pressure behind it. This can easily be seen when examining a worn cylinder, for the wear pattern is slightly hour glass shaped with the deepest indentation where the top ring comes to rest, then a section in the middle showing virtually no wear and a very much smaller indentation at the bottom where the top ring again comes to rest.



Why does the top ring do most of the damage? Because its slight tension against the cylinder wall is vastly increased by combustion pressure that penetrates behind the ring, causing it to do its job of sealing the combustion gases in and transferring heat to the cooling water. Since the maximum gas pressure depends on throttle opening and not on engine speed this explains why bore wear does not depend on the engine revs.

WEAR-INDUCING PROCESSES

Attrition

This word refers to wear by metal-to-metal contact, and this type of wear depends entirely on the thickness of the oil film.

The rings are lubricated, but the nature of the oil film depends on the motion of the piston. When a piston is travelling down the bore at an incredible rate of acceleration the oil film is thick enough to eliminate metal-to-metal contact, but at the top and bottom dead centres, where the piston comes to a complete stop, the oil film is very thin, causing wear by attrition.

Corrosion

The behaviour of the ring leads to the second type of wear which is called corrosion. The very thin layer of oil left behind by the ring at the top of its travels is not sufficient to protect the cylinder wall from acids formed by the combustion process. In a hot engine these acids leave the combustion chambers as gases but in a cold engine they

condense onto the walls as droplets, attacking the metal surfaces wherever the oil layer is thin, and this occurs mainly at the top of the cylinder.

The chief culprits are formic and other organic acids and if fuel contains some sulphur then a vicious acid called sulphur trioxide is also present. Tests have shown that the cylinder-wall, at the point where the top ring comes to rest, should be above 120 degrees centigrade otherwise these acids will condense onto the wall. This roughly translates into a radiator temperature of at least 60 degrees centigrade.

Abrasive wear

This is caused by small particles introduced with the air or the fuel or the oil, especially when the filtration is below par. Small particles of carbon, formed during combustion, can also serve as a lapping agent.

USING RADIOTRACERS

Corrosive wear is by far the most important as shown by research done in the USA using the radiotracer method. If a part wears, a proportional amount of the metal will appear in the crankcase oil. If the source of the wear metal can be traced, measuring wear becomes a simple matter of determining the rate at which the wear metal accumulates in the oil. This is done by making only the part to be investigated radio-active and then measuring the radioactivity in the oil.

The amount of radioactivity is then directly proportional to the wear of the part concerned. Furthermore, this radioactivity can be measured continuously while a vehicle is travelling, and a record can be obtained of the wear as it happens. When this technique is applied to

the cylinder bore, it is found that the wear rate is temperature dependent.

It is very instructive to look at the wear taking place on a typical journey. When you start the car in the morning you experience maximum wear for three reasons:

- * The low temperature causes corrosive wear.
- * The over-rich mixture the fuel injection has to supply while the engine is cold results in fuel droplets washing some of the oil away from the rings.
- * The cold oil does not reach all the parts it has to lubricate.

Now you set off on a journey, travelling through a town. The water temperature gauge rises steadily and the wear rate decreases dramatically to about 50% of the initial rate. It must be remembered that the water temperature is an average value and the stop-start driving typical of city conditions causes fluctuations in cylinder wall temperatures, especially at the top, hence the corrosive wear.

Out in the country the average speed rises with just an occasional check, and the wear rate drops to about 25% of the initial value. Finally, we reach a freeway and are able to cruise for long periods at a constant speed. The temperature gauge should remain steady at the normal temperature determined by the thermostat (if it's working correctly) and under these conditions the wear rate drops to almost nothing. That's right, if you travel 1,000km in a day most of the wear takes place during the first 10 minutes!

FAST WARM-UP

The above points show that an engine should be warmed-up as fast as possible, without causing damage



by revving too high or pulling too heavy a load initially. The best way to achieve this is to drive off immediately after starting and to drive slowly for the first few kilometres until the engine has reached a normal operating temperature.

THE EFFECT OF WEAR

Research has shown that if we have two engines running under the same conditions and made of the same materials then the rate of cylinder bore wear in terms of fractions of a millimetre per 100 hours will be the same for both, even if the bores differ greatly in diameter. If we express the acceptable rates of bore wear as a percentage of the bore diameter we get the following criteria:

- If the wear is not more than 0.2% of the bore diameter no appreciable deterioration is observed.
- When the wear reaches 0.25% of the bore diameter, oil consumption will begin to rise, and in the case of diesel engines cold-starting may become troublesome.
- When the wear reaches 0.3% of the bore diameter, oil consumption

will be getting out of control, spark plugs may oil up frequently while leakage and blowby will become noticeable and piston temperatures may rise, leading to the piston rings sticking in their grooves. The extra heat is due to the bad conduction of heat across the wider path to the cooling water from the rings.


- When the wear reaches about 0.35 to 0.4% of the bore diameter the deterioration in performance will be very noticeable, the oil consumption will be out of control and blowby will be excessive, accompanied by the risk of broken rings.

WEAR VS BORE DIAMETER

In practice these findings mean that if we compare two engines with bore diameters of 100mm and 200mm respectively running for the same length of time under the same conditions and of identical design and material specifications they will have worn the same amount, say 0.3mm. If we now express the wear as a percentage of the bore diameter we find that the wear for the 100mm

diameter amounts to 0.3%, which is over the limit whereas the wear for the 200mm bore is only 0.15%, which has no noticeable effect,

The rule then is that the bigger the bore the more wear it can tolerate. A four-cylinder of the same capacity as a six should then last longer, if all other conditions are the same. A twin should last even longer and a single should live forever. The snag of course is the extra vibration and increased piston mass associated with a smaller number of cylinders. These two factors lead to greater bearing loads, apart from the vibration being unacceptable. How many readers remember the single-cylinder Lanz Bulldog tractor with a capacity of either seven or nine litres? It became known for a lusty torque output, a long engine life and a vibration level that would make any Harley-Davidson green with envy.

It's worth noting that not all engines behave in the same way. Some manage to perform very well in spite of (or because of) being worn out, and I think the explanation lies in the reduced friction losses associated with worn rings, for it is known that the piston rings are the biggest single source of frictional power wastage in an engine. A worn engine could easily pick up an extra 5kW at speed if the plugs don't oil up. Racing engines usually run with an increased piston clearance to increase output. 

Jake Venter has worked as a mechanic, as an engineer in an engine assembly plant and as a lecturer, but now prefers journalism.





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**What drives you
drives us**

Snap-on 1920 – 2020

A proud member of the Century club



Snap-on Africa celebrates 100 years of the brand founded in 1920. Recently Snap-on management invited all authorised dealers countrywide to its head office and distribution centre in Durban to celebrate the auspicious occasion of the 100th year in business for the global company Snap-on Incorporated, the founders of which invented the interchangeable socket back in 1920, which revolutionized the tool industry back then and is still used by technicians and repair enthusiasts the world over today.



Authorised tool and equipment dealers spent time networking with management, technical support staff and other authorised dealers during specially prepared meetings and had the opportunity to take advantage of products on offer from a bumper selection of tools and equipment on display. A highlight of the occasion was the unveiling of the numbered limited edition 100th anniversary tool storage units which proved to be very popular amongst all in attendance.



After the spoils of these meetings and product offerings, all delegates, spouses and staff were treated to a lavish dinner and dance at a sky view venue overlooking the popular Durban beachfront promenade. Guests were entertained by Cape Town-based comedian Mark Sampson, who was also MC for the evening. Sampson and his family recently completed the first circumnavigation of the African continent in a vehicle powered by carbon neutral fuel. Look up Africa Clockwise to find out more about this

epic journey which in Sampson's own words "could not have been achieved without the numerous times his Snap-on tools had saved the day during many repairs to the vehicle during the six years it took to complete the journey".

