In contrast to this, more opportunities to obtain better educational qualifications result in young people expecting to enter high-status jobs and to earn high incomes. Hence, the supply for such posts is greater than the demand, and as US experience has shown, highly educated, trained and skilled people are forced to seek work in occupations which do not fully utilize their knowledge.

The solution to this increasingly important problem may be found through adequate manpower planning methods. One solution would be for some central body, such as the Department of Labor, to be kept regularly informed by all employers of the number of employees who will be needed in certain future planning periods, and what qualifications will be required of each of these future employees. It will then be possible to circulate widely the types and numbers of vacancies which will be available. In turn, this will enable students to study appropriate subjects, and organisers of special training courses and work-experience programmes to adjust the curricula. The result should be a closer matching of supply and demand for each major occupational group, if not for each occupation. Manpower planning of the type described, is unlikely to have much influence on job-status levels, or on earnings, but it may have favourable effects on unemployment for all sectors of the labour force.

Since the US Department of Labor already has an excellent body of data pertaining to labour matters, the knowledge of future job vacancies would enable it to plan more accurately, and to allocate its resources more effectively to the various training and work-experience programmes which are designed to assist Negroes, women, youths and other 'disadvantaged' groups.

Effective manpower planning is also needed in South Africa, but exactly which aspects require emphasising cannot be specified until details of the social security measures, training facilities and employment assistance schemes already available in this country, have been
discussed. Investment in South Africa's human resources is, therefore, the subject of the next section.

2.3 Investment in Human Resources: The South African Experience

There are several important socio-economic similarities and differences between US and South African society which have a bearing on labour relations in the two countries, and hence, on employment and training. Possibly the most important common factor is that both countries have populations which are divisible on the basis of colour. Moreover, until recently, the Black sector of both populations has been confined to low-skilled, menial work and was generally badly educated and suffered from poverty. Typically, they were members of the low-paid, labouring class of workers. Historically, the fruits of growth, development and wealth accrued primarily to the White members of the population, who supplied the money capital, expertise and technical knowledge which enabled each country's resources to be developed.

However, the differences are equally apparent. The most obvious one is that the majority of Americans are White, with a substantial minority of Blacks, while by contrast, the majority of South Africans are Black, with a substantial minority of Whites. In the US, political power is not based on race, while in South Africa, the minority White population monopolizes political power. The division of political power has important social and economic consequences.

In the US, recognition of the minority Black population as a disadvantaged group in terms of poverty, unemployment, lack of education, skills and training, led to their becoming the major target group for both public and private civil rights organisations, equal employment opportunities programmes, welfare agencies, and administrators of training and work-experience schemes. The results of these efforts have been discussed in the preceding sections.
The South African situation is different. It is recognised, as in the US, that poverty, unemployment, and low educational, skill and training levels are characteristics common to a large proportion of the Black population. However, solutions to these problems have been sought in ways which differ considerably from those adopted in the US. It should be remembered, however, in this context, that the US is a highly developed, industrialised economy, while South Africa is still a semi-developed country, and is not, therefore, in a position to devote such large scale resources to one particular problem, however important it may be for future development.

The discussion of South Africa's manpower policies which follows, will also be divided into three parts, roughly corresponding to those used in the discussion of US manpower policies. The government's role in the control of the use and movement of Black labour, will be followed by an assessment of the social security measures available, which in turn, will be followed by an evaluation of the training schemes available to the labour force.

2.3.1 Governmental Controls of the Labour Force

This sub-section must be seen in the light of the government's declared policy of separate development, i.e. the division of the country into semi-autonomous areas populated by different ethnic groups, who are to develop those areas by their own efforts and mainly for their own benefit.41)

Throughout most of the twentieth century, there has been a steady demand for Black labour in the industrialised areas, classified as 'White', and, generally, a corresponding desire amongst rural Blacks to meet that demand. The result has been a steady flow of Black workers between the rural and homeland areas and the cities.

