



2014/2015 Integrated Annual Report

PSA 
The Union Of Choice

Contents

<i>From the Chairperson</i>		<i>Education Labour Relations Council</i>	11
	4	<i>Draft Collective Agreement: Transfer of serving educators in terms of operational requirements</i>	11
<i>Service delivery</i>		<i>Draft Collective Agreement: Integrated Quality Management System</i>	11
	6	<i>Public Health and Social Development Sectoral Bargaining Council</i>	12
<i>PSA Management</i>	6	<i>Constitutional amendments</i>	12
<i>Board of Directors</i>	6	<i>Averaging of Working Hours draft Agreement</i>	12
<i>PSA Board Committees</i>	6	<i>Collective Agreements</i>	12
<i>Members representing Structures</i>	6	<i>National Chamber for Health and Social Development</i>	12
<i>Assistance to members: Members' rights</i>	6	National Department of Health	12
		National Department of Social Development	13
<i>Collective bargaining</i>	8	<i>General Public Service Sectoral Bargaining Council</i>	14
<i>Independent Labour Caucus</i>	8	<i>Compensation for official duties performed during meal intervals</i>	14
<i>Public Service Bargaining Councils</i>	8	<i>Draft Special Leave Agreement for Sector: Inputs requested</i>	14
<i>Public Service Coordinating Bargaining Council</i>	8	<i>Agreement on Recognition of Improved Qualifications in the Public Service</i>	14
<i>Wage negotiations 2015/2016</i>	8	<i>Amended Organisational Rights Agreement (GPSSBC Resolution 1/2013)</i>	14
<i>Salary adjustment</i>	8	<i>NATIONAL DEPARTMENTS (Bargaining Chambers of the GPSSBC)</i>	14
<i>Medical assistance</i>	9	Department of Home Affairs	15
<i>Government Employees Housing Scheme</i>	9	Department of Transport	16
<i>Employer declares dispute</i>	9	Sport and Recreation South Africa	16
<i>Dispute resolution process</i>	9	Department of Justice and Constitutional Development and National Prosecuting Authority	17
<i>Outstanding issues from PSCBC Resolution 1/2012</i>	10		
<i>Danger Allowance</i>	10		



Department of Science and Technology	17	National Health Laboratory Service	37
Department of Economic Development	17	Pan South African Language Board	37
Government Printing Works	18		
Department of Mineral Resources	18		
National Treasury	18	<i>Group Branch</i>	
Government Technical Advisory Centre	19	<i>Public Service Pensioners</i>	38
Government Pensions Administration Agency	19		
National Department of Tourism	19	Members and recruitment	38
Department of Higher Education and Training	20		
Department of Arts and Culture	20	Liaison	38
Department of Rural Development and Land Reform	21		
Department of Water and Sanitation	21	Meetings of Management and Committees	38
Independent Police Investigative Directorate	23		
Department of Environmental Affairs	24	Annual General Meeting	38
Department of Labour	25		
Office of the Presidency	26	<i>Provincial</i>	
Cooperative Governance and Traditional Affairs	26	<i>service-delivery overview</i>	39
Department of Traditional Affairs	27		
Office of the Public Service Commission	27	Eastern Cape	39
National Department of Public Works	27	Free State	39
Department of Communications	28	Gauteng	41
Department of Performance Monitoring and Evaluation	28	KwaZulu-Natal	42
Department of Stats South Africa	29	Limpopo	43
Department of Trade and Industry	29	Mpumalanga	44
Department of Basic Education	29	Northern Cape	44
Public Administration Leadership Management and Academy	30	North West	46
Department of Energy	30	Western Cape	47
Department of Human Settlements	31		
South African Defence Force and Military Veterans	32	<i>Communication with members</i>	47
Department of Public Enterprises	32		
Department of Correctional Services	32	<i>Fringe benefits</i>	48
Department of Agriculture, Fisheries and Forestry	33		
Further Education and Training Colleges	34		
South African Police Service	34		
<i>PARASTATALS</i>	34		
		<i>Membership</i>	50
South African Weather Service	34		
National Library of South Africa	35	<i>Recruitment and retention of members</i>	50
State Information Technology Agency	35		
South African Social Security Agency	35	<i>Provincial overview</i>	52
Public Protector South Africa	36		
South African Revenue Service	36	Eastern Cape	52
		Free State	52



Gauteng	52
KwaZulu-Natal	52
Limpopo	52
Mpumalanga	52
Northern Cape	52
North West	53
Western Cape	53

Empowerment of structures

54

Eastern Cape	54
Free State	54
Gauteng	54
KwaZulu-Natal	56
Limpopo	56
Mpumalanga	57
Northern Cape	57
North West	57
Western Cape	57

Social responsibility

58

National projects

School jerseys	58
Early Childhood Development Centres	58
No Student Hungry	60
Mandela Day	60
School library	61
Fencing of school premises	61
Stiglingh Memorial Bursary	61
School uniform competition	61
One-day food garden training	61
Christmas hampers	61
Hearing aid	61

Provincial interventions

Eastern Cape	62
Free State	62
Gauteng	62
KwaZulu-Natal	62
Limpopo	62
Mpumalanga	62
Northern Cape	62
North West	62
Western Cape	63

PSA employment profile

64

Environmental footprint

66

Social and ethical conduct

68

Financial governance and performance highlights

70

Annual financial statements

73



From the Chairperson

The Public Servants Association of South Africa (PSA), as the largest, politically non-affiliated, fully-representative Union in the Public Service, has over decades established itself as a South African institution deserving of the respect it enjoys in the labour market as a result of continued and consistent professional conduct. This Report, covering the period **1 April 2014 to 31 March 2015**, supports this statement by means of relevant statistics covering all areas of the Union's operations.

The PSA has all the elements required from a stable and successful organisation to provide the hundreds of thousands of members, who depend on it, with the assurance that their cause is in good hands.

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The Union has an extensive infrastructure, consisting of PSA Provincial Offices across the country that offer support to an extensive network of member structures. The vast majority of these structures

are functioning effectively, thus further ensuring members of the best service. The PSA also undertook various interventions to support the empowerment of its member structures as reflected in this Report.

The success of the Union's services to members during the report period is underlined by statistics confirming that, amongst others, the PSA also secured an amount of almost R35 million through settlements, awards and court orders in favour of individual members.

The Report furthermore provides ample evidence of the PSA's collective bargaining interventions, where its expertise and commitment have made a huge contribution towards progressive collective bargaining outcomes.

The Union regards communication with members as a crucial function in support of all operational areas. During the report period various interventions took place to ensure the enhancement of these services and to address the evolving needs of members.

Various fringe benefits are offered to members in addition to the Union's service to members in line with its core business of protecting and promoting their rights and interests in the workplace. The PSA also offers a range of national and provincial fringe benefits to members in the form of group or other products at discounted rates to place them in a better bargaining position than the general public.

The PSA has a close relationship with its business partners at a provincial level, where they are also actively involved in many PSA activities, including joint social responsibility initiatives. During the report period new national fringe benefits were negotiated with existing and new business partners to enhance the offering to members.