The 100-year celebration coincided with recognition of the fact that the Snap-on brand has now been in South Africa for more than 50 years. John Wilson, retired Managing Director of the South African subsidiary was the guest of honour at the gala evening. Wilson was instrumental in securing the sole distributorship of the Snap-on brand here in South Africa, and the formalising of the USA owned South African subsidiary.


Snap-on Incorporated is a leading global innovator, manufacturer and marketer of tools, wheel service equipment, diagnostics, repair information and systems solutions for professional users performing critical tasks. Snap-on is a \$3.7 billion, SandP 500 company headquartered in Kenosha, Wisconsin, USA. Snap-on tools and equipment are manufactured in seven facilities in the USA and other strategically based manufacturing facilities around the world. Snap-on Tools and Equipment has a foothold in more than 150 countries worldwide. 

Groupe PSA makes leadership change

Groupe PSA, a French multinational manufacturer of automobiles and motorcycles sold under the Peugeot, Citroën, DS, Opel and Vauxhall brands, announced the appointment of Leslie Ramsoomar as Managing Director of PCSA, effective 1 February 2020.

In this new role, Ramsoomar will support business development of Groupe PSA's brands in South Africa.

Ramsoomar brings over 20 years of retail and OEM automotive industry experience, in both South Africa and international operations, with different key positions and increasing responsibilities in Sales, Marketing and Business Management.

Xavier Gobille, current MD of PCSA will support Ramsoomar's appointment before moving to other Groupe PSA business development area in South Africa. Over the past two years, Gobille oversaw the restructuring of both sales and after sales at PCSA, signing new and strategic dealer partnerships and re-introducing the Citroën brand to the market. 



Xavier Gobille (left) and Leslie Ramsoomar (right).

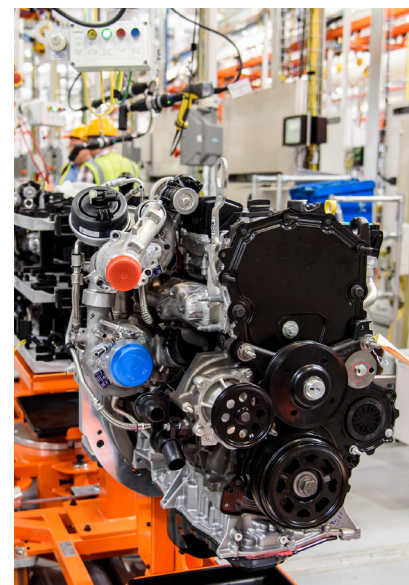
New Plant Manager of the Ford Struandale Engine Plant



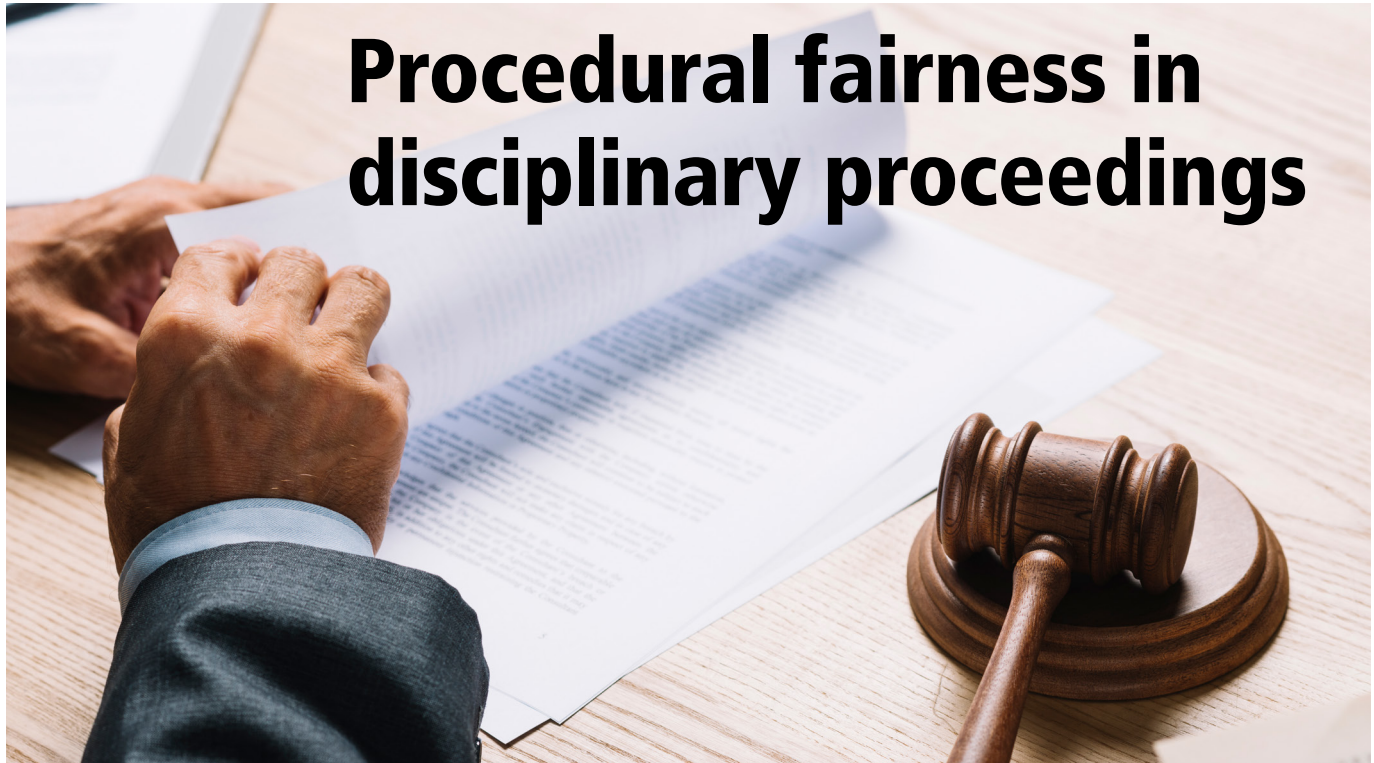
Shawn Govender.

Ford Motor Company of Southern Africa (FMCSA) has appointed Shawn Govender as the new Plant Manager of the Struandale Engine Plant in Port Elizabeth.

Govender has an established track record with Ford, having joined the company in 1996 as an Industrial Engineering Supervisor before being appointed as Production Manager a year later. Following extensive local and international training at Ford in the US, Germany and Thailand, he became the first representative from FMCSA to achieve Six Sigma Black Belt certification for lean manufacturing. He followed this up by achieving his Master Black Belt status – enabling him to play a key role in the improvement of business processes. 



Procedural fairness in disciplinary proceedings



It is a settled principle that, in order for a dismissal of an employee to be considered fair, both substantive and procedural fairness are required. Despite the importance of procedural fairness, employers often fail to follow fair procedure whilst conducting disciplinary hearings. Ironically, perhaps in an attempt to avoid failing in this respect, some employers may superfluously overcompensate in respect of formalities concerning disciplinary hearings, sometimes resembling proceedings in criminal trials.

In a recent case in the labour court, *BEMAWU & Others v SABC & Others* (J2239/2015) [2016] SALCJHB 74, it was made comprehensibly clear that courts favour a more simplistic approach when conducting disciplinary hearings.

However, whilst it is important that a disciplinary hearing is distinguished from a criminal trial, it remains essential that a disciplinary hearing is recognised by a structure and formalities. Consequently, the process will conform to procedural fairness – so required if an employee seeks recourse after a dismissal. It is common cause

that every employee has the right not to be unfairly dismissed. Section 188 of the Labour Relations Act provides that a dismissal, which is not an automatically unfair dismissal, is required to follow a process which is in accordance with a fair procedure and was awarded for a fair reason.