41) The policy of separate development has never been officially or authoritatively defined.
This has had the effect of creating Black ghetto areas in the larger metropolitan centres, where housing conditions are generally sub-standard, basic services such as electricity and sewerage are minimal (and often non-existent), and poverty and unemployment are common.

The government has attempted to solve the 'ghetto problem' by attacking the cause, i.e. the inflow of Blacks to urban areas. A variety of laws have been passed, aimed at controlling the numbers of Blacks entering White urban areas, and returning unemployed and/or undesirable Blacks to their homeland areas. These laws are commonly known as the 'influx control measures' or 'the pass laws'.

The Blacks (Urban Areas) Consolidation Act, as amended in 1968, states that no Black man or woman may remain in an urban or other prescribed area for more than 72 hours unless he or she (a) has resided there continuously since birth; (b) has worked there continuously for one employer for not less than ten years, or has resided there lawfully and continuously for not less than 15 years, and has thereafter continued to reside there and is not employed outside, and while in the area has not been sentenced to a fine exceeding R100 or to imprisonment for a period exceeding six months; (c) is the wife, unmarried daughter, or son under the age of 13 years, of a Black in one of the categories mentioned above, and ordinarily resides with him/her; or (d) has been granted special permission to be in the area. Moreover a Black, or any member of his/her family must obtain the permission of the Township Superintendent, in order to reside there.\(^\text{42}\)

If a Black becomes unemployed and is unable to find another post within 30 days, he/she may no longer reside in the township without special permission.

\(^{42}\) Blacks (Urban Areas) Consolidation Act, No.25 of 1945 as amended; s 9.

See also: Sheila van der Horst, Discrimination in Employment and Wages, Report No.10, Labour Research Unit, University of Natal; March 1977; pp.16-17
It is clear that the laws require that all Blacks living in White urban areas should be either gainfully employed, or close relatives of, and supported by, such a person.

The problem of preventing a surplus of unemployed Blacks in White areas is also attacked from the supply end. Homeland inhabitants, who want to work in White areas, must apply to the local labour bureaux for a vacancy. If no vacancy is available, they are not given the necessary papers to enable them to legally reside in an urban or prescribed area and work there. In order to protect the employment prospect of Coloured workers, Blacks are discouraged from settling in the Western Cape, through the contract labour system. This system only allows a Black employee to work in one place continuously for 12 months. After that time, he must return to his place of origin (usually a homeland area) and re-apply for another contract. Moreover in certain occupations in Natal, Asian workers are given preference over Blacks in employment opportunities. For example, until 1976, a job reservation order restricted the post of barmen in Durban and Pietermaritzburg to Asian workers.43

In the same way that Blacks require permits to move from their homeland areas to a White area,44 they also require permits to move from one White area to another, unless the move is for less than 72 hours. The only areas in which Blacks are allowed to move freely are the homelands, while Coloured people have freedom of mobility in the Greater Cape Town area. Because of this limited freedom of physical mobility, the freedom to apply for any vacant post is also restricted. To that extent, South African Blacks are limited in their employment opportunities by the force of law.


44) All urban areas outside of the homelands are classified as White areas. See Blacks (Urban Areas) Consolidation Act, s 9.
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44) All urban areas outside of the homelands are classified as White areas. See Blacks (Urban Areas) Consolidation Act, s 9.
White labour has considerably more freedom. Passes are not required for residence in any area, or movement between areas, and work permits are not necessary either. White workers may also work in Black homeland areas, but they may not own a business there, except under an agency agreement.45)

Black employment prospects are also inhibited by other laws. The Artisans Training Act established government-run schemes to train adult workers as qualified craftsmen, but this scheme is not open to Blacks. Moreover, Black construction workers may only be trained in terms of the Blacks Building Workers Act, which, while it allows for certification as a qualified building artisan, people so qualified may only work in Black areas, or on construction sites intended for use or habitation by Blacks. Because of the shortage of building workers, exemptions are granted, which allow Black craftsmen to work in White areas and/or on White sites. They usually receive a lower minimum rate of pay than similarly qualified White craftsmen, and they may not be in supervisory positions over White workers.