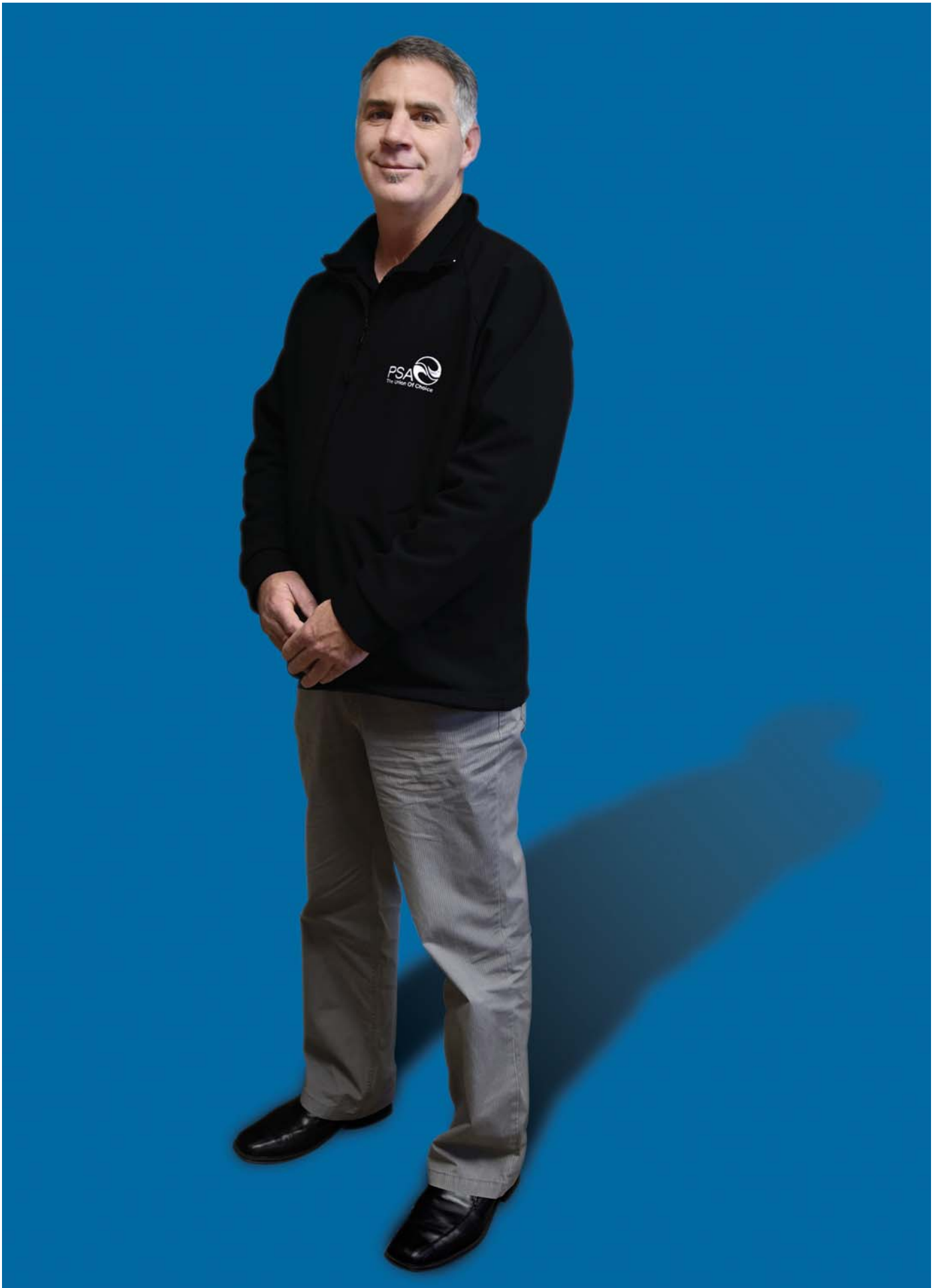
The PSA continued during the report period to invest in communities by means of various social responsibility interventions. The contributions may have been humble in nature, but it is trusted that the impact will be of a lasting memory of a Union that cares.

As far as internal matters are concerned, the PSA remains committed to and is working aggressively towards a transformed workplace as is reflected in this Report.

In the final instance, the fact that the PSA's external auditors have, once again, issued an unqualified audit opinion regarding the financial affairs of the PSA for the year ending 31 March 2015, confirms the financial viability of the Union and underlines the view that the PSA will be a going concern in the foreseeable future and is in a strong position to render members the best possible service.

Pierré Snyman
CHAIRPERSON





Service delivery

PSA Management

Board of Directors

The PSA's Board of Directors, in the absence of the General Assembly in session, acts as its representative and extension and is responsible for the control and management of the PSA's business.

During the period under review, the following members served on the PSA's Board of Directors:

Dr Vuyo Dyantyi (President)

Mr Ronny Maepa (Vice-President)

Mr Pierré Snyman (Chairperson)

Ms Annetjie Rencken (Vice-Chairperson)

Ms Onicah Lefifi (Director)

Mr Ben Jacobs (Director)

Mr Rob Moody (Director)

Mr Ashley McAnda (Director)

Ms Friedah Masinga (Director)

Mr Sboniso Ndlovu (Director)

Mr Danny Adonis is the General Manager and acts as Secretary of the PSA.

PSA Board Committees

The following members serve on the different Board Committees of the PSA:

Audit and Risk Committee

Mr Rob Moody (Elected as Chairperson on 30 October 2013; Committee member on 24 October 2012)

Mr Pierré Snyman (Elected on 25 August 2010)

Ms Onicah Lefifi (Elected on 24 October 2012)

Mr Ronny Maepa (Elected on 30 October 2013)

Cell Captive

Mr Ashley McAnda (Elected as Chairperson on 30 October 2013; Committee member on 24 October 2012)

Ms Annetjie Rencken (Elected on 25 August 2010)

Mr Sboniso Ndlovu (Elected on 30 October 2013)

REMCO

Ms Annetjie Rencken (Elected as Chairperson on 28 November 2013; Committee member on 26 October 2011)

Mr Ben Jacobs (Elected on 26 October 2011)

Mr Rob Moody (Elected on 24 October 2012)

Ms Friedah Masinga (Elected on 30 October 2013)

Members representing Structures

Mr Eugene Louw (Elected on 17 September 2012 for a period of four years)

Mr Chris Krüger (Elected on 16 September 2013 for a period of four years)

Mr Donald Charlies (Elected on 16 September 2013 for a period of four years)

Ms Lebo Buti (Elected on 15 September 2014 for a period of four years)

Assistance to members: Members' rights

The PSA, as representative Union of more than 228 000 public servants and employees of parastatal institutions, engages in labour relations and assistance to members as primary activities. The PSA's labour relations staff members service members with the appreciated assistance of full-time shop stewards, full-time office bearers and shop stewards.

The following statistics provide a holistic picture of the PSA's assistance to members for the period 1 April 2014 to 31 March 2015. The PSA also ensured a total amount of R34 864 951 in favour of members through settlements, awards and court orders.





A total of R7 530 053.36 (unaudited amount) was spent by the PSA on legal representation for members. This is over and above matters attended to by staff. The successes achieved were, amongst others, in relation to promotions, reinstatements, performance management development system disputes, and injury on duty payments.

