

INDUSTRIAL RELATIONS

Various unions have recognition agreements with different companies in the group. Relationships with these unions were generally positive.

South Africa

FAWU – Food and Allied Workers Union

TALFU – Trawler and Line Fishermen's Union

NCFAWU – National Certificated Fishing and Allied Workers Union

STEMCWU – Steel Mining and Commercial Workers Union

Namibia

NAFAU – Namibia Food and Allied Workers Union

NATAWU – Namibia Transport and Allied Workers Union

NASAWU – Namibia Seamen and Allied Workers Union

Fifty four percent (2008: 58%) of the group's employees are members of a union.

Wages and conditions in two sectors are negotiated via industry bodies: in pelagic and lobster through the SA Pelagic Fish Processors Association and in white fish through the Fishing Industry Bargaining Council, Deep Sea and Inshore Trawling. In the squid industry there is a statutory council and Calamari Fishing (Pty) Ltd is an active member of the Employers Organisation for the Cephalopod and Associated Fisheries which is the squid industry employers' association and is involved in this council. In other parts of the group there are negotiations with the relevant union at plant level.

A strike in the squid industry, which commenced prior to the reporting period and lasted eight months, cost the business R4,2 million as a result of lost fishing opportunities, the cost of training replacement labour and reduced catch rates due to lower-skilled labour on the vessels. The dispute arose during industry negotiations and was specifically related to payment terms (basic guaranteed minimum pay demanded instead of commission-based

pay) remaining unresolved. Settlement was achieved following the agreement of a minimum daily rate per fishing day, implemented across the industry.

In addition, a strike lasting 35 working days took place at the City Deep cold store in Johannesburg. The strike occurred following a dispute arising during the site-based annual wage negotiation process with FAWU. The company's settlement offer of 8% tabled prior to the start of the strike was finally accepted by the union and the strike ended. There was no cost to the business as workers were unpaid whilst on strike, replacement labour was paid at the same rate and business was uninterrupted.

Annual wage negotiations were completed in all other divisions successfully and again there was no strike action, despite the prevailing economic climate. This reconfirms the positive working relationships that are in place with the trade unions that are involved in the group.

Employee forums are in place at both unionised and non-unionised sites in order to facilitate consultation and communication, and there remains ongoing focus in the area of employee communication.

Comprehensive discipline and grievance procedures are in place in the group which are in line with the requirements of the Code of Good Practice: Dismissal (Schedule 8, Labour Relations Act 66 of 1995). The procedures are communicated to employees on joining, and ongoing education and training programmes take place at various levels in the structure and with shop stewards.

HUMAN CAPITAL DEVELOPMENT

The central training and development team, reporting to the group HR manager, continues to implement the group's Training and Development Policy. This policy supports the philosophy of encouraging the learning, growth and development of all employees and ensures a uniform and fair approach to the management of training and development.

The leadership academy, launched just prior to the start of the reporting period, is fully operational. Programmes are available for managers at senior and junior levels run by reputable local institutions. The first leadership management development programme was completed with a 100% success rate (16 Grade D delegates from across all divisions in the group completed this programme). In addition, the senior management development programme, sponsored by the FoodBev SETA, was in progress at the end of the reporting period. Three senior managers in the group are participating. Seventeen delegates at the junior management level will complete the emerging leaders programme. The manufacturing academy will be the next academy launch.

A continuing focus on the development of all employees across the group continues. A total of 55% of non-bargaining unit employees completed a personal development plan during the period under review. This process allows development needs to be identified and action plans agreed upon.



Workshops for new employees were held to introduce those appointed after 15 January 2007 to the opportunity of taking up shares in Oceana Group through the Khula Trust.



In line with the Skills Development Act 1999, workplace skills plans and implementation reports are submitted each year to the relevant Sectoral Education and Training Authority (SETA). The workplace skills plans are developed to ensure that both the strategic needs of the business and the personal development needs of all employees are incorporated and implementation planned and budgeted for during the year.

TRAINING EXPENDITURE

	2009 Rm	2008 Rm
All employees	5,1	4,4
Black employees	4,0	3,7

An average of 1,8% (2008: 1,8%) of the leviable amount of payroll was spent on training. This was in addition to the 1% payroll levy paid to the relevant SETAs. A target of 3% of the leviable amount of payroll is in place in line with the B-BBEE legislation. A further R0,7 million was spent on administrative costs incurred by the group in facilitating and managing the training function.

The group is committed to the development of all employees. Expenditure was incurred on a number of specific projects (detailed as follows) and for specific interventions related to divisional strategy and personal training needs arising during performance appraisals and personal development plan discussions.

EXPENDITURE ON ABET, SUPERVISORY, LEADERSHIP AND OTHER TRAINING

	2009 Rm	2008 Rm
Adult basic education and training (ABET)	–	0,2
Leadership and supervisory training	1,2	0,2
Health and safety	0,6	0,3
Technical	1,0	1,6
Diversity/Equity	0,3	0,1
Other	2,0	2,0
Total	5,1	4,4

Performance and talent management

Two of the group's four divisions have completed the review of their role profiles. The project plan is in place to complete the rest of the group by mid 2010. A separate exercise to review job grades continued during the year. The performance management guidelines require that all non-bargaining unit employees have an individual performance agreement (IPA) in place. In 2009, 69% of non-bargaining unit employees had an IPA.