Ministerial regulations made in terms of s 3 of the Environment Planning Act also restrict the employment of Blacks in the Pretoria - Witwatersrand - Vereeniging industrial conurbation, by stating that in all enterprises, the proportion of Black employees to White employees must not exceed 2:1.

There are two basic Acts which regulate relations between South African employees and employers. They are the Industrial Conciliation Act, which applies to Whites, Coloureds and Asians, and the Blacks Labour Relations Regulation Act, which applies to Blacks. The definition of an employee in the Industrial Conciliation Act is "a person (other than a Bantu) employed by an employer". Hence this Act specifically excludes Blacks from its terms of reference. The importance of this

45) Blacks (Urban Areas) Consolidation Act, s 8.
exclusion lies in the fact that, because they are not 'employees', Black workers may not form registered trade unions, nor be parties to registered Industrial Councils, and hence are excluded from the collective bargaining process envisaged by the Act. In place of union-management negotiations, the Blacks Labour Relations Regulation Act allows Black employees to form various types of committees, whose members have limited rights to bargain with employers on wages and conditions of work, and to settle disputes. However, these committees do not have the same powers as registered trade unions have in terms of the Industrial Conciliation Act.

Thus the laws of the land specifically exclude Blacks from access to the special adult artisan training schemes, limit the places in which Black builders may work, inhibit the development of free and equal Black collective bargaining teams, and seriously hinder the free movement of Black labour between areas and occupations.

This governmental action is in direct contrast to that found in the US, where successive governments have deliberately removed all legal impediments which prevented employment and training opportunities being open equally to all races.

The differences between US and South African labour legislation can be divided into four major issues. Firstly, US laws enforce equal employment opportunities for all races in both public and private sectors, whereas in South Africa there is no specific legislation relating to this aspect, and indeed, where a job reservation order is in force, equal opportunity for all races is explicitly denied. In the second place, all US workers have complete freedom of mobility between areas and occupations, while the geographical mobility of Blacks in South Africa is limited by the influx control measures, and their occupational mobility is hindered by prohibitions or

46) A detailed discussion of these two Acts is contained in Chapter 3, section 3.2.2.5, below.
limitations on entering certain types of training or jobs. The third aspect relates to training programmes which, in the US, are open equally to all races and, in fact in some recent cases, preferential treatment has been granted to minority groups who do not meet official eligibility criteria. In South Africa, most government training centres cater for each racial group separately, although it is possible for Blacks to be trained in White centres in certain circumstances, and with the special permission of the appropriate Minister. For example, Black engineering students may complete their degrees in White universities, providing they pass the first year course at a Black university. Entry and qualifying standards are exactly the same for all students.47) However, the entry standards for some training courses are lower for Blacks than for Whites, but more intensive teaching, or extended courses, ensure that the qualifying standards are equal. The last issue concerns unions. US laws ensure that trade union membership is open to all races, and that a negotiating union must represent the interests of all workers, including non-members, fairly and equally. In South Africa, Black and multi-racial unions are not recognised as legal (i.e. registered) negotiating bodies, and White unions are not obliged to represent the interests of non-members.

The summation of these differences between US and South African labour legislation, is that the US Department of Labor actively supports Negroes and other minority groups, while the corresponding South African Department operates laws which hold back South African Blacks.

Thus, the differences lie not only in the legal aspects, but also in the way the laws are interpreted. Yet, in order to make the most efficient use of labour resources, it is essential that there be no restrictive laws.

47) The writer is indebted to Professor R F Plewman of the Department of Mining Engineering, University of the Witwatersrand, for this information.
However, as American civil rights organisers have found, changing the law is only a first step in removing racial discrimination. Both South Africa and the US have long histories of the White populations treating the Black populations as inferior beings. Custom, rather than law, have kept the majority of Blacks in menial, unskilled and low-paid positions. To bring about a change is extremely difficult, and takes more than one generation, even with active public support.