The information below reflects the PSA's activities, for the report period, on behalf of members.

Conciliations	1 412
Arbitrations	1 553
Disciplinary hearings/appeals	2 622
Grievances	4 557
Monetary value of awards or/ settlements in favour of the PSA	R34 864 951.85
Legal costs (unaudited amount)	R7 530 053.36
Other meetings attended	1 477
<i>Informus</i>	24 editions were published, providing examples of cases where the PSA stepped in for members.

The success of the services rendered to members is ascribed to the efforts of dedicated staff, full-time shop stewards, full-time office bearers and shop stewards, who went the extra mile on behalf of members.

Last but not least, the PSA shared core values such as honesty, integrity, respect, and transparency, forming the foundation of operations and these values underpin every aspect of the Union's responsibilities and objectives.

Collective bargaining

Collective bargaining on behalf of members represents one of the core functions of the Union. In support of progressive collective bargaining the PSA, apart from participation in the various bargaining structures, is also an active participant in joint labour initiatives.

Independent Labour Caucus

The PSA, as founding member of the Independent Labour Caucus (ILC), has since 2007 continued to actively contribute as a member of this politically non-aligned body.

The ILC aims to foster cooperation on matters for collective bargaining amongst like-minded trade unions and jointly represented 42% of unionised public servants during the report period.

Parties to the ILC, other than the PSA, are the National Professional Teachers' Organisation of South Africa (Naptosa), the National Public Service and Allied Workers Union (NPSWU), the Health and Other Service Personnel Trade Union of South Africa (Hospersa), the Professional Educators Union (PEU), the *Suid-Afrikaanse Onderwysersunie* (SAOU), the South African Police Union (Sapu), the National Union for Public Service and Allied Workers (Nupsaw), the United National Public Servants Association of South Africa (Unipsa), and the National Teachers Union (Natu).

Public Service Bargaining Councils

The PSA represents members within the scope of the Public Service Coordinating Bargaining Council (PSCBC) and the four Sectoral Bargaining Councils, namely the Education Labour Relations Council (ELRC), Public Health and Social Development Sectoral Bargaining Council (PHSDSBC), General Public Service Sectoral Bargaining Council (GPSSBC), and the Safety and Security Sectoral Bargaining Council (SSSBC). The most important events in these Councils during the period under review are covered in this Report.

Public Service Coordinating Bargaining Council (PSCBC)

Wage negotiations 2015/2016

Labour tabled its wage demands in the PSCBC in September 2014 with a view to start the negotiation process and to finalise this by mid-December 2014. Further meetings of the PSCBC took place during the last week of January 2015. The ILC, of which the PSA is a party, was ready to proceed with wage negotiations. The PSA, in this regard, pointed out that as the annual Budget Speech was taking place towards the end of February 2015, parties should have concluded on salary negotiations to enable Government to make sufficient provision for the annual wage increase of public servants. The other parties were, however, not in a position to proceed to discuss the time table for wage negotiations.

The PSA indicated in the PSCBC that it was very concerned about the slow pace of negotiations and the effect it would have on Government's budgeting processes and the speedy implementation of the envisaged agreement.

Parties returned to the table with a number of special meetings of the PSCBC taking place in March 2015. After vigorous negotiation in the PSCBC, the employer tabled an amended offer on 25 March 2015. The details of that offer are, in short, the following:

Salary adjustment

For the first year: CPI + 1%, for the second year: CPI + 0.5%, and for the third year: CPI + 0.5%.



CPI was on a downward curve and was standing at 4.8%, which implied that the employer's offer for the first year amounted to 5.8% (4.8% + 1%). The employer was still fixed at a position of a multi-term arrangement and its offer in respect of the second and third years remained unchanged from the previous meeting. Clause 4.1 of its previous offer in respect of Family Responsibility Leave, which increased from two days to five days for parents with children with severe special needs, also remained unchanged. The introduction of three working days' paternal leave also remained in the amended Agreement.

Medical assistance

The employer amended its position in respect of its contribution to the Government Employees Medical Scheme (Gems) in line with labour's demand, which was an increase of 28.5% (medical inflation). The new offer in respect of serving employees, who are members of Gems, was consequently the following:

- Medical assistance for in-service employees on Gems is retained on the current dispensation of 75% of the employee's total contribution, subject to a monthly subsidy cap of R925 per principal member and the first dependent and R565 per each individual dependent; and a maximum subsidy of R3 545.
- The adjustment of the medical subsidy for in-service employees on Gems would be implemented for March 2012 to March 2014, based on the aggregate inflation of the respective years effective from January 2015.
- In respect of the medical subsidy, the employer was not willing to equalise the current medical-aid subsidy for open schemes with Gems.
- The employer only agreed to equalise medical assistance for all former employees. The main concern of labour was the proposal of the employer to limit all former employees to one dependent, which labour rejected. This concern remained and was not addressed to our satisfaction. We will continue to engage the employer on this matter during the conciliation process.

Government Employees Housing Scheme

The latest offer from the employer can be summarised as follows:

- The existing Housing Allowance would from 1 July 2015 be adjusted to R1 100 (up R200 from the allowance currently paid) per month for salary levels 1 to 10.
- The last-mentioned increase would now be across-the-board, which implied that the allowance was increased for all employees currently receiving the housing allowance.
- The employer's previous standpoint that the allowance would only be paid for the next ten years (until 31 March 2025) and only to Government Employees Housing Scheme-enrolled employees where after it would be discontinued, fell away. The allowance would consequently no longer be discontinued after the ten-year period.

- Public Service employees on total-cost-to-employer (MMS and SMS), would not be eligible to receive the allowance.

- The employer acceded to one of labour's demands in that all eligible employees, irrespective of their marital status, would each be entitled to receive the housing allowance.

“As labour indicated that we remained with our consolidated demands as tabled in the PSCBC and as the employer moved to what it considered a significantly-amended position, parties were at an impasse.”

Other significant amendments to the employer's last offer, which were communicated to members in various editions the *Informus* of the PSCBC, are the following:

- Employees, who are eligible to receive the housing allowance but who do not own a house, would have R900 of the housing allowance diverted into and accumulated in an individual-linked saving facility.
- Employees residing on communal land with valid permission to occupy would be deemed to be homeowners.

As labour indicated that we remained with our consolidated demands as previously tabled in the PSCBC and as the employer moved to what it considered a significantly-amended position, parties were at an impasse.

Employer declares dispute

The employer, to break the apparent impasse in the negotiation process, invoked a voluntary mediation process, which implied that an independent mediator would be appointed by the PSCBC to attempt to find an amicable way forward in the wage negotiation process and to break the deadlock. Council then resumed on 27 March 2015 to discuss the way forward. Unfortunately, agreement could not be reached on the mediation process and the employer subsequently invoked clause 16.6 of the Constitution of the PSCBC.

In terms of the provisions of clause 16.6 of the Constitution, if parties do not conclude a Resolution of Council during a period of 21 days from the tabling of the proposal, and the matter is not settled, any party (including the employer), may refer the matter for conciliation in terms of Council's dispute resolution procedures.

