



JULY 2011

TALK

CEO CORNER

Apprentice training – alarming registration reductions

WHEN the Cross Media Training Centre (CMTC) closed in April 2009, the three major PIFSA Chambers took up the responsibility of providing theoretical training classes for all registered printing apprentices.

Additionally, CMTC lecturers, who had been retrenched during the closure, continued to provide their services on an ad-hoc basis and willingly rose to the challenge.

Had this not happened, many apprentices in Johannesburg, Cape Town and Durban could not have completed their apprenticeships and the industry would have suffered from a consequent shortage of skilled labour.

MAPPP SETA realised the extent of the problem and permitted PIFSA to operate on the existing CMTC training licence, until its expiry in mid-August 2011. The FP&M SETA has continued its co-operative assistance and has recognised the need for PIFSA to continue offering TT Blocks, through the medium of its Chambers – again until the expiry of the licence.

Currently, PIFSA is applying for a new licence, to act in its own right as a training provider, until a suitable alternative to CMTC is established. This project is well on track, under the guidance of the national training manager, Tania Williams, and members of the PIFSA Training Council.

What is of great concern, and the point of this article, is the alarming reduction in apprentices who have registered for the latest TT Block. For example, only nine to 11 students have registered in most Blocks, with no students in one Block. The normal intake is around 20 to 30 plus students.

An investigation by SETA staff reveals that many employers, awarded discretionary grants at the end of 2010 for the express purpose of training apprentices, have not requested the funds because they haven't employed apprentices. The unintended consequence, in some cases, is that having too few students doesn't justify running a class for some subjects. Furthermore, students who turn up for class will not receive the tuition they need to complete their training.

However, the gravest loss is in the future when, during the next upward phase in the economy, the industry will again suffer from a critical shortage of skills, causing huge increases in artisan wages and prolific usage of 'moonlighters', with consequent health and disciplinary problems.

Let this be an appeal to all employers to take a long-term view and use the recession as an opportunity to train, relatively inexpensively without huge production disruptions, and reap the benefits later.



Patrick Lacy, CEO



KZN CHAMBER NEWS

PIFSA Centenary celebrations in KZN

THE KZN Chamber has been tirelessly organising the upcoming centenary dinner.

Yvette Roberts of Pro-Print heads a sub-committee that is preparing a very special event on September 8, at the Gateway Hotel. The evening will include a comedy show starring well known entertainers Lisa Bobbert and Aaron McIlroy and guests can expect a great evening.

KZN apprentice training

SOME 55 apprentices, spread over four TT Blocks, have been instructed by the KZN Chamber in 2011.

Students have come from various trade disciplines including packaging, flexography (rotary re-reeling), lithography (sheetfed offset and rotary web-offset) and envelope and stationery adjusting.

Employers are expected to be given an opportunity to apply for discretionary grants from the Fibre Processing and Manufacturing (FP&M) SETA during the fourth quarter of 2011.

Spotlight on labour – dress codes

MANY employers are often faced with employee dress code issues.

It's not uncommon for an employer to introduce a dress code policy in respect of the way employees dress and groom themselves for work and the underlying reasons for this may include the following:

- Appearance in public – especially applicable to sales and service employees.
- Health and safety – including those employed in food processing and the manufacture of packaging for food and pharmaceutical products.

Employers need to be careful not to discriminate by applying a dress code to only one particular group of employees in the workplace. It's common practice to require production workers to wear protective clothing, such as dust coats or overalls, while office staff are required to comply with a different dress code and sales representatives are often required to dress with the company logo displayed on their clothing; the nature of each job dictates this.

Inappropriate jewellery can also clash with a corporate identity.

In view of the above, dress and grooming are important considerations to take into account when recruiting staff. Therefore, the contract of employment should include a reference to grooming and dress codes/requirements.

The company culture and that of its customers are important factors in such cases.

TRAINING

Transition to FP&M SETA

FOR the majority of the printing and packaging industry, members will automatically be transferred into the new Fibre Processing & Manufacturing (FP&M) SETA. However, there are some members who are being split between FP&M and MICT SETA.

MAPPP has advised that SARS will automatically transfer those companies that are being split to the correct SETA. This is all dependent on which SIC code members fall under. This is not the members' responsibility; it is an automatic action by SARS.

Apprentices

FP&M SETA has advised that members shouldn't hold back from registering apprentices, even though they're in the process of having policies finalised.

If you are experiencing any issues, or you're not certain about the registration of your apprentices, you are welcome to contact PIFSA to assist.

WSP submissions

THE WSP submission deadline has come and gone.

As many will agree the latest process was much easier than previous years as it included an online method of submission. This year, the OFO occupation codes also included many more designations than before, which made it slightly more challenging to identify new references. We'll have to brace ourselves again next year as the process and OFO codes are expected to change once more!

Generic training courses

PIFSA is in the process of finalising a partnership with a particular training provider in which PIFSA will provide various types of training to the printing and packaging industry.