Although there is no official government support in South Africa for measures designed to encourage upward mobility amongst Blacks, in practice much has been achieved. This aspect will be discussed in section 2.3.3 below. However, it is first necessary to consider the social security measures operating in South Africa at present, the effect these have on the employment situation, and the safeguards they offer to the labour force.

2.3.2 Welfare Measures in South Africa

One of the most basic protective measures accorded to all workers, is payment for injuries received in the course of performing their duties. In common with most other industrialised countries, the relevant protection is provided in South Africa by the Workmen's Compensation Act. It applies to all employees, regardless of race, and allows for lump sum payments and/or a disability pension to be paid to any person injured at work.

Two other basic protective measures sought by workers generally, are unemployment and sickness insurance and retirement pension schemes. Both are available in South Africa, but the schemes are not as extensive as in the US.

The Unemployment Insurance Act of 1966 established the
Unemployment Insurance Fund to which certain employees, employers and the State contribute. Eligible employees may claim unemployment, sickness and maternity benefits for a maximum of 26 weeks during any period of 52 consecutive weeks, although this maximum may be extended at the discretion of the Unemployment Insurance Board. Although there is no general distinction on the grounds of race, certain classes of employees are excluded from making contributions to, and hence claiming benefits from the Fund. Non-contributors were listed in section 1.5.7, above. During 1976, there were 2,6 million contributors to the Fund, and 99,280 registered employers. Thus, approximately 30 per cent of the economically active population of 3,5 million is covered by State unemployment and sickness insurance. Contributions are payable on a sliding scale according to earnings, and benefits are payable according to the value and number of contributions, i.e. "one week's benefits may be paid to a contributor in respect of every six weeks he contributes to the Fund." Employers are obliged to maintain records and to forward details and payments to the Fund's administrators.

At the present moment South Africa does not have a State scheme for a retirement pension. In terms of the Social Pensions Act of 1973, men over 65 years of age, and women over 60, may apply for an old age pension from the State, providing they satisfy the residential requirements and their incomes and assets satisfy the means test. However, the possibility of introducing a national

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48) Department of Labour, Report of the Unemployment Insurance Fund for the Year ended 31 December 1976, Government Printer, Pretoria, August 1977; Section 4, para. 4
49) Ibid; Section 4, para. 3
50) Ibid; Section 1, para. 3
contributory pension scheme is currently being investigated.\textsuperscript{52) }Many retired people either live on their savings, or draw a pension from private schemes administered by their employers or insurance companies. In 1973, some 94 000 persons were drawing pensions from private funds, while in 1974, 3 million persons had fixed deposits and savings accounts in building societies (not all of the latter, of course, would be for pension purposes).\textsuperscript{53) }Until recently, many Black workers did not contribute to privately administered schemes, with the result that retired Blacks are generally supported by younger working members of their families.

During the year ending March 1975, some 384 000 persons were in receipt of a State old age pension, of whom 33,5 per cent were White, 19,2 per cent were Coloureds, 3,2 per cent were Asians and 44,1 per cent were Blacks. Average annual old age pensions per person amounted to R723 for Whites, R348 for Coloureds, R353 for Asians and R105 for Blacks.\textsuperscript{54)}

Thus, if an employee does not insure himself against loss of income after retirement, or he does not contribute to a private scheme during his working life, he will receive only a very low level of support from the State.

Certain other benefits are available from the State for those in need, i.e. family allowances, disability grants and maintenance grants to widows and widowers, as well as a social emergency relief scheme. The last mentioned is only a temporary measure for those in distress, and every effort is made to restore such persons to independence either by granting them relief under one of the permanent schemes, or by finding employment for them.\textsuperscript{55)} None of these grants are widely advertised, and consequently there

\textsuperscript{52) }Ibid; Forward, p.(1)
\textsuperscript{53) }Ibid; pp.29-30
\textsuperscript{54) }Ibid; p.22
\textsuperscript{55) }Ibid; p.20
are few beneficiaries. The details for 1975 are shown in Table 21.