Dispute resolution process

The matter is to be set down for conciliation by the PSCBC. Parties have 30 days to attempt to resolve the dispute.



Parties may, however, agree to an extension of that period and may even during the conciliation process embark on a process of mediation. Once the 30 days have expired, or in the event of the conciliator issuing a certificate that the dispute remains unresolved, the matter will be dealt with further in terms of the Council's dispute resolution processes. If, in terms of the PSCBC's dispute resolution processes, the matter is not resolved during the conciliation process, parties (labour and/or the employer) may exercise their rights in terms of the *Labour Relations Act*.

In terms of the *Act*, section 64 is the applicable clause in this instance, which implied that the next step for labour to resolve the matter was to embark on industrial action. The employer filed the necessary documents with the PSCBC. The dates of 10, 14 and 15 April 2015 were set down by the PSCBC for conciliation. Subsequent developments will be reported in the next report period.

Outstanding issues from PSCBC Resolution 1/2012

The issue relating to the Government Employees Housing Scheme was initially an issue that was outstanding from PSCBC Resolution 1/2012. This particular outstanding matter was now, however, included in the wage negotiation process as discussed above. Discussions on all other outstanding issues were put on hold pending the finalisation of the wage negotiation process.

These are briefly discussed below:

Danger Allowance

Labour tabled demands in respect of the categories of employees, who should be included in the payment of the Danger Allowance. The proposals of the employer in relation to the Danger Allowance were "two pronged". In this regard, two draft Agreements were tabled. One Agreement made provision for the Review of Annexure A of 1/ 2007, and the other related to a new Danger Allowance Dispensation.

In essence, the employer indicated that most of the categories of employees, as identified by labour, did not qualify for the payment of the Danger Allowance. The employer, however, agreed to include the categories of Social Auxiliary Workers in Child and Youth Care Centres as well as Mine Health and Safety Inspectors in the payment of the Danger Allowance.

The employer reconfirmed its earlier position that there were certain categories of employees, who were receiving the Danger Allowance, whilst their work circumstances did not justify this. An example related to "centre-based" and "non-centre based" Correctional Officers and Artisans at prisons. The employer was of the view that only centre-based employees should continue to receive the Danger Allowance.

Labour previously indicated that it was of the view that the employer had not yet applied its mind properly to the identification of additional categories to be included in the payment of the Danger Allowance. We were of the opinion that all the identified categories of employees, as tabled by the PSA, should qualify for the payment of the Allowance.

The PSA even made the proposal that the relevant Sectors should, as part of the review process, deal with the identification of further categories of employees with a view to include them in the payment of the Allowance. The employer, however, responded by rejecting without any reasonable explanation the valid demands tabled by labour.

The employer also indicated that employees, who were executing duties of a dangerous nature, already received sufficient remuneration for the circumstances as their jobs were evaluated on the basis of a job description (JD) and the JD already made provision for the execution of these dangerous functions. The employer was therefore not willing to include any further categories in Annexure A of 1/2007.

Unfortunately, parties that represent the majority of employees in the Public Service did not support the PSA in its attempts to convince the employer to include further categories in the payment of the Allowance and also its position that all employees, who received the Allowance, should continue to receive it. As parties representing the majority actually supported the employer in its last proposals as set out above, further negotiations on this matter would not take place and the Agreements were circulated to parties for signature.

The PSA is not opposed to negotiating a new Danger Dispensation that intends to more holistically deal with employees, who are exposed to dangerous work, but the PSA does not agree that the further identification of categories should wait until such a process is completed. Although the PSA in Council indicated that it does not support the employer with its proposals, the PSA is a mandate-driven organisation and has to approach members for a mandate on whether or not the PSA should also accept the proposals and sign the relevant Agreements. Members were consequently requested through an *Informus* to provide a mandate on whether or not the PSA should sign the relevant Agreements relating to the Danger Allowance. No significant response was received from members. The issue was still outstanding by the end of the report period. Developments will be reported in the next report period.

In respect of the Minimum Service Level Agreement, no amicable solution was found to the impasse between labour and the employer on the manner in which the matter should be dealt with further.

The other outstanding matters concerning the Review of the PMDS and the Review of PSCBC Resolution 3/2009 were also not concluded and were still outstanding by the end of the report period. As mentioned above, the process of discussing outstanding matters from PSCBC Resolution 1/2012 was overtaken by the wage negotiation process and the urgency to finalise this process.

Parties will return to the negotiation of the outstanding issues once the wage dispute has been resolved and agreement has been reached. Developments will be reported in the next report period.



Education Labour Relations Council (ELRC)

Draft Collective Agreement: Transfer of serving educators in terms of operational requirements

This draft Agreement was tabled in the ELRC for discussion. The purpose of the draft Agreement was to amend measures regarding the transfer of serving educators owing to operational requirements.

The following operational requirements were identified by parties, which would apply in this regard:

- Change in the learner enrolment;
- Curriculum changes or a change in learners' involvement in the curriculum;
- Change to the grading or classification of an institution;
- Merging or closing of institutions; and
- Financial constraints.

The employer indicated that a transfer could also take place as a result of the introduction of a new staff establishment (of the relevant school), which might provide for fewer posts than the existing staff establishment, or in cases where the skills requirements of the new establishment might not match the profiles of the incumbent educators. Under these circumstances, the principal must inform the staff of the institutions of the new educator post establishment and the procedure, which would be followed in the identification of educators, who could not be accommodated on the new establishment.

The process of identifying affected employees was set out in the draft Agreement and included a consultation process with the staff of the relevant institution by the principal of that institution. Procedures as set out in clauses 6 and 8 of the *Employment of Educators Act of 1998* had to be followed. These clauses provided for the transfer of educators to other posts in the Department, which matched the educator's skills and experience. The employer could only transfer an educator permanently to a particular school on the recommendation of the governing body of such a school.

Parties agreed to subject the draft Agreement to bilateral meetings for further discussion. Developments will be reported in the next report period.

Draft Collective Agreement: Integrated Quality Management System

An Agreement was reached in the ELRC (Resolution 8/2003) to integrate the existing programs on quality management in education. The existing programs were the Developmental Appraisal System (DAS) that came into being on 28 July 1998 (Resolution 4/1998), the Performance Measurement System that was agreed to on 10 April 2003 (Resolution 1/2003), and Whole-School Evaluation (WSE Policy, 26 July 2001).

The three quality management programs were integrated to constitute the Integrated Quality Management System (IQMS), signed as ELRC Collective Agreement 8/2003.

The Minister was required to determine performance standards for educators in terms of which their performance was to be evaluated. The IQMS had been in place since 2003, but was only implemented in schools from 2005.

Despite all the measures put in place to strengthen its implementation, schools continued to experience challenges, resulting in the Teacher Development Summit being convened from 29 June to 2 July 2009, to identify and address, amongst others, factors responsible for its poor implementation.

The Summit agreed on, amongst others, the following:

- That a clear, coherent policy and regulatory environment be designed for both teacher appraisal and teacher development, which teachers and other role-players can easily understand and with which they can readily engage;
- That teacher appraisal for purposes of development be de-linked from appraisal for purposes of remuneration and salary progression; and
- That IQMS be streamlined and re-branded.