In line with prevailing legislation and common laws providing for the *Audi alteram partem* rule, when conducting a disciplinary hearing, it is imperative that an employee is placed in a position to answer to the allegations levelled against him or her.

Employers are urged to embark on a due and proper process of investigation. To sufficiently establish whether there is merit in alleging certain misconduct, the requirements of substantive fairness need to be satisfied.

Once an employer has established that there is merit in alleging misconduct – and provided that it can be classified as serious in terms of the applicable disciplinary code – the employer is in a position to convene a disciplinary hearing.

In order for an employee to be placed in a position to answer the charges brought against him or her, the employee has to be afforded sufficient time to prepare for the pending disciplinary hearing. Whilst the Labour Relations Act does not provide for pertinent details in respect of what exactly would constitute sufficient notice, it is now settled that, subject to possible longer periods provided for in an employer's disciplinary procedures, 48 hours, excluding weekends and public holidays, is considered a reasonable notice period for an employee to prepare for the pending hearing.

Notionally a controversial aspect in the process, the issue of representation at a disciplinary hearing may potentially lead to conflict. Employers should cautiously consider declining such representation automatically or not, without taking cognisance of certain relevant factors. Factors to be considered would include instances where an employee is affiliated with a union; whether the specific employee is a shop steward or if the relevant union is a party to the bargaining council. The complexity of the matter as well as the comparative ability of the parties might also play a role. In addition, an employee remains at liberty to bring an application for legal representation prior to or on the day of the hearing. The chairperson is clothed with the authority to determine the application for legal representation.

Initiating a fair hearing, the relevant charge sheet certainly requires scrutiny. The formulated charges should be clear, unambiguous and factually correct. Employers are urged to align the formulation of charges with

their disciplinary codes. The details concerning times, places, details of people involved, and seriousness of the alleged misconduct need to be described in the charges. Where the circumstances of the offence clearly constitute only one offence, it would be considered unfair to lay more charges against an employee relating to such incident. However, should one offence apply to more factual elements, all with different consequences, the employee may be charged with more charges relating to the one incident or offence.

When an employee is called to a disciplinary hearing, the rights afforded to the employee should be stated clearly on the notice and, additionally, it should also be explained when the employee is presented with the charge sheet. These rights must be given in a language that the employee understands. In circumstances where it is obvious that the employee requires an interpreter, the services of an interpreter have to be obtained in order to ensure that the notice of the disciplinary hearing, the charges, as well as the rights of the employee are clearly understood by him or her.

An employee has the right to present his or her case by testifying in his or her own defence. Witnesses may be called on his or her behalf in an attempt to prove the employee's case. In turn, the employee has the right to cross examine any witnesses called by the employer.

Any employee has the right to be fairly judged. To achieve this, the presiding chairperson is required to conduct himself in

a neutral and objective manner and satisfactorily repudiate any possible claim of bias. The chairperson would need to objectively consider all evidence presented in order to be able to make an informed decision and a subsequent recommendation to the employer.

If an employee is found guilty of the relevant charges, the employee must be afforded the opportunity to present mitigating factors to the chairperson and the employer will similarly have the opportunity to present aggravating factors.

If the sanction imposed is one of dismissal, the employee is required to be informed of the right to appeal the decision reached, provided that the employer has made provision for such a procedure.

Distinguishing the procedure in a disciplinary hearing from the procedure in a criminal trial is imperative. Although a disciplinary hearing requires certain formalities, it should be constructed in a fashion that does not resemble a criminal trial. The Labour Court clearly pronounced that an overcompensating formalistic approach riled with unnecessary formalities, could compromise the true nature of disciplinary hearings not conforming to what is envisaged by the Labour Relations Act.



Douw Breed is a Director at Barnard Incorporated Attorneys, Centurion.



Realising a Cession in Security

Consider the following situation that occurs daily in the South African market: Company XYZ (Pty) Ltd is adopting a strategy to expand its business. In order to do so, the company needs financial assistance and accordingly approaches ABC Bank for credit facilities. The company's movable and immovable assets have already been mortgaged or offered as security in previous transactions with ABC Bank. The bank is, however, willing to loan the amount of R5 million (the principal debt) to the company but requires additional security to do so. The company accordingly offers to cede its future and existing book debts to the bank in order to secure the principal debt, which offer the bank accepts. The question now is, if the company default in its payments to the bank towards settling the principal debt, how does the bank then realise its rights in terms of the cession to ensure repayment of the principal debt?

Before one can answer the question, the legal nature of a cession in security needs to be examined. A cession in *securitatem debiti* is a form of security cession in terms of which a right, or part of a right, is transferred for the limited purpose of securing a debt owed by the cedent (the company) to the cessionary (the bank). When the principal debt is settled in full, the cedent will regain full title to the right ceded through re-cession of the right.

Once the cession has been made, the company loses its right against the debtors on its debt books. It then acquires a personal right against the bank for re-cession of the right on settling of the principal debt. It is important to note that the company cannot now claim any monies from its debtors; that right has been ceded to the bank until the principal debt is settled.

It follows that the bank, on conclusion of the cession agreement, becomes the full holder of the right and is therefore technically entitled to receive and collect the debts on the books of the company. The bank can, however, appoint the company as a mandatory to receive and collect payments and keep the proceeds on the bank's behalf. The company cannot, in this situation, institute action in a court against the debtors, as it is not the holder of the right and therefore has no *locus standi* (right to institute action). Only the bank is vested with the power to recover payments of book debts of the company. The company will be able to enforce its personal

right in court only after taking re-cession of the right. It's the bank's choice to either enforce the right against the company's debtors by collecting the debts, or to sell the right to a third party. In either event the proceeds are used to settle the debt. Should there be any surplus available, this must be paid to the company.


In the case of *Goudini Chrome (Pty) Ltd v MCC Contracts (Pty) Ltd* [1993] 1 All SA 259 (A), the court held the following:

"The true position is of course that the cessions divested the respondent of the right to claim its contractual remuneration...Only the bank could thenceforth, and until the overdraft was repaid, recover payment of any amounts due for work done. That the respondent, as cedent, continued to collect payment of its book debts made no difference: that is frequently a particular term of the arrangement between cedent and cessionary especially where book debts are ceded."

In the case of *Picardi Hotels Ltd v Thekwini Properties (Pty) Ltd* 2009 (1) SA 493 (SCA), the parties entered into a contract of lease of an immovable property. Picardi Hotels failed to pay its rental on the said property. Thekwini Properties then sued Picardi Hotels for the arrear rentals. A special plea was raised that Thekwini Properties lacked locus standi to sue Picardi Hotels, as Thekwini Properties had ceded, transferred or assigned its right of recovery to Investec Bank in terms of a mortgage bond.

The court agreed with this argument and the appeal was upheld with costs. The court stated the following in paragraph 3 of the judgment:

"It is settled law that unless otherwise agreed, a cession in securitatem debiti results in the cedent being deprived of the right to recover the ceded debt, retaining only the bare dominium or a 'reversionary interest' therein."

It is clear from the above that the bank in our case of facts, in the event of the company's default in payments towards settling of the principal debt, could merely proceed to collect the debts on the books of the company until the principal debt is repaid. This is because the company's right to collect its debts was ceded to the bank as security for the principal debt. Once the principal debt has been settled, this right should be re-ceded to the company. 



Johan du Toit is a senior associate in the litigation department at Barnard Incorporated in Centurion.