<table>
<thead>
<tr>
<th>Recipients &amp; Payments</th>
<th>Old Age Pension</th>
<th>War Veterans Pension</th>
<th>War Pension</th>
<th>Pension to Blind</th>
<th>Disability Grants</th>
<th>Maintenance Grants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number</td>
<td>383 725</td>
<td>21 837</td>
<td>15 326</td>
<td>7 375</td>
<td>121 954</td>
<td>59 112</td>
</tr>
<tr>
<td>R millions</td>
<td>130,8</td>
<td>14,7</td>
<td>8,5</td>
<td>1,6</td>
<td>35,3</td>
<td>35,7</td>
</tr>
</tbody>
</table>


Compared with the US, the South African welfare programmes are limited in their extent and effectiveness. Assistance is available in South Africa, but there is no deliberate attempt on the part of the authorities to actively seek out those in need, and provide relief. Moreover, those concerned with administering the grants tend to offer only alleviating financial aid, rather than attempting to solve the cause of the poverty. In other words, there is no strong link between those concerned with the needs of people suffering from poverty, and those concerned with placing people in employment.

It is now necessary to examine whether South Africa should, and could, adopt the US attitude towards welfare relief measures, and whether these would assist in reducing poverty in South Africa and improve the utilisation of the country's manpower resources.

It has been noted that prior to 1960, the US welfare measures were based on the self-reliance principle. In general, South Africa still relies on that principle, and it is the writer's opinion that she should continue to do so, at least for the foreseeable future. The main reason for supporting the continuation of the self-reliance principle is that South Africa does not have the financial
resources to implement a wide range of social security benefits financed solely by the State. The total amount disbursed by the government on pensions for retired persons, war veterans, disabled and blind persons, and widows and widowers, was R240 million in 1975/76, which figure has increased each year, and has more than doubled since 1970/71 alone, although the number of recipients in fact, declined marginally in the five year period. 56) Since some of the pensions are adjusted annually in line with changes in the consumer price index, there is every reason to assume that State expenditure on existing welfare measures will continue to rise in future years.

If the self-reliance principle is to be maintained, social security benefits must be partly financed by the eventual recipients, even though employers and/or the State may also contribute to the total fund from which benefits are paid.

As far as South African workers are concerned, the only welfare measure to which they are legally obliged to contribute, is the Unemployment Insurance Fund and, as has been pointed out in the previous chapter, only some sectors of the labour force are classified as 'contributors'. There is no State pension scheme for retired workers, and this and other benefits are payable only on application to the appropriate authority, and all are subject to a 'means test'. Although hospital treatment is usually available at low, or nil, cost to all Blacks, there is no State medical aid scheme as such, either, although many companies operate private medical aid and pension schemes for their own employees.

It has already been proposed that the Unemployment Insurance scheme be extended to cover the majority of workers, to allow for a certain degree of income maintenance during periods of unemployment resulting from termination of employment or ill-health. It is now proposed that similar schemes be introduced to offer

56) Ibid; pp.21-26
insurance for retired persons, and for payment of medical expenses incurred by workers and their immediate dependents, i.e. wives and non-working children. Moreover, contributions to these two new insurance schemes should be compulsory for the same groups of employees as was proposed for the Unemployment Insurance Fund. It would also be logical for one fund to be established so that unemployment benefits, old age pensions and medical aid payments be made from a central source, and contributions be made to the same central source. Administration of this 'national insurance scheme' would, of necessity, have to be in the hands of a single authority, both to prevent duplication of records and payments, and to ensure that each applicant received all the benefits to which he/she might be entitled.