The Quality Management System (QMS) is a performance management system for school-based educators, designed to evaluate the performance levels of individuals to achieve high levels of school performance. It is critical in assessing the extent to which educators are performing in line with their job descriptions in order to improve levels of accountability in our schools.

The QMS incorporates the following:

- Measuring the performance of educators in line with their respective roles and responsibilities.



- Providing a basis for decisions on rewards, incentives and other salary-related benefits for the current year.
- Providing a basis for decisions on mechanisms to recognise good performance and address under-performance.
- Consideration of the relevant contextual factors in conducting assessments.

The QMS for educators is a system designed to evaluate the performance levels of individuals to achieve high levels of school performance.

It would also provide mechanism for assessing educators, taking into account the context within which educators operate. Annual appraisals aimed at assessing whether the educator's performance complied with the required performance standards would be done. The matter was still under discussion by the end of the report period. Developments will be reported in the next report period.

Public Health and Social Development Sectoral Bargaining Council (PHSDSBC)

Constitutional amendments

A workshop was held on the proposed Constitutional changes and the draft amendments were finalised and submitted to Council for negotiations. Negotiations commenced on 23 May 2013. Negotiations on the amendments were referred to the dispute Resolution Committee, where it was agreed that an expert be approached for assistance in finalising all the amendments.

The services of Bowman and Gilfillan were secured and a draft Constitution was tabled at the Collective Bargaining Committee meeting to iron out all the issues in dispute. Parties could, however, not agree to raise the threshold from 10 000 to 30 000 for admittance to Council. The employer and some of the other parties relied on a previous agreement whereby 66% of the parties appended signatures to the Agreement. The PSA, however, based on its participation in the ILC, changed its position and withdrew from that particular Agreement in writing. There was consequently no longer the 66% required support for the amendment in the threshold for admittance to the Council.

The General Secretary of the Council tabled a revised document during the report period with a view to conclude on this matter. The parties at Council, after long deliberations, agreed that the threshold would remain at 10 000 for admittance to Council.

The Constitution of Council would be tabled at a meeting of the Council to adopt the amendments. Developments will be reported in the next report period.

Averaging of Working Hours draft Agreement

The employer tabled a draft Agreement relating to Working Hours for Health Personnel.

The purpose of this draft was to give effect to clause 9.3 and 9.5 of PSCBC Resolution 1/2007, read in conjunction with the Public Service Regulations B (Part VI, Chapter 1). The mentioned Chapter of the Regulations gives the Head of the Department the authority to determine the work week and daily hours for its employees, taking into account the needs of the public and within the context of the relevant Department's service-delivery imperatives.

Labour was, however, not in favour of the proposed draft Agreement and requested the employer to reconsider its draft.

The employer was to report back at the next Council meeting and developments will be reported during the next report period.

Collective Agreements

Parties to Council agreed to review a number of Collective Agreements in the PHSDSBC. Three Administrative Collective Agreements were subsequently concluded in the PHSDSBC and parties were prioritising existing Agreements to ensure that they were in line with developments in the Sector.

Parties concluded a Collective Agreement relating to the recognition of Improved Qualifications (PHSDSBC Resolution 1/2014). Workshops were held in all Provinces to ensure consistency in the application of the Agreement.

Parties also concluded a Levy Increase Agreement in the Sector with a view to ensure that Council was with the levy contributions able to maintain the functions of collective bargaining, dispute resolution, dispute prevention and the operations of the PHSDSBC. The total levy contribution is R10 (i.e. R5 per party). The PSA did not support the Agreement as it was of the view that circumstances did not necessitate the quantum of the increase.

This Agreement will be reviewed ten years after the date of signing of this Agreement and come into effect 1 April 2015.

National Chamber for Health and Social Development (Chamber of the PHSDSBC)

National Department of Health

Special leave

The employer introduced a leave policy for consultation, which included amendments to the existing special leave provisions. The PSA pointed out to the employer that special leave was a matter for negotiation. Parties therefore agreed that the existing Departmental Collective Agreement of 2004 would remain in place until it was replaced by a new agreement.

Members were provided with an opportunity to submit inputs on the revised proposal from the employer that would form the basis for any further negotiations. At the close of the report period, the process had not been concluded. Developments will be reported during the next report period.



Dress Code Policy

The employer introduced a policy with the purpose to help define appropriate office wear to ensure that the appearance and grooming of employees during working hours were neat, appropriate and professional and reflected the ethos and image of the Department.

Labour indicated that elevating this document to the status of a policy was not acceptable and requested the employer to retain it as a mere code, which would serve as a guideline or framework to managers and employees and remove the threat of disciplinary action in the case of a transgression. Labour was also concerned that the application thereof would be subjective. What one manager might consider to be smart, for example, might not be to another manager.

The employer then introduced a slightly amended policy based on the inputs from labour. Labour again rejected the document and indicated that it would not obtain a mandate to adopt this document as a policy, especially with the inherent risk of possible disciplinary action. The employer noted labour's position and at the end of the report period the matter was not concluded with the final position from the employer still being awaited. Developments will be reported during the next report period.

Security Uniform Policy

This issue deals with the provision of uniform clothing for security personnel to ensure that they portray a good corporate image and are identifiable. PSCBC Resolution 3/1999 determines that if an employee's work requires that she or he wears a uniform or particular clothing, the employer shall provide either the uniform or clothing or an allowance that covers the reasonable actual cost.

Labour informed the employer that the feedback from affected members was that the items, quantities, timeframe for replacement and even the procurement process provided for in the policy were not sufficient and warranted further engagement. At the end of the report period the matter was not concluded and a revised policy and the final position from the employer was being awaited. Developments will be reported during the next report period.

Resettlement Policy

The PSA informed the employer that this was a matter for negotiation, rather than mere consultation, within the framework as provided for by PSCBC Resolution 3/1999.

Labour presented some initial inputs on issues such as the cut-off distance for an employee to qualify for reimbursement of relocation costs, which should be 50 km and not 100 km, and transfer fees when an employee bought a new house on relocation.

The PSA is of the opinion that there are other expenses such as mortgage costs, attorney fees and inspection and certification fees involved when buying a house that the employer should also take into consideration.

At the end of the report period, negotiations on the document had not been finalised. Developments will be reported during the next report period.

“The PSA did not support the Agreement as it was of the view that circumstances did not necessitate the quantum of the increase.”

National Department of Social Development

Administrative Support Model

As part of the restructuring process the employer identified challenges around efficient administrative support provided to Senior Management Service (SMS) posts. The crux of the matter was that there were SMS members, who had secretaries plus additional administrative support posts such as administration clerks, administration officers and/or financial assistants in their units, whereas there were other managers, who did not have any administrative support posts at all.

The employer determined a fair allocation of support staff to the various SMS positions and then introduced a proposal for a process of migrating the surplus employees to other directorates to ensure an equal distribution. Labour was consulted on the proposal and presented inputs. Allocations were then made to all directorates and the affected employees made their choices. Those employees, who were unable to make choices, were migrated in terms of the migration principles as consulted with labour in the Chamber (DBC).

The matter was retained on the agenda of the DBC for updating purposes and to allow us to engage the employer on any challenges that might arise once implementation took place. Developments will be reported during the next report period.