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HURRICANE *equipment*

GS100 Hurricane 7m Basic Spray booth

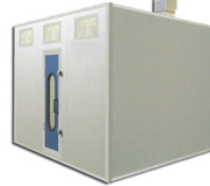
External Size - 7000mm x 4000mm x 3400mm (L x W x H)
Internal Size - 6900mm x 3900mm x 2650mm (L x W x H)
Door Size - 3000mm x 2600mm (W x H)
Air Volume - 18000 m3/hour

Internal Airflow velocity- 0.25~0.35m/s
Temperature - 60 ~ 80 degrees
Oil Consumption - 5~6
Power Consumption - 11KW
Power Supply - 380V 3 Phase



R180,500.00 excl. V.A.T - Installation Included

YS-MR-3x3 Paintroom 3m x 3m



R66,500.00 excl. V.A.T

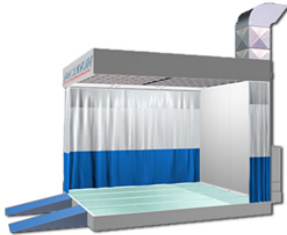
YS-Mini-A Parts Spray Booth 3,45mm x 3.45mm

* Int Size = 3450 x 3450 x 2700mm (L x W x H)
* Door Size = 2200mm x 2650mm
* Escape Door = 1 unit 650mm x 1800mm (W x H)
* Inlet Fan = 3KW
* Exhaust Fan = 3KW
* Lighting = 4 x 4 tube fittings
* Italian Riello G10 Burner
* Power Consumption = 6.5KW



R155,600.00 excl. V.A.T

YS-300B Hurricane Prepdeck



R149,000.00 excl. V.A.T

GP8501A - GP8502A Half & Full Face Respirator Masks



From
R1,800.00 excl. V.A.T

GP100 Hurricane 7m Upmarket Spray Booth

External Size - 7000mm x 4000mm x 3400mm (L x W x H)
Internal Size - 6900mm x 3900mm x 2650mm (L x W x H)
Door Size - 3000mm x 2600mm (W x H)
Air Volume - 21000 m3/hour

Internal Airflow velocity- 0.25~0.35m/s
Temperature - 60 ~ 80 degrees
Oil Consumption - 5~6
Power Consumption - 12.5KW
Power Supply - 380V 3 Phase



R232,500.00 excl. V.A.T - Including Installation

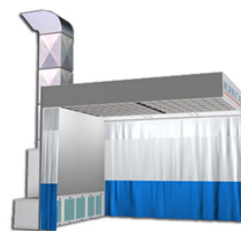
YS-TB12 - YS-TB20 Truck Sprav booths 12m to 20m



Standard Sizes
12m x 4.5m x 4m(h)
15m x 5m x 5m(h)
18m x 5m x 5m(h)
and
20m x 5m x 5m(h)

From R700,000.00 excl. V.A.T - Includes Installation

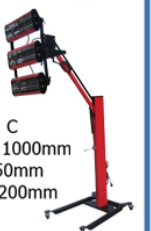
YS-100B Hurricane Prepdeck



R128,000.00 excl. V.A.T

GP333 Infrared 3 Light 3000W 220V

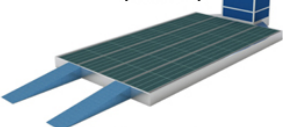
Voltage = 220V
Current = 17A
Power = 3000W
Temperature = 60-70 C
Heating Area = 800 x 1000mm
Min Lamp Height = 250mm
Max Lamp Height = 2200mm



R10,500.00 excl. V.A.T

YS-300A Prepdeck

Deck DSize = 6400mm x 3550mm x 300mm (H)
Exhaust Unit Size = 1300mm x 1100mm x 1300mm (L x W x H)



R77,500.00 excl. V.A.T

GP369 Infrared 6 Light 6000W

Voltage = 380V
Power = 6000W
Temperature = 60-70 C
Heating Area = 2000 x 1200mm
Min Lamp Height = 250mm
Max Lamp Height = 2200mm



R19,000.00 excl. V.A.T

3600 Single Central Vacuum



R11,980.00 excl. V.A.T

3600B Double Central Vacuum



R15,000.00 excl. V.A.T

JN301-70L Industrial Vacuum

* Industrial Dry or Damp Vacuum
* 3 x 1000W Motors
* Includes 1 x Washable Cloth Filtering Net
* Power Line = 3m
* Voltage = 220V
* Power = 3000W
* 2.5m Soft Hose
* 70L Tank
* 78dB Noise Level
* Vacuum 19KPa
* Size 60cm x 58cm x 87cm
* 2 x 40mm Long Rectangular Brush Nozzles
* 1 x Big Nozzle
* 1 x Round Brush Nozzle



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R600.00/1m Roll excl. V.A.T

Pre-Filter 1m x 20m Rolls



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Polokwane Branch

Deon Joubert : 083 628 2288

Tel : 015 004 0190

deon@hurricaneauto.co.za

HURRICANE *equipment*

FY-3W 3Light Infared Dryer



Voltage = 220V
Power = 3300W
Temperature = 40-100 C
Heating Area = 1200x1000mm
Timer = 0-99Min

R10,500.00 excl. V.A.T

GP610 Sample Dryer



Voltage = 220V
Power = 600W

Bulb = Infrared Short Wave
Dimensions = 425x335x385mm
Weight = 10KG

R3,100.00 excl. V.A.T



1600D Double Central Vacuum 2200W

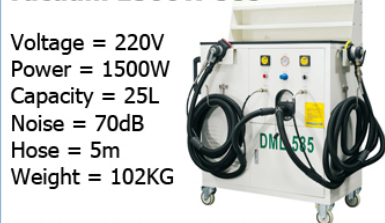
- * Voltage = 380V 50~60Hz
- * Current = 8A
- * Negative Pressure = 2.245mm/H2O
- * Power = 2200W
- * Noise Level = 63dBA
- * Hose = 2 x Hoses with Sanders
- * Size = 500mm x 460mm x 1460mm (L x W x H)

Turbine exhaustor with double sanders

Sanders and hoses are included but abrasives to be purchased separately.

R39,500.00 excl. V.A.T

Turbine Mobile Double Central Vacuum 1500W 585



Voltage = 220V
Power = 1500W
Capacity = 25L
Noise = 70dB
Hose = 5m
Weight = 102KG

R35,000.00 excl. V.A.T

GP366 Accessory Stand



R900.00 excl. V.A.T

F2-13785-1 Cantilever Toolset 85Piece Complete



R1,150.00 excl. V.A.T



ACM100-2K Fully Automatic Aircon Regassing Machine

Recovery Speed = 11g/sec
Recycling Speed = 13g/sec
Vacuum Speed = 3.2L/min
Recharging Speed = 38g/sec
Scale Accuracy = +/- 10g
Working Tank Capacity = 12KG
Filter Drier Capacity = 168KG

R34,655.00 excl. V.A.T

GP361 Rotating Bonet Stand



R3,150.00 excl. V.A.T

GP363 Bumper Stand



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Full Range of Sheet Metal and bodyu Work Clamps



From R205.00 to R695.00 excl. V.A.T

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Full Range of Pneumatic Couplers



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SY301 Work Trolley



R955.00 excl. V.A.T

Centurion Branch

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deon@hurricaneauto.co.za

All hands on deck

To find practical solutions to the skills shortage and alignment with 4IR



The Honorable Minister of Higher Education, Science and Technology, Dr BE Nzimande, on the occasion of the Black Business Council (BBC), Gallagher Estate, Johannesburg on 4 March 2020, emphasized that one of the areas to invest in during economically challenging times is that of education, training and science and innovation. He continued to draw delegates' attention to education and skills development as one of the seven priorities of this sixth administration.

Dr Nzimande identified one of the biggest weaknesses in our Post School Education and Training (PSET) system as 'the poor relationship between industry on the one hand, and universities and colleges on the other hand, manifesting in a failure to produce work ready-graduates or graduates capable of starting their own enterprises. The Minister lauded the RMI for the role the organisation plays in artisanal development through these Centres of Specialisation Programme, which is a Department of Higher Education and Training (DHET) initiative.