The types of courses one can expect to see will include first aid, fire fighting, health and safety representatives as well as tuition for forklift drivers and driver assessments and soft skills such as telephone and frontline skills etc. This training will be accredited and will carry more value for PIFSA members.



Private use of company assets

NOTHING is sacred! The sad truth of the matter is that if you use goods from your VAT registered business for your own use, or 'self-supply', you need to make an output tax calculation and pay the VAT over to SARS.

This can also be done via the payroll. Don't fool yourself into thinking that you can pull the wool over SARS' eyes because you can't. When your company is audited, the auditors will reconcile stock and assets against VAT and income tax returns and any discrepancies will attract interest and penalties.!

To make your life easier, because that is what we do, here are three easy steps for you to stay legal (and save money):

1. Determine the market value of the asset or stock being used
2. Apply the tax fraction (14/114) to the market value. The result is the value of output tax due to SARS.
3. Enter the specifics of the calculation in blocks 10 and 11 of your VAT return.

Remember to keep your working papers as proof for the day when SARS auditors come knocking on your door.

In our next issue we'll look at property. Until then, keep your books clean and your SARS status clear!

(Extracts from the Practical VAT Handbook)

KZN Chamber elects new President



New president of PIFSA KZN Chamber is Bruce Pender-Smith.

BRUCE Pender-Smith, general manager of DBC Plastics, flexible packaging manufacturers in Riverhorse Valley, Durban, has recently been elected as president of the PIFSA KwaZulu-Natal Chamber.

Bruce has been an executive committee member of the Chamber for some years and has served as Chamber vice president. Bruce succeeds Bob Allan-Reynolds who stepped down after leaving the industry to pursue other business ventures.

High-speed inkjet printing

IN a recent article in the Printing Industries of America (PIA) Tech Alert electronic newsletter, Dr Mark Bohan provided insight into the growth of inkjet printing.

He notes that in 2010 there were 3 569 US patents issued for inkjet technologies and the development of high-speed inkjet printing is partly due to the extensive research and development behind the patent applications.

Among the many improvements and systems are resin-based inks, which are not absorbed into the paper fibres, and web presses up to 42-inch wide (1 066mm). However, there can be marked differences in the font definition between different inkjet engines as well as lithographic printing.

The PIA website contains a list of different production inkjet products and their specifications: <http://www.printing.org/inkjetproducts>.

PIFSA members are again reminded that they can access the PIA members' only site, and also enjoy member discounts. Contact the PIFSA National Office or your local Chamber. You will be provided with a member log-in and password.

[The full July 2011Tech Alert newsletter can be viewed on: http://app.printing.org/ems/archive/techart/techart_110714.html.]



Specialised print training

PIFSA Border Chamber is to present a training programme on August 23 and 24, 2011 titled 'An Introduction to Printing'.

This programme provides delegates with an understanding of the various print processes and their suitability to producing different products including methods of finishing.

All new staff entering the printing industry, including sales representatives, brand managers and advertising agency staff should attend. Print buyers and marketers from all industries will also benefit from the course, which explains terms commonly used in the printing processes. Existing industry employees can broaden their knowledge into other print areas.

Programme content includes:

- In-depth explanation of traditional printing

processes: flexography, offset lithography, gravure, screen printing and letterpress.

- Current and future development: digital imaging, computer to plate (CtP), computer to press, ink jet, duplicating and photocopying.
- Paper and its influences on the printing process: grain, weight, size and texture.
- Colour and Ink: additive and subtractive colour, the four colour process, separations, screen angles, lines/inch, moiré, dot grain, ink densities, colour standards, ink and water balance and pH and conductivity.

Members interested in attending this programme should contact: Sharonne Dewing on +27 043 7022123



Erich Kühl retires

PIFSA bids a sad farewell to Erich Kühl, who retires at the end of July 2011.

Erich has been a stalwart member of PIFSA since October 1991 when he was appointed as head of the Commercial & Technical Division and has been instrumental in several successful PIFSA applications to the International Trade Administration Commission (ITAC).

Based on his long experience in the industry, Erich has provided members and the public with unbiased evaluations and his technical knowledge extends way beyond his trade qualifications.

Put simply, printing is in his blood. He has served the printing industry for 45 years in various capacities and companies, from apprentice to director, and has kept abreast of technological advances and the creation

of new international standards. Much of his recreational reading contains some reference to print and printed products and even products on supermarket shelves are subject to his critical appraisal.

Several associations have had the benefit of his guidance either as chairman or secretary and he's often been called on as an expert witness by council during legal disputes relating to printed products.

Erich has represented PIFSA members on various external committees and bodies, ensuring that the industry has a voice and members of the PIFSA affiliated associations and interest groups communicate their thanks and best wishes to him on his retirement.

It's likely that Erich will balance his love of print with an equal love of travel and he'll still be available to the industry, in a consulting capacity, as well as serving as executive secretary of the Flexographic Technical Association of South Africa (FTASA).

PIFSA directors, management committee members and staff wish him the very best for the future.

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