Performance Management and Development System (PMDS) Policy

The employer introduced a revised policy for consultation during the report period. Labour was consulted extensively and presented numerous inputs. Members were also kept informed throughout the process of the proposed changes and eventually requested to provide a mandate for adoption. A limited response was received but those members, who responded, supported adoption.

The information was submitted to the PSA Chairperson to provide the final mandate as per the revised PSA mandating process but at the end of the report period the mandate was still outstanding and the adoption process could therefore not be concluded. Developments will be reported during the next report period.



General Public Service Sectoral Bargaining Council (GPSSBC)

Compensation for official duties performed during meal intervals

The PSA tabled this matter for discussion in Council. In terms of the provisions of clause 9.4 of the PSCBC Resolution 1/2007, compensation for employees, who are based on the nature of their work required to remain on duty during their meal intervals shall, where required, be determined in the respective Sectoral Bargaining Councils.

The PSA since sponsored a draft proposal after it received inputs from its members, which were considered and consolidated. The negotiations in the Council commenced and by the end of the report period the employer was yet to respond to the draft proposal tabled. Developments will be reported during the next report period.

Draft Special Leave Agreement for Sector: Inputs requested

The PSA raised a concern about the inconsistent provision of special leave by some Public Service departments. As a result of this situation, the PSA demanded that the employer should table an agreement for discussion in the Council, which would regulate special leave in the Sector. After discussion, a draft proposal was tabled in the Council.

The draft Special Leave Agreement seeks to regulate the following categories of leave: Examination, Study, Sport, Resettlement, Rehabilitation, Natural Disaster, Life Endangerment, Compliance with Legislation, Interviews in the Public Service, and Trips outside the RSA borders.

Members' inputs requested on the new draft proposal were received and incorporated. Negotiations commenced in Council with the view to conclude an agreement, which would at that time be presented to members for their mandates in terms of the PSA mandating processes.

The employer in Council indicated that it was still obtaining a mandate with a view to respond to the draft agreement that was tabled by the PSA. Developments will be reported during the next report period.

Agreement on Recognition of Improved Qualifications in the Public Service

In terms of the provisions of clause 7 of PSCBC Resolution 1/2012, the Sectors must define the improved qualifications, which are relevant to their respective areas of work, and determine the conditions or criteria applicable for the recognition of such improved qualifications.

The employer, during a Special Council meeting on 5 August 2013, tabled a draft Agreement on the Recognition of Improved Qualifications in the Sector. Following lengthy negotiations, members were on 20 March 2014 requested to submit mandates on whether or not to accept the draft Agreement.

The majority of the mandates received from members was to accept the draft Agreement, but with minor amendments. The employer subsequently accommodated our proposals raised by members and the process to conclude an Agreement unfolded, which was signed on 19 August 2014. The matter was therefore concluded.

Amended Organisational Rights Agreement (GPSSBC Resolution 1/2013)

GPSSBC Resolution 1/2013, relating to Organisational Rights, was signed in the GPSSBC in 2013 to ensure uniformity and consistency in departments in the Sector. Subsequent to the signing and implementation of the Agreement, concerns were, however, received from members relating to the Agreement which, amongst others, included:

- The definition of a workplace; and
- The limited number of shop stewards that a union would be entitled to elect in a relevant workplace.

Labour and employer were subsequently in discussion with a view to amend the Resolution to accommodate labour's concerns.

Parties agreed to amend the definition of workplace contained in clause 2.12 of the Resolution. The proposed definition, in the PSA's view, now addresses the concern as workplace now means the "place or places where the employees of an employer work. If an employer carries or conducts two or more operations that are independent of one another by reason of the size, function or organisation, the place or places where employees work in connection with each independent operation, constitutes the workplace for that operation."

Clause 8.1.4 (the Agreement can be obtained from the PSA's website) on the election of shop stewards was also improved as the formula for electing the number of shop stewards was improved. Independent small offices will also now be able to elect a sufficient number of shop stewards.

A positive mandate to sign the draft Agreement was obtained and it was signed on 7 July 2014. The matter was therefore concluded.

National Departments (Bargaining Chambers of the GPSSBC)

In accordance with the Constitution of the GPSSBC, Chambers are supposed to meet at least four times a year. Most of the Chambers consequently chose to meet on a quarterly basis, except in instances where additional urgent meetings took place.

On average, almost half of the activities in all Chambers related to the review of existing human resource policies and related policies on matters that can be construed as of mutual interest such as subsistence and travel. In general, the approach to what can be considered a fair and reasonable consultation process remained a challenge.



Discussions, however, took place regularly in Chambers (DBC) regarding matters that affected members' interests. The more important issues dealt with in Chambers of the GPSSBC are the following, as listed by Department:

Department of Home Affairs (DHA)

Modernisation of DHA

The matter was introduced in January 2014 when the Director-General (DG) informed labour that the DHA would embark on the modernisation project with the view to improve service delivery. The DG also informed labour that the intended purpose of the exercise was to move from a manual application system to an automated system or paperless environment. Labour was given the assurance that there would be no job losses but that there would be "job enrichment" and also a "re-skilling" of employees.

At the DBC meeting in July 2014, the employer made a presentation on the development of the modernisation project and indicated that the Department had appointed a company to assist it with Visa applications.

The PSA raised a concern that there had been developments on the matter but that labour was not even informed of those developments in spite of an agreement that parties would meet on a monthly basis regarding this matter. The PSA also raised a concern that during the special Chamber meeting on 11 March 2014, the DG made a commitment that as soon as the HR Plan was finalised it would be tabled at the Chamber to allow parties to engage meaningfully. The PSA also raised a concern with regard to a bulletin published by the DG, indicating that there would be a placement process and that the affected officials had already been consulted whilst labour was left in the dark.

The employer noted the concerns raised by the PSA and indicated that the affected officials would not be deployed elsewhere and that secondment would be done only on a voluntary basis. The employer invited labour to form part of the change management meeting held every Thursday where the issue of modernisation was discussed.

Labour noted and appreciated the invite from the employer and further indicated that the change management meeting should not replace the Chamber as the recognised structure in dealing with the matter. Developments will be reported in the next report period.

Failure to award 1.5%-pay progression increases and performance bonuses for 2010/2011-financial year

The matter relates to a failure by the Department to award pay progression and performance bonuses for the 2010/2011-financial year to qualifying employees. The employer failed to provide the PSA with a detailed report containing the name list of employees, who were paid and those who were not paid the 1.5%-pay progression. The PSA referred the matter to its legal representatives to take it forward in terms of section 77(3) of the *Basic Conditions of Employment Act (BCEA)*, as was advised as per a legal opinion. The PSA subsequently, through its legal representatives, filed its Statement of Claim to the Department in November 2014.

At the special DBC meeting on 6 February 2015, the employer reported that the DG had approved the payment of outstanding pay progression for 2010/2011. The employer also reported that the payment for those qualifying employees commenced in December 2014 and another "pay run" was made in January 2015.

The employer also reported that there were a number of the employees, who qualified and who had not been paid owing to different challenges which the Department was still addressing. Some of these challenges were, for example, the employees who had been promoted and those who had resigned as well as those who did not submit evidence during the same period.