The Skills Development Act 97 Of 1998 has several purposes, amongst others to develop the skills of the South African workforce to (i) improve the quality of life of workers, their prospects of work and labour mobility; (ii) improve productivity in the workplace and the competitiveness of employers; (iii) promote self-employment; and (iv) improve the delivery of social services.

The RMI's New Venture Creation project, in collaboration with the merSETA, talks to the promotion of self-employment and, more specifically, in the automotive aftermarket. Learners, mainly from informal and rural areas, are required

to complete all modules in the 138 credit qualification. These learners furthermore need to demonstrate the application of what they have learned at their respective businesses. Innovation and creativity form part of the modules, and very encouraging were the initiatives demonstrated by learners to, amongst others, diversify their businesses in touch economic times; stay abreast of technological advancements; and obtain workplace approval to train learner apprentices.

The Honorable Minister Nzimande, during his address at the BBC, referred to President Cyril Ramaphosa's decision to bring together, under one Ministry, higher education, training, science, and technology. He pointed out that, "in today's world, the provision of high-quality skills and innovation are inseparable partners in the development of a modern economy. There can be no modern economy without an effective combination of skills and innovation." During RMI Skills Summit 4IR: All Hands on Deck, in September 2019, all role-players in the retail motor industry, including educators, employers, CEOs, skills development practitioners, labour and government

representatives, came together to plot the industry's way forward in the light of the recently promulgated National Skills Development Plan.

In closing, the RMI is pleased to see the latest commitments and initiatives from the government to promote relationships with industry on the skills development front. Jeáanne Esterhuizen, RMI President, concluded the RMI Skills Summit by saying: "At the end of the day, we need to achieve a higher quality of artisan and find opportunities for industry to assist with giving artisans better work experience. We don't have to look outside this county to find the best practice, because most of the international companies are here and have training facilities. They are delivering world-class training to their people and have the technology, and often that learning is not restricted to their personnel but available to interested parties. We need the support of the Manufacturing, Engineering and Related Services Sector Education and Training Authority (merSETA) to facilitate setting up an Industry Education Forum whereby these issues can be taken forward into practical solutions to the skills shortage and alignment with 4IR." 



All eyes on skills

Training and skills development remain one of the leading priorities for the Retail Motor Industry Organisation (RMI). The organisation is constantly seeking solutions and driving projects to support employers with re-skilling and upskilling their employees and attracting new artisans into the industry.

Jakkie Olivier, CEO of the Retail Motor Industry Organisation (RMI) says in the automotive aftermarket sector specifically, growth is definitely predicted from the small to medium businesses that are going to drive the economy. "It is here that we are sitting with a skills crisis of technicians across the automotive sector. As an industry we have to address the automotive skills shortages, reduce unemployment and be part of real transformation. The reality is that there has been no real skills development and/or under-investment in human capital for many years in our country. Skills have been outpaced by technology and there has been a loss of businesses and profits. Improved skills will result in increased productivity. It is all about professional standards and changing

of perceptions and encouraging business owners to draw in new entrants into the sector," says Olivier.


Olivier believes if we can drive the inclusion of more apprentices and start migrating the informal business into the formal sector, we will have a far stronger sector. "Significantly for every small and informal business or every apprentice successfully converted and absorbed into the formal sector, five jobs are likely to be created. Each of these newly employed people in turn, financially support another 20 people on average in the process," he says.

Employment and training go hand in hand. In the automotive sector the Quality Council for Trades and Occupations (QCTO) has, over time,

"Hands-on training and work experience are what young, up-and-coming learners need to be ready to enter the workspace in the motor industry." *Louis van Huyssteen, head of training for RMI*

been instrumental in encouraging the adoption of the occupational qualifications curriculum and the training of apprentices using this curriculum.

RMI has been contracted by the Department of Higher Education and Training (DHET) to assume the role of Occupational Team Convener (OTC) for the Diesel and Automotive Motor Mechanic trades using the occupational qualification delivery method at Technical Vocational Education and Training (TVET) colleges in South Africa. The first intake of apprentices was in 2019 and the Department has just approved the 2020 intake of 30 apprentices at the Centres of Specialisation Automotive Motor Mechanic at Port Elizabeth College Iqhayiya Campus and College of Cape Town Athlone campus.

"It is encouraging to see this type of progress and commitment from Government. We welcome the addition of nine more campuses in our more outlying areas as well as the introduction of new learning modules for younger children," concludes Olivier. 



Improving work opportunities for young people



Jeánné Esterhuizen.

South Africa has embarked on a journey to build a modern, quality apprenticeship of the 21st Century system as part of its skills development revolution. The framework around which this journey is based is the Centres of Specialisation (CoS) programme, an innovative multi-stakeholder based journey utilising a dual education system known as the Apprenticeship of the 21st Century or A21 system. On 26 and 27 March 2020, the British Council invited key stakeholders to a conference specifically addressing work opportunities for young people.

Attendees included representation from the Technical and Vocational Education and Training colleges (TVET); the Department of Higher Education & Training (DHET); Quality Council for Trades and Occupations (QCTO); employers, SETAS, apprentices representing each CoS Trade; organised labour and some local and international support organisations.

Makhosazane Mngadi, I-WORK Projects Manager: Education and Society for the British Council South Africa says the project had reached a stage where feedback on progress could be given and key input was required specifically around the most effective ways of expanding the A21 Digital Guideline; enhancing young people's learning and employability and focusing on how local and regional mechanisms can enable employer-led

education to take place. "Now, more than ever, there is an urgency to improve apprenticeships and employer-led education to meet the needs of rapidly changing economies in South Africa and around the world. Whether learning from each other through building international links or from the past, we don't need to provide all the answers ourselves but have strong belief that together we can make that change," says Mngadi.

Project Co-ordinator, Dr Florus Prinsloo (DPhil, MBA, PGDip), a business coach and Quality Apprenticeship Systems expert was on hand to lead the discussions.

Jéanne Esterhuizen, President of the Retail Motor Industry Organisation (RMI) and Deputy Chairperson of merSETA, who has been integrally involved in the development of the A21 guidelines believes it is critical for employers and SETAs to be committed and proactively support the dual apprenticeship system. "A quality apprenticeship system is critical, not only in South Africa, but globally, as it addresses youth employment." She says in Africa the average age of the population is 19 years old so an apprenticeship system is a means to employment and a way they can meaningfully contribute to the economy. "In SA many of our artisans are poached by overseas companies so it is critical for us to expand our skills pool so we can support our own," says Esterhuizen.

Esterhuizen believes if we don't increase the skills pool there quite simply will not be jobs. "In the motor industry specifically, the foundation of this industry is built on apprenticeships. It is the reason why RMI for example, a key employer body representing almost 8,000 members, has been so integrally involved in the programme since inception." She appeals to all employers



Makhosi Mngadi (3rd from the left, front row), Projects Manager: Education & Society, at the British Council South Africa with the staff from six colleges that participated on the partnership strand, namely Gert Sibande TVET College, Capricorn College, Buffalo City, Northern Cape Rural, Northlink College and Majuba Tvet College.




Dr Florus Prinsloo, Project Co-ordinator.

and employer organisations in different sectors to get more involved. She also sees value in the SETAs getting more involved by adding special projects in their strategic plans over the next five years, which could support and expand on the CoS programme.

"Never before has there been a programme that has breached the gap between the education system and more particularly the TVET system and industry. This is a perfect example of how collaboration can fast-track artisan training in SA. We are breaking

down the silos and creating a symbiotic link between industry, educators and apprenticeships so that our students can feel confident they will have work and guaranteed workplace experience and industry can feel confident it will be receiving quality apprentices. Collaboration is key."