At the present moment, unemployment insurance benefits are administered by the Department of Labour, while other pensions are the responsibility of the Department of Social Welfare and Pensions. If a single insurance fund were to be adopted, it would be more logical for it to be administered by the Department of Social Welfare and Pensions, which is also responsible for the activities of registered social workers.

Local offices will also be necessary for the registration of 'contributors' and for the payment of authorised benefits. It will then become part of the local offices' responsibility to ensure that employed persons in their area receive all the benefits to which they are entitled. Local firms would also be obliged to notify the local office of employees who have been made unemployed, who are sick, or who have retired. Moreover, field social workers would have to be assigned to check both firms and employees in their area. They could then decide whether emergency social relief was needed by ex-employees, and could ensure that firms complied with the duty to notify the local welfare office of staff changes and, where possible and relevant, the reasons for them. It is also suggested that notices, setting out the relevant details of assistance which is available, be displayed in a prominent place in every establishment employing more than,
say, three employees. In this way, South Africa's Department of Social Welfare and Pensions would be actively engaged in seeking out those eligible for, and in need of, assistance, as is done in the US.

The proposed local welfare offices would best be sited in the same place as labour bureaux, so that the vital link between unemployed welfare recipients and the department concerned with ensuring their return to the active labour force (i.e. the Department of Labour), is physically, and hence psychologically, as close as possible.

It must be emphasised that the proposed welfare benefits would only be available to those persons who are, or have been, employed and/or their immediate dependants. Moreover, benefits would vary according to the contribution record of the person claiming assistance. In this way, the self-reliance principle would be maintained.

The final point concerning these proposals relates to costs. At the present time, eligible employees pay 0.5 per cent of their wages as a contribution to the Unemployment Insurance Fund. If this was raised to, say, one per cent, to allow for contributions to a State pension and medical aid fund, it would mean that a worker earning the proposed national minimum wage of R10,50 per week, would have a net wage, before deduction of income tax, of R10,395. Even though the deductions would be on a percentage basis, net earnings would decrease, and this might become a disincentive to move up the income scale. More important, it might prove a disincentive to undergo training for more skilled and hence higher paid posts. At what income level the disincentive effects would manifest themselves cannot be quantified, but it is probable that those earning low incomes would be more aware of the compulsory deductions than higher paid workers. In South Africa, this would generally be Black employees who are not only unskilled, but some of whom also lack an understanding of the future benefits of such insurance. However, some Blacks do save regularly, even if it is compulsory savings in the form of membership of
a pension scheme administered by their employers. For example, the University of South Africa's Bureau of Market Research found that, in 1975, the average Black family in Johannesburg spent R3,76 per month on all forms of insurance and funds, of which R1,61 was contributions to pension funds.57) 'Social' education is the only solution to the lack of understanding problem, and it can best be provided by the field social workers attached to local welfare offices, and personnel staff within firms.

It is also necessary to consider the cost to employers of this more comprehensive insurance scheme. Again, using the existing Unemployment Insurance Act as a guide, employers at present pay 0.5 per cent of each employees' wage as a contribution to the Fund. If this was trebled to 1.5 per cent, the cost to manufacturing industries alone in 1975, would have been R45 million per annum, or R36 per annum per employee, on average.58)

It is the writer's opinion that it would not be an unnecessary incursion into the free enterprise system, if the government also contributed to the proposed national insurance scheme, on an equal basis with employees and employers. Obviously, there would have to be an increase in taxes, to cover the additional State expenditure, but the rise would not be large. In the year ending December 1976, the sum paid into the Unemployment Insurance Fund by employers and employees together, amounted to R26 million, while the government contributed only R6,6 million.59) A more equitable arrangement would be for each of the three parties to contribute one per cent of each employees' basic wage, i.e. excluding overtime and other enhanced

57) Black Spending in Focus, Special Report, Financial Mail, 24 November 1978; p.24
58) This estimate is derived from data showing the total number of employees, and the total salaries and wages paid in 1975; see South African Statistics 1976; Op.Cit; p.7.9
payments, to the proposed common fund. This would reduce the cost to employers, although both employees and the government would pay considerably more than at present.