The PSA noted the report and again requested the employer to provide a detailed report containing the name list of those employees, who were paid and those who were not paid and the reasons provided in this regard. The employer undertook to provide labour with a report, as requested. Developments will be reported during the next report period.

Proposed amendments to Operational Hour Arrangements for Civic Services and Front Line Desk Offices

In September 2014, the employer tabled a proposed amendment of new opening and closing hours for the Department (Operational Hour Arrangement). The employer indicated that the office hours were 07:00 to 17:00, and that with the amendment it would be from 07:30 to 16:30 (one hour less per day). Offices would open 30 minutes later and would close 30 minutes earlier for the public.

The employer also indicated that with the new opening and closing hours, employees would still work a 40-hour work week spread over six days, which would mean that the new work week would be from Monday to Saturday. A "two-shifts system" would also be required to ensure the successful implementation of the new opening and closing hours. Employees would alternate between the two shifts with regard to Saturdays.



Labour was then given an opportunity to consult with its members and to provide inputs to the employer by 31 October 2014. The PSA provided its inputs to the employer on 3 November 2014.

At the Special DBC meeting on 11 November 2014, the employer informed labour that the matter had been put on hold pending the finalisation of the discussions between the DG and the leadership of both the PSA and Nehawu. During that meeting the PSA indicated that it had received additional inputs from its members, which they intended to discuss with the employer. The employer, however, indicated that it was not in the position to discuss this matter at the DBC until the discussions between the DG and the leadership of the PSA and Nehawu were completed.

A further meeting between the DG and the PSA management was convened on 27 January 2015. Following the said meeting, a special DBC was convened on 6 February 2015, where the employer again presented the proposed amendments and informed labour that it intended to implement the proposed amendments on the operational hour arrangements of the Department with effect from 1 March 2015.

A special DBC meeting was consequently held on 28 February 2015. At that meeting, the employer indicated that it did not accede to the PSA's inputs that the working hours be contained in a collective agreement as the proposed amendments to operational working hours did not, in its view, vary the terms and conditions of employment of its employees. The employer also indicated that it regarded the issues raised by the PSA as allegations. The PSA emphasised its concern that the employer in its proposal wanted to formalise and include Saturday as a normal working day and that would mean employees would be expected to work six days a week and only rest on Sundays without any compensation or any form of incentive. The employer was reluctant to respond to our concern about its proposed six days a week but indicated that Saturday had been regarded as a normal working day in the DHA since 2006. The employer could, however, not explain the two "off days" employees currently had in a week.

The PSA's maintained its view that the proposed amendment to operational working hours constituted a material change to terms and conditions of employment of employees. The PSA subsequently reserved its rights. The PSA sought a legal opinion to explore the available remedies, including strike action by members. The employer then issued a circular, indicating that the Department had taken a decision to implement the proposed opening and closing hours for Civic Services Offices with effect from 23 March 2015.

The PSA, as part of the process to resolve the issue, also invoked clause 17.1 of the GPSSBC Governance Rules for Chambers wherein the Secretary of the Council was to intervene through the process of mediation in an attempt to resolve the matter amicably and to prevent any dispute that might arise between the PSA and the DHA. The Council made several attempts to convene the mediation process, but the employer failed to respond to the requests.

The PSA was therefore left with no other option but to declare a dispute in terms of section 64(1) of the *LRA*. Should the parties fail to resolve the dispute, PSA members might embark on a protected strike action.

The matter was set down for conciliation on 19 March 2015. Developments will be reported in the next report period.

Department of Transport

Although the PSA was not representing the majority of employees in the Department of Transport during the report period, it was very active and took a lead on a number of issues.

Employment Equity

The employer acknowledged in the DBC that the Employment Equity Plan had expired and that the Department did not have a new Plan in place. It was subsequently agreed that all vacant positions would be filled by the best candidate until the new Employment Equity Plan had been consulted and was ready for implementation. At the beginning of 2015, the employer indicated to labour that the Department of Labour was in agreement with the new Employment Equity Plan and that it was also adopted by the Employment Equity Forum.

Filling of vacancies

During the report period the employer reported that it had a vacancy rate of over 23%. Labour and the employer engaged on strategic methods and procedures to find solutions to reduce the time it took to fill vacant positions and bring the vacancy rate down to 10% as prescribed by the DPSA.

Sport and Recreation South Africa

Matters affecting the interests of members were discussed on a regular basis during meetings.

Restructuring

A burning issue that affected members during the report period was the process of restructuring, which the employer undertook during the past three financial years. This process was still underway and the Department again consulted with the DPSA regarding its final position. National Treasury was also consulted during this process to ensure that additional funding was sourced and allocated when the new structure was approved and signed off by all stakeholders. To increase the staff establishment to fit the new structure would mean that almost 150 new posts would have to be created.

National Treasury was, however, not prepared to provide the employer with additional funding and therefore all the additional posts had to be financed from the current budget and from any savings that could be generated. This implied that the process to implement the new structure was placed on hold until additional funding could be sourced or enough savings could be generated.



Performance Management Development System (PMDS)

During the report period the PSA also raised a concern with the DG regarding the outstanding PMDS payments from the previous financial years. The employer made commitments in the DBC to effect payments and the PSA can report that those commitments were honoured and that members received their outstanding payments.

Department of Justice and Constitutional Development (DOJ) and National Prosecuting Authority (NPA)

Transfer of staff from former Directorate of Special Operations (DSO) from National Prosecuting Authority to South African Police Service (SAPS)

It was previously reported that the transfer of members from the DSO to SAPS had taken place and that outstanding monies had been paid to members. It was, however, realised that five PSA members had indeed been transferred and paid in accordance with the agreement but that they had been prejudiced because they elected to transfer to SAPS before the NPA could pay out their PMDS notch progression. This irregularity was taken up with the SAPS and discussions took place. The SAPS agreed with the PSA's proposal to pay the five members what was due to them and requested permission from the National Commissioner. Early in 2015, the SAPS informed the PSA that the National Commissioner agreed and signed the Memorandum that would effect the necessary changes. By the end of the report period, members were waiting for the adjustments to the respective salary notches to be paid. Developments will be reported in the next report period.

Rationalisation of High Courts

The NPA approached the PSA to take part in a consultation session relating to the rationalisation of High Courts. Two new High Courts that were being built would become operational during the new financial year and the implications were that other DPP offices would lose work and would therefore be overstaffed. The employer aimed to relocate excess staff to the new offices. The PSA demanded that the employer should undertake a work-study exercise at all affected offices to determine the structure required before any staff members were relocated. The employer conceded to the demand of the PSA. The employer, however, made an offer to any staff member in affected DPP offices to relocate to any vacant position throughout the country, with the undertaking that the employer would carry the cost of the transfer. A task team consisting of the employer, labour and office personnel was also established to deal with the rationalisation process and subsequent consultation sessions. This process was set to continue early in April 2015. Developments will be reported in the next report period.

Misutilisation of employees

The Department of Justice over the years outsourced certain job functions but still kept the employees, who used to do the work. Such employees were, however, given new tasks to perform.