The British Council's I-work initiative is a flagship project and a vital link in promoting apprenticeships. "They provide a much-needed conduit to scarce resources for SA. That includes development of partnerships across the common wealth of nations to enable knowledge sharing and leveraging of best practices across the world in apprenticeship development," says Esterhuizen.

"There has never been a better time for young people to study and work. Our youth need to remain positive – they have all these opportunities at their fingertips and the technology to access all. What employers need most is exuberance and positivity and energy. In order to grow they need to innovate. For this they need highly skilled people," concludes Esterhuizen. 

Apprenticeships make good financial sense

In spite of the skills shortages and limited opportunities for upskilling artisans, not only in the retail industry but in industry at large, many small and medium sized employers are reluctant to contract and train apprentices because they perceive that apprentices don't pay their way and it's costly to train them.

Jakkie Olivier, CEO of the Retail Motor Industry Organisation (RMI), says this is definitely not the case and has the stats to prove it. Independent research carried out showed that in the automotive sector alone, employers can achieve up to a 200% return on their investment from contracting or employing an apprentice in ideal circumstances.

Olivier says historically there had been a lack of measurable apprentice performance and productivity data – essentially no access to current and reliable information which was the reason RMI, together with merSETA, first introduced the ROI Calculator which is available free of charge to employers.

It is a web-based, easy and user-friendly tool. "It incorporates actual employer costs including: time and level-based national minimum apprentice wages; training; level and trade testing; and ancillary costs and opportunity costs to calculate a truly reliable ROI," he says. All data remains anonymous.

The ROI Calculator shows without doubt that when well-recruited and guided through an apprenticeship, an apprentice can pay back the investment (and more) that the employer made during the apprenticeship period. "We need to encourage more automotive employers to recruit apprentices for the

economic benefit of our sector and communities," he says.

The economy remains sluggish, making the forecast for job hunters rather gloomy.

The latest Manpower Group Employment Outlook Survey indicates South African employers intend following a soft hiring strategy for the first quarter of 2020. On top of this, big companies are retrenching thousands of staff who will also be looking for other work. Growth is definitely predicted rather from the small to medium businesses that are going to drive the economy.

"We know that 80% of accredited RMI business owners are in fact small to medium size business owners. If we can start migrating the informal business into the formal sector so that they become compliant and meaningful contributors to the economy, we will have a far stronger sector. Significantly for every small and informal business or every apprentice successfully converted and absorbed into the formal sector, five jobs are likely to be created. Each of these newly employed people in turn, financially support another 20 people on average in the process," he says.

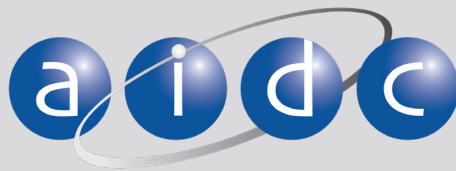
Employment and training go hand in hand. In the automotive sector the Quality Council for Trades and Occupations (QCTO) has, over time, been instrumental in encouraging the adoption of the occupational qualifications curriculum and the training of apprentices using this curriculum. The Department of Higher Education and Training (DHET) contracted the RMI to assume the role of Occupational Team Convener (OTC) for the Diesel and Automotive Motor Mechanic trades using the occupational qualification delivery method at Technical Vocational Education and Training (TVET) colleges in South Africa. The first intake of apprentices was in 2019.

Following the DHET Director-General's approval, recruitment for the 2020 intake commenced in 2019.

"As an industry we have to address the automotive skills shortages, reduce unemployment and be part of real transformation. The reality is that there has been no real skills development and/or under-investment in human capital for many years in our country. Skills have been outpaced by technology and there has been a loss of businesses and profits. Improved skills will result in increased productivity. It is all about professional standards and changing of perceptions and encouraging business owners to draw in new entrants into the sector," concludes Olivier. 



Jasmien Figg, Deputy Principal (Academic) Port Elizabeth TVET College - a Centre of Specialization for Automotive Motor Mechanic.



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Making progress in informal motor businesses



Learners in the NAAASP programme.

Learners from the National African Association of Automobile Service Providers (NAAASP), the development association of the Retail Motor Industry Organisation (RMI), have commenced their third training module, Maths Literacy.

The relevance to the automotive aftermarket repair, service and maintenance sector is undisputable. "Today both the repairer and motorist should be educated and know the difference between approximation and estimation. Similar to customer rights, the repairers, as learners on this New Venture Creation programme, should know how to treat customers fairly. These learners are working towards completion of the National Certificate New Venture Creation (Level 2) learnership," says Louis van Huyssteen, Training Director at RMI.

A NAAASP member is typically in business and trading in one or more of the areas of mechanical repairs; motor body repair and spray painting; automotive parts sales; and tyre fitment. The learners on the programme work with qualified members already in the mainstream automotive repair and maintenance sector.

The selected businesses have been registered on the New Venture Creation (NCV) L2 with the Services SETA and the RMI partnering SETA, the merSETA. "Mentoring and coaching is carried out using a blended approach with the involvement of peers and subject matter experts for groups and individuals," says van Huyssteen. He says the project assists the members with a business plan, source funding options, training staff and ensuring the property and business meets all compliance criteria.

The RMI, on a national initiative, is working closely with the Small Enterprise Development Agency (SEDA), to assist informal businesses with information sharing. Learners on the New Venture Creation learnership stand to benefit from SEDA/RMI information sharing sessions. Business owners on the learnership programme are encouraged, following identification of gaps, to



NAAASP first meeting.

meet the RMI's Constituent Association accreditation criteria, to approach the Small Enterprise Finance Agency (SEFA), which is willing to consider applications in line with funding requirements.

"Transformation of the sector is a priority for the RMI," says Jakkie Olivier, CEO of RMI. "There is so much potential for job creation and new businesses. It is encouraging to see this development initiative underway and already making a difference in the participant's businesses.

"We want to provide support for the advancement of automotive repair and maintenance aftermarket enterprises, more specifically, the small and developing black-owned enterprises. We also need to address challenges faced by SMMEs so they can play a meaningful role in the mainstream of the automotive repair and maintenance aftermarket sector," he concludes. 



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What is an Apprenticeship?

The apprenticeship system is a well-known technical training system which includes practical and theoretical training. Apprenticeships are offered in designated trades, and on passing a trade test, the candidate will be recognised as an artisan.

Who is eligible for an Apprenticeship programme?

Any South African citizen, 16 years or older. There are different admission requirements for the various trades. Competence in Maths, Science and English will enhance your chances of selection.

How does one apply for the Apprenticeship programme?

- If you are unemployed, you may apply to a company that is offering an apprenticeship programme.
- If you are employed, consult with your employer as to the correct procedures to be followed so that you may pursue such training.

LEADERS IN CLOSING THE SKILLS GAP

A focus on creativity and innovation

Businesses are facing change like never before and in order to expand their marketplace, differentiate from competitors, adapt to new technology and attract new customers, they need both creativity and innovation and this is the focus of the second module in the New Venture Creation programme.

Creativity is the nature of creating something new, either a new idea, concept or method. Innovation is using creativity to enhance performance of a process, person, team or organisation.

Louis van Huyssteen, RMI Training Director, says it has been very exciting to see the enthusiastic reaction from participants on this particular module of the programme.



Director of Mphela Automotive Engineering, Freddy Mphela and Sales Lady Lungile Msibi.