The proposed fund should be self-sufficient and non-profit making. That is to say, the outflow of monies in benefits should be covered by the inflow of monies in contributions, at least over a period of, say, five years. That this might well be possible is deduced from the fact that the Unemployment Insurance Fund, as it stood at the end of December 1976, had some R212 million in investments, and total annual income usually exceeds total annual payments, including administration costs. The value of this invested sum is equivalent to approximately six years of benefits paid out, at 1976 rates. It should, however, be noted that it is only equivalent to about 1,5 years of the amount spent by the government on old age pensions in 1975 (i.e. R131 million).

Nevertheless, the following calculations, exemplified for the year 1976, indicate that the proposed common fund could be self-sufficient:

1) Total number of employees, all races .................. 4.5 million
2) Total value of salaries and wages paid, all races .............. R11 970.3 million
3) Average annual wage per employee .......... R 2660
4) 3 per cent of average annual wage .... R 80
5) Annual total contributions to the common fund (1 x 4) .......... R 360 million
6) Annual total payments from the common fund:
   - unemployment insurance ... R 32 million
   - old age pensions .......... R210 million
   - medical aid benefits . est R210 million R452 million

It should be noted, that if the total contributions were raised to 4 per cent, instead of 3 per cent, by increasing the employer and employee contributions to 1,5 per cent

60) Ibid; section 6, para.3. Total expenditure amounted to R32 million.
each and holding the government's contribution to one per cent, the annual total contributions to the common fund (5 above) would amount to R477 million.

The figure of R210 million for old age pensions is derived from the average number of existing recipients of State pensions (about 384 000) multiplied by the proposed minimum wage of R10,50 per week. The number of pensioners will, of course, increase, since all employees will be entitled to claim benefits if they have contributed, in which case, the figure of R546 per annum as a basic old age pension may have to be seen as a goal towards which to work, unless total contributions are sufficiently high to make good the shortfall, as well as cover claims for unemployment benefits and medical aid. In the short term this is probably unlikely, and benefits will probably not cover all claims. However, they will constitute a guaranteed, albeit low, income for all claimants. The excess, if any, of annual contributions over payments should be invested to allow for an annual increase in old age pensions in line with increases in the consumer price index, as is done by the government at present.

The proposed system of a compulsory contributory 'national insurance scheme' for all eligible employees, together with a central welfare authority with local offices, would help in ascertaining the real extent of poverty, and in alleviating it, at least to some extent. However, a reduction in those suffering from the effects of a too-low-income should not be treated as a desirable aim to be achieved without regard to other manpower objectives. The overall object is to obtain optimum utilisation of the labour force. Hence, welfare measures must be linked with training and employment-assistance schemes. As has been stated, the US is currently attempting to do this, and has found it less easy than might have been expected. In particular, time and experience is required before it is known whether specific assistance measures and training schemes are viable propositions and are suited to the target groups.
While the writer has been able to draw on US experience and South African actualities to suggest changes in welfare measures, there also appear to be possibilities for adapting some of the US training and work-experience programmes for use in South Africa. However, before any proposed changes can be made, it is necessary to consider what facilities are already in existence in South Africa for training and employment placement. The following section will discuss the programmes available in both the public and private sectors, and will then suggest improvements, where these become apparent, and how they can be linked with the proposed welfare measures.

2.3.3 Training and Employment Placement Facilities in South Africa

This section is not concerned with formal education at ordinary schools and institutes of higher education, but with vocational schools, technical colleges and other institutions aimed at preparing members of the labour force for particular types of work, so that after finding employment, further training depends on experience, aptitude and opportunities for promotion to higher graded posts.

It is also concerned with training schemes run by private firms (alone, or under the auspices of an employers' association) for their own employees, which include formal work-training schemes and informal on-the-job training.