Succession planning is completed through the development of a group talent pool with separate divisional talent pools. This allows focused development to fast-track the identified employees. The remuneration and nomination committee reviews the group succession plan on an annual basis.

Retention of key employees continued to receive significant focus during the period under review, particularly in the engineering and technical disciplines which are critical to the optimal functioning of factories and vessels. Appropriate retention mechanisms are considered on an ongoing basis.

In addition, in order to ensure a supply of engineers into the technical skills pipeline of the business, a graduate recruitment campaign was completed targeting tertiary institutions mainly in the Western Cape. Three graduates commenced employment in 2009 and two graduates in non-technical disciplines also joined the group.

During 2009, a campaign targeting engineers, supply chain and finance was repeated with an intake of six graduates in total to commence in January 2010. A bursary recruitment campaign was also implemented and five bursaries granted (one engineering, two food technology, one finance and one marketing).

Employment equity

All operations in South Africa comply with the Employment Equity (EE) Act 1998 and Employment Equity Regulations of 1996, and submit reports each year to the Department of Labour. Suitable employee communication channels are in place to serve the requirements of both the EE Act and the Skills Development Act 1999.

The group's Employment Equity Policy reaffirms the commitment to equal opportunities and all initiatives relating to affirmative action and the achievement of employment equity.



In partnership with the University of Stellenbosch, Oceana ran its first leadership development programme.

SUSTAINABILITY REPORT continued

EQUITY PROFILE (SOUTH AFRICAN DIVISIONS)

	Target 2012			2009			2008			2001		
	Female	Black ¹ female	Black	Female	Black female	Black	Female	Black female	Black	Female	Black female	Black
Executive	25%	13%	20%	25%	13%	13%	25%	13%	13%	NOT REPORTED SEPARATELY		17%
Senior management	25%	20%	32%	18%	4%	21%	19%	4%	19%			16%
Middle management	52%	35%	64%	21%	10%	50%	20%	8%	47%			35%
Supervisory	52%	38%	84%	25%	16%	79%	21%	15%	78%			66%
Clerical and other staff	60%	60%	99%	45%	44%	99%	45%	44%	99%			98%
Disabled	0,8%			0,2%			0,2%			Not reported		
Total staff	48%	47%	95%	40%	37%	92%	41%	38%	92%			98%

1 Employment Equity Act 55 of 1998

'black people' is a generic term which means Africans, Coloureds and Indians

EMPLOYMENT OPPORTUNITIES – 2009

Of the 102 positions graded A-C¹ 87% was filled with candidates from the designated groups² (2008: 265 positions, 96% designated candidates).

Of the 16 positions graded D-F¹ 44% was filled with candidates from the designated groups² (2008: 13 positions, 38% designated candidates).

1 Paterson grading system: grade D-F: executive, senior and middle managers, grade A-C: supervisory, clerical and other employees

2 Employment Equity Act 55 of 1998

'designated groups' means black people, women and people with disabilities

Applicants from the designated groups are targeted to maximise all employment opportunities arising from new ventures and natural attrition.

As required by the amendments to the employment equity regulations (2006) the group's current employment equity profile by occupational level at 31 August 2009 is as follows:

WORKFORCE – OCCUPATIONAL LEVELS – SOUTH AFRICAN OPERATIONS ONLY

(Including employees with disabilities)

Occupational levels	Designated				W	Designated				Foreign Nationals		Total
	Male					Female				Male	Female	
	A	C	I			A	C	I	W			
Top management	0	0	0	6	0	1	0	0	0	1	8	
Senior management	1	1	3	19	0	1	0	3	0	1	29	
Professionally qualified and experienced specialists and mid-management	1	42	4	45	1	9	2	12	1	1	118	
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	19	117	14	27	6	31	3	15	0	2	234	
Semi-skilled and discretionary decision making	235	273	9	2	35	175	7	14	1	0	751	
Unskilled and defined decision making	268	103	0	0	87	189	0	0	1	0	748	
Total permanent	524	536	30	99	229	406	12	44	3	5	1 888	
Non-permanent employees	203	123	5	8	30	62	5	1	38	0	475	
Grand total	727	659	35	107	259	468	17	45	41	5	2 363	

EMPLOYEES WITH DISABILITIES ONLY

Occupational levels ¹	Designated					Designated				Foreign Nationals		Total
	Male					Female				Male	Female	
	A	C	I	W		A	C	I	W			
Top management	0	0	0	0	0	0	0	0	0	0	0	0
Senior management	0	0	0	1	0	0	0	0	0	0	0	1
Professionally qualified and experienced specialists and mid-management	0	0	0	1	0	0	0	0	0	0	0	1
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	0	1	0	0	1	0	0	0	0	0	0	2
Semi-skilled and discretionary decision making	2	0	0	0	0	0	0	1	0	0	0	3
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0	0	0	0
Total permanent	2	1	0	2	1	0	0	1	0	0	0	7
Non-permanent employees	0	0	0	0	0	0	0	0	0	0	0	0
Grand total	2	1	0	2	1	0	0	1	0	0	0	7

1 A – Africans; C – Coloureds; I – Indians; W – Whites

A founding sponsor of TSiBA since its inception in 2005, Oceana celebrated the graduation this year of the first intake of students who achieved their Bachelor of Administration degrees.