Facilitator Chuene Johannes Tolo sat with some of the participants on the programme in March and this is what they had to say:

- Freddy Mphela, Mphela Automotive Engineering in Katlehong: I have learned how to expand my business so it not only focuses on engineering but we sell parts now too. I've also managed to expand my staff so I now have someone looking after the admin and sales side of the business. I have also changed my logo to reflect my new business.
- Douglas Phiri, NRT Auto Refinishers in Turffontein: We do panel beating and spray-painting. After I joined the course I saw the need to expand. We have purchased some land in Palaborwa where I would like to open up a branch, also selling parts. My target is that within five years we should be fully operational on the second site.
- Tom Nyorera, Sanken Engineering Solutions in Benoni: I deal with engine overhauls and used engine rebuilds. We market our services on a website and also on Twitter and Facebook. We mainly do cars for corporates and not individuals and we are struggling to market our services. I feel we could expand our services to specialised cars like Ford Rangers. We need diagnostic scanning machinery for this. I am attending the course to learn more about how I can expand my business and skills.
- Hector Malinga, Soweto Auto Body Repair and Hardware in Tshepisong: I've just started a new business in auto body repair and parts and have partnered with a new guy focusing on trucks and mechanical work. We are working together as our workshops are side by side.
- Earnest Mazibuko, Mphela Automotive Engineering in Katlehong: I work with Freddy. This course has opened up my eyes to possibly open up a tyre fitment centre on my own.
- Kumbeka Hlongwane from Moms Mobile Mechanic: This is a fairly new business. Most of my private clients are female, hence the name. I partnered with Carcare Click. They run an app where they link the customer to the mechanic. I like this as they deal with the client and I just provide the service. I have also expanded my services and also sell second hand cars. I partnered with a dealership in Edenvale and if someone wants a car, they come to me and I source the best deal for them. 

Future proof your training needs

It is said that the only constant in life is change. The same is true of the workplace and the Training and Development environment. The increase in demand for instant gratification is growing daily. This is forcing companies to become increasingly adaptable to stay up-to-date and also to ensure their employees can be upskilled in a more affordable way.



He says that in order for companies to further engage their employees an additional enticement is often required to ensure they want to continuously improve their skills and knowledge. This can be achieved by applying gamification as part of the process. "Gamification is not the condoning nor implementation of playing games during work hours, but rather the introduction of psychological drivers to motivate employees to improve performance based on their current profile," explains Pottas.


Employees on the other hand have a sustained attention span which is decreasing continuously. Studies shows that in 2000 the average attention span of a person was 12 seconds. In 2015 this decreased to eight seconds. The selective sustained attention averages about 20 minutes for an adult.

This has definite implications for training. According to Dirk Pottas, IT Executive at Pass Competence, training now has to focus on the specific task at hand, or knowledge required to perform the required task, within a 15- to 20-minute training bracket. "We call this bite-sized training," says Pottas.

"The only constant in life is change."
Heraclitus.

Pottas says training need to be personalised, focussed, bite-sized and relative to the needs of both your company as well as the employee, ensuring a mutually beneficial outcome. "Efficient training will ensure that it does not just become a 'tick-box' exercise or grudge purchase required for compliance."

The only way to manage the additional demands from both the workforce, technological industry advances and the rapidly changing client landscape, is by adopting a more digital approach and adopting some forms of automation to drive and control the drivers to the process as well as the outcomes from the adopted process.

"This may sound like a daunting task at first glance, but it does not need to be. There are forward thinking service providers and systems available which have adopted to these requirements making this a breeze to implement," says Pottas. 

Dirk R Pottas, IT Executive at Pass Competence (Pty) Ltd.
Contact details: dirk@pass-systems.net or visit <https://pass-systems.net/>.

AA Technical College is bridging the gap between skills and education



Education

There are a number of factors that contribute to South Africa's high unemployment rate (29.1%) and youth unemployment rate (58.1%), including access to quality education and the fact that graduates often find themselves unemployable after their studies, even though they hold a relevant certification.

Experts suggest that there's a disconnect between curriculum and industry needs, and a lack of focus on providing applicable and relevant work experience to graduates. And it's unlikely that this gap will be closed in the near future.


Shifting focus to the automotive industry

The Automobile Association of SA (AA) recognised the shortage of skilled artisans in the automotive industry and established the AA Technical College to address this problem and to create opportunities for people to up-skill and build new careers for themselves. It offers specialised courses customised to industry or client needs. By combining theory and practical/applied skills training, we provide our learners with realistic insights into the future workplace environment.

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Apprenticeships and Learnerships at the AA Technical College

The AA Technical College offers apprenticeships for trades such as automotive electrician, diesel mechanic, diesel fitter, diesel fuel injection technician and motor mechanic. With these trades as a background, there are multiple earning opportunities. And while the motor industry is the most obvious career path, there are many other areas that utilise similar, or even the same skills set, such as: mining, agriculture, construction, transport and government. We believe that the contribution skilled artisans can make to the economy is many-fold and that they should always have the ability to generate an income. 



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VOLVO XC60: ABNORMAL NOISE FROM ENGINE BAY WHEN DRIVING

Problem: A customer of ours has a 2011 Volvo XC60 and they are complaining of an abnormal noise from the engine bay when driving. We have heard the noise on road tests but we are having difficulty finding the source of the noise in the workshop. Do you have any ideas what could be causing this noise?

Solution: Yes, we have heard of the issue you have described and it affects Volvo models with a 5-cylinder diesel engine. The noise is caused by the exhaust gas recirculation (EGR) valve resonating due to vacuum pressure fluctuations caused by deterioration of the brake servo vacuum pump non-return valve. Fit a modified brake servo vacuum pump non-return valve Fig.1.1. Check operation of the exhaust gas recirculation (EGR) vacuum control solenoid and replace if necessary. Carry out road test to ensure noise has been eliminated. 

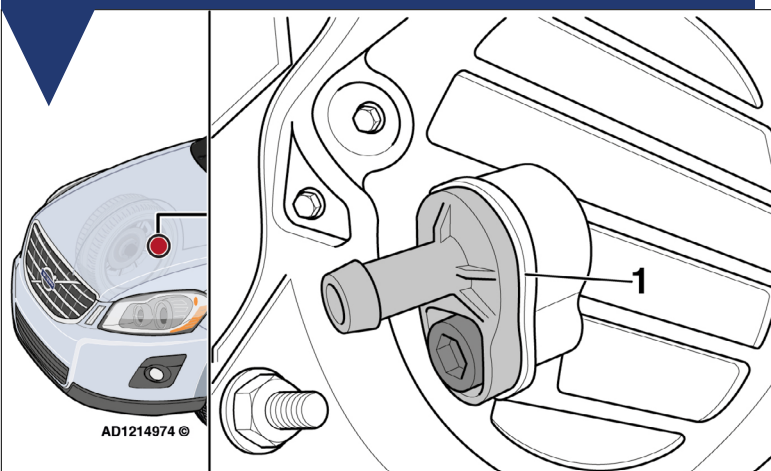



Illustration reference: vvo522

PEUGEOT RCZ: ENGINE MALFUNCTION INDICATOR LAMP (MIL) ILLUMINATED

Problem: A customer of ours has a 2013 Peugeot RCZ and they are complaining of a lack of power, poor starting and the engine malfunction indicator lamp (MIL) is illuminated. There are trouble codes stored relating to the variable valve lift system. Have you come across these symptoms on this engine before?

Solution: The symptoms you describe are known to affect the RCZ with EP6CDTR (5FG) engine code and it is due to damage of the variable valve lift shaft drive gear. Check condition of the variable valve lift actuator, replace if necessary. Inspect the variable valve lift shaft drive gear for damage Fig.1.1. If damage has occurred to the variable valve lift shaft drive gear, a new cylinder head is required to rectify this fault. 