There are several training programmes open to the labour force which are either run entirely by the State, or with some form of State control over entry, courses and standards.

In 1975, there were 119 institutions for advanced technical, technical, vocational and trade training, plus 71 teacher training colleges, run by, or recognised by, the State, catering for approximately 96,000 students and 32,000 trainee teachers. They accept students according to race, and the breakdown is shown in Table 22.
Table 22: Training Institutions and Students, by Race, 1974

<table>
<thead>
<tr>
<th>Training Institution</th>
<th>Whites</th>
<th>Coloureds/Asians</th>
<th>Blacks</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number Students</td>
<td>Number Students</td>
<td>Number Students</td>
</tr>
<tr>
<td>Teacher Training Colleges</td>
<td>17 10 972</td>
<td>16 5 108</td>
<td>38 14 686</td>
</tr>
<tr>
<td>Colleges for Advanced Technical Education</td>
<td>6 51 162</td>
<td>2 7 443</td>
<td>2 310</td>
</tr>
<tr>
<td>Technical Colleges</td>
<td>26 19 571</td>
<td>5 2 841</td>
<td>- -</td>
</tr>
<tr>
<td>Technical Institutes</td>
<td>34 9 453</td>
<td>- -</td>
<td>- -</td>
</tr>
<tr>
<td>Vocational Schools</td>
<td>- -</td>
<td>2 201</td>
<td>- -</td>
</tr>
<tr>
<td>Trade and Vocational Training Institutions</td>
<td>- -</td>
<td>- -</td>
<td>42 4 287</td>
</tr>
</tbody>
</table>

1) Students include full-time, part-time and occasional students
2) Data for 1975.


Of the approximately 80 000 White students at technical colleges, some 20 000 were apprentices registered under the Apprenticeship Act.

In addition, many hospitals train nursing staff for registered general and specialist nursing duties, for enrolled (practical) nursing and as nursing assistants. In 1974, some 22 000 students were being trained for such work. The racial details are shown in Table 23.

Because there is a scarcity of skilled labour in South Africa, institutions offering technical training are well supported by the State. Since the early 1970’s, there has been increasing interest in training Black workers for industrial work, both in the public and private sectors. Moreover, Blacks are now more interested in undergoing training because there are better opportunities for technical employment, less hindrance to job-advancement, and wages are related to training.61)

Table 23: Number of Trainee Nurses by Type of Training and Race, 1974.

<table>
<thead>
<tr>
<th>Racial Group</th>
<th>Registered Students</th>
<th>Enrolled Pupils</th>
<th>Nursing Assistant Pupils</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whites</td>
<td>4 511</td>
<td>1 309</td>
<td>1 530</td>
</tr>
<tr>
<td>Coloured and Asians</td>
<td>1 282</td>
<td>1 228</td>
<td>626</td>
</tr>
<tr>
<td>Blacks</td>
<td>4 757</td>
<td>3 777</td>
<td>2 085</td>
</tr>
<tr>
<td></td>
<td>10 550</td>
<td>6 314</td>
<td>4 241</td>
</tr>
</tbody>
</table>


A range of training schemes is provided by the State for the Black population. These include colleges for advanced technical education, technical secondary schools, trade schools, border industry schools, in-service industrial training centres and industrial training centres.

a) Colleges for advanced technical education:—two of these have been established in KwaZulu, at Edendale, and in Lebowa at Mmadikoti, and offer courses for technicians in civil and agricultural engineering, surveying, geology and telecommunications, and operators and maintenance workers in sewerage and water purification installations. Courses may be from one to four years in duration, and 234 trainees were enrolled in 1976. In order to be offered a place, each trainee must already be employed and the employer must have recommended the worker for advanced training. Hence, in this instance, training is of the in-service variety and is only available when job-opportunities exist. By early 1979, it is expected that a polytechnic college will be completed in GwaQwa, which, while State-run, is being built with funds provided by the private sector.

Author Coles S M
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