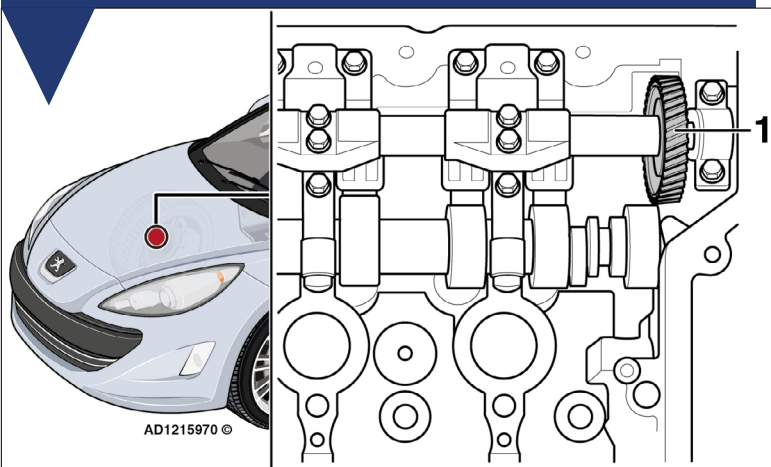


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MEMBER UPDATE

The RMI welcomes these new businesses into membership

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A		Mafika SA	Johannesburg
A1 Panel Beaters	Queenstown	Mag Repairs City	Sandton
Alf Pro centre	Gordons Bay	Magwheel Clinic Shop	Pretoria
Atlas Auto Clinic	Boksburg	Manos Panel Beaters	Pietermaritzburg
Auto Bonn Vaal Autobody	Vereeniging	Mas Spitjo Supply	Sasolburg
Autoteam Bloemfontein	Bloemfontein	Masterparts - Epping	Cape Town
B		Michanic	Pretoria
Bernies Coachworks	Parow	Million Motors Mechanic	Gonubie
D		Mobile Mech Services	Mokopane
Dentpro SA	Edenvale	Monte Carlo Sport & Classic	Cape Town
DG Engineering Services	Ermedo	Morgan Nissan Kimberley	Kimberley
Diesel Power Components	Johannesburg	Morgan Renault Kimberley	Kimberley
E		O	
Easifix Fitment Centre	Soshanguve	Oliver Platt Global	Pretoria
End Of The Road panel Beaters	Durban	P	
F		Platinum Auto Detailing	Bellville
Forprihea Mechanical Tradings	Hammanskraal	Pro Auto Repairs	Germiston
French Auto Junction	Centurion	Pro Brakes - Performance	Benoni
Fuzion Coachworks	Parow	R	
G		Refinish Auto Panel	Cape Town
Ganahlako Investment	Mokopane	S	
H		Supa Quick Mossel Bay	Mossel Bay
Harveys Auto Body Repairs	Durban	T	
Henred Fruehauf	Germiston	Tembisele Workshop Supplies	Boksburg
Henred Fruehauf	Bethal	Tens Wheel and Tyres	Midrand
Henred Fruehauf Newcastle	Newcastle	Thaps Auto Industry	Pretoria
Henred Fruehauf Pomona	Johannesburg	The Big Friensly Giant	Pretoria
Henred Fruehauf Trailers & Axles	Germiston	TL Bobs Auto Fix	Rustenburg
Highlands Truck & Bus	Harrismith	Tyremart - Parklands	Milnerton
Hino George	George	Tyremart - Tableview	Cape Town
I		Tyres & More Hartebeespoort	Hartebeespoort
Iconic Classic Cars	Cape Town	Tyres & More Strydom Park	Randburg
J		Tyres & More Vredenberg	Vredenberg
JDL Customs	Boksburg	U	
JFM Service Centre	Bethlehem	UD Trucks Cape/Worcester/Swellendam	Goodwood
K		V	
K2017196389 South Africa	Cape Town	VAG Motor Sport	Roodepoort
KTS Tyre Solution Dunlop Express	Virginia	Violet Automotive	Randburg
L		W	
Last power Spares	Polokwane	W & W Autobody	Johannesburg
LT Mini Spares	Soweto	We Fix Cars Panel Beaters & Spraying	Randburg
M		Westend Motors	Durban
Maestro Auto Clinic Engineering	Cape Town	Z	
Mafika Distributors	Johannesburg	Zibi Projects	Boksburg
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A photograph of two Black men in a workshop setting. The man on the left is wearing a blue and black short-sleeved work shirt and black trousers, sitting with his arms crossed. The man on the right is wearing an orange and navy blue short-sleeved work shirt and navy blue trousers, standing with his hand on the shoulder of the seated man. The background is filled with industrial equipment, including chains and metal structures.

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WORKWEAR

Mahle SA and CASME strengthen relationship

The partnership between automotive component manufacturer Mahle South Africa and the Centre for the Advancement of Science and Mathematics Education (CASME) has seen their joint Science2Go project directly supporting over 17,000 learners and over 250 teachers at 130 schools. CASME has indirectly reached almost 50,000 learners as at the end of 2019.

Mahle South Africa is one of the largest automotive parts manufacturers, driving the future of engineering stars. They realise this goal through their innovative approach and their partnership with the likes of the NGO CASME.

Henre Benson, a Director of CASME, said that 90% of public schools lack a functional science laboratory, the necessary requirement to expose learners to hands-on, experiential in science, engineering and technology.

Recognising the difficulties faced by science teachers as well as the opportunity to reach more learners, Mahle South Africa began exploring, with CASME, ways to move the resource centre concept closer to schools. And so the Mahle South Africa Science2Go Mobile Resource Centre initiative was born.

"Mahle South Africa partnered with CASME in 2015 to fill this need through the Science2Go mobile laboratory programme that travelled initially to schools in KwaDabeka, Molweni and Cleremont to take hands-on science to primary and high schools learners," says Benson.

CASME also focuses on professional development and support for teachers through training and provision of resources for science and mathematics teaching in under-resourced and previously disadvantaged communities. It operates throughout the schooling sector from Foundation Phase to Grade 12 throughout South Africa and implements a range of interventions in support of the Department of Basic Education.


"During the pilot phase we were able to demonstrate a cost-effective response to the need for practical science learning experiences where school laboratories are not a reality in many schools. Our evaluation of the pilot phase showed a 43% increase in Physical Science enrolment in the participating high schools," says Benson.

"On the back of these successes we were joined by Astron Energy SA (formerly Chevron SA) to launch Science2Go 2.0 to expand the reach of the project by a further 30 schools in the Umlazi District," he said.

Mahle South Africa is a member of the National Association for Automotive Component and Allied Manufacturers

(NAACAM) and CASME a beneficiary of NAACAM's three golf days this year. Renai Moothlal, NAACAM Executive Director, said that South Africa's economic prosperity depends on the availability of sufficient highly educated and trained people in science, mathematics and technology.

"Increasing such availability, particularly with people from disadvantaged backgrounds, will go a long way to addressing structural growth and inequality, especially as we move into a technology intensive working future. CASME is one of the organisations successfully addressing this need and we are proud to be associated with them."

CASME's portable laboratory kits provide a way to bring practical, hands-on science learning and teaching into schools at relatively low cost. "Whilst the resource centres have achieved some success at bridging the gaps in science teaching and learning, in many cases equipment is not utilised effectively. One of the reasons for this is that teachers lack the necessary experience, skills and confidence to use the equipment either in demonstration or in hands-on activities with learners. Many schools also lack the capacity and experience to ensure the maintenance of equipment," says Benson. 



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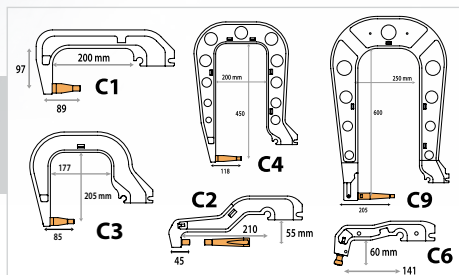
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