This resulted in the employer abusing the members as they were being remunerated on lower salary levels but were performing the same functions as Clerks but not remunerated the same as Clerks.

The employer reported that it had investigated the matter and that it found the PSA's allegations to be true. This process needed to be corrected and the employer submitted a memorandum to the DG for approval. The matter, however, had tremendous financial implications and the employer needed to find funding from its current budget for implementation. Developments will be reported during the next report period.

“The employer made commitments in the DBC to effect payments and the PSA can report that those commitments were honoured and members received their outstanding payments.”

Department of Science and Technology

Relocation of staff

The employer indicated that there was a need to relocate certain staff members as the existing building had reached its capacity. Consultations had taken place with affected members, who needed to relocate to a new building. In essence, relocated employees would still work in the same vicinity as the current building seeing that the new building was opposite the entrance of the existing building. The employer was only waiting for the Department of Public Works to finalise the renovations to the building before staff could move into the new building. It was envisaged that staff would be able to move into the new building as soon as possible after the start of the new financial year. Developments will be reported in the next report period.

Department of Economic Development

The DBC met for the first time in June 2014, dealing with issues that affected employees in the Department and following a dispute between the employer and Nehawu as a majority party, which resulted in the DBC not being able to function during the 2013/2014-financial year.

In the said meeting the employer presented the approved departmental structure, which contained a total number of 166 positions on its post establishment of which 109 posts were filled on a permanent basis, 25 posts were filled on a contract basis and 32 posts were not filled. Labour raised a concern with regard to the 25 posts, which were filled on a contract basis, and demanded that all employees, who were appointed on contract and had been with the Department for more than 12 months, be appointed on a full-time basis in the approved, funded posts. Developments will be reported in the next report period.



Government Printing Works (GPW)

Several DBC and task team meetings took place during the report period. The most important issues that were discussed are highlighted below.

E-gazette and Publication

It was previously reported that the employer informed labour that the Department intended to introduce an electronic system called “E-gazette” as an additional service to improve service delivery in the GPW. The employer also reported that the objective of the E-gazette was to ensure that the GPW had a quality product, that it produced Gazettes on time, and that it ensured the most economic process for the State and its citizens. The employer further reported that the E-gazette would have an impact on three sections, namely Publication, Advertising and Origination. The employer gave an assurance to labour that no employees would lose their jobs as a result of the E-gazette.

During the 2014/2015-financial year, a number of task teams and special DBC meetings were held where parties dealt with the matter sufficiently. In January 2014 a Placement Committee was established where employees were placed accordingly. Following the placement process, individual members were issued with letters confirming their placement. No deployment or relocation took place as a result of the placement process.

Contract workers

The PSA tabled the matter at the DBC and raised a concern with regard to the number of employees, who had been appointed on contract for a period of between six and ten years, while the Department had 210 available, funded, vacant posts on its structure. As a result, a task team under the auspices of the DBC was established to look at the matter.

Following a number of task team meetings in 2014, the employer acceded to the PSA’s demand to absorb all contract employees from level 1 to 8 with four years’ service and above by 31 March 2014 with an effective date of 1 April 2014. A total number of 38 employees, who were appointed on contract basis, were absorbed permanently.

Department of Mineral Resources (DMR)

OSD for Environmentalists

Several DBC meetings took place during the report period. The most important issues that were discussed during this period included the implementation of an OSD for Environmentalists in the Department at the request of the PSA. Numerous consultations took place with a view to conclude on the matter and the process was by the end of the report period still ongoing.

The PSA, amongst others, suggested that a task team consisting of representatives from labour and the employer be established to oversee the exercise. The PSA continued to demand that the employer should implement Resolution 8/2009 (OSD for Environmentalists) for all qualifying employees in the Department.

However, owing to the employer’s delaying tactics in this matter, the PSA had no other option but to declare a dispute with the employer on the implementation and application of the said Resolution.

The employer, in the meantime, approached the DPSA for advice and the way forward as it was of the view that the DMR Environmental Officers were not eligible to participate in the OSD and should therefore not be included in the OSD process. A response from the DPSA was being awaited. Developments will be reported in the next report period.

Compliance with PSCBC Resolution 1/2012 (Upgrade of SR 9/10 and SR 11/12)

The employer reported that adjustments had been made for everyone, who qualified for the upgrading, except those employees at the Branch: Mineral Policy and Promotion. Some positions in this Branch needed to be re-evaluated to ensure that they were on the correct levels. The employer, however, also indicated that the re-evaluation process had to be put on hold pending the finalisation of the restructuring process the employer was embarking on. Developments will be reported in the next report period.

Agreement on Recognition of Improved Qualifications in the Public Service: GPSSBC Resolution 5/2015

The PSA tabled this item to enable the DBC to monitor compliance with the Resolution, which amongst others, would be to ensure that the Department complied with the following:

- Defined the qualifications, which were relevant and related to the Department’s respective areas of work, and which the Department intended to recognise.
- Consulted relevant, identified qualifications with labour at the DBC.

The employer reported that the Department had commenced with the process to identify the relevant qualifications and labour would be consulted when that process was finalised. Further developments will be reported in the next report period.

National Treasury (NT)

The following issues were placed on the agenda of the DBC for discussions and were not finalised by the end of the report period:

Departmental Structure Review

The employer was developing a revised “top structure” for the Department. The employer made a presentation on the proposed draft structure of all the divisions that would be restructured.

The employer indicated at the last meeting of the DBC held during the report period that the process had been completed and employees had been placed on the new structure.



The PSA responded that the employer had excluded the PSA in the processes of conducting a skills audit, the matching and placing of positions and the finalisation of the micro structure of the Office of the Chief Procurement Officer. Furthermore, it was indicated to the employer that no employee could be placed against a new structure as it was still a proposed structure, which was not approved yet. The PSA demanded that the employer should immediately place a hold on the implementation of the processes as due consultation had not taken place. The PSA also insisted that proper consultation should take place in the DBC to enable it to protect the rights and interests of members. The employer indicated that it was of the view that there might have been a miscommunication. The employer would, however, come back to the table with the proper position on this matter. The employer indicated that no employee would be retrenched as it was envisaged that the structure would contain additional posts.

Most of the restructuring processes were concluded. All employees were retained owing to the additional posts that were created on the structure. The consultation process was, however, by the end of the report period still ongoing. Developments will be reported during the next report period.

Government Technical Advisory Centre (GTAC)

The GTAC was approved and will be an entity on its own separate from the National Treasury. The employer reported that the GTAC would officially commence with its business on 1 April 2014. The employer indicated that the Technical Assistance Unit (TAU) and the Public Private Partnership (PPP) Unit would initially be part of GTAC, with other intended Units to follow.

During Phase 1 of the operationalisation of the GTAC the functions of the TAU and Public Private Partnership (PPP) Units had moved into the GTAC. Employees of the National Treasury would be given the opportunity to be seconded to GTAC. Employees choosing not to be seconded would be accommodated elsewhere in National Treasury.

According to the employer, consultation with affected employees pointed to acceptance and willingness to be transferred to GTAC once the structure had been approved. Letters had been drafted to employees. The employer was by the end of the report period in the process of transferring affected members to GTAC and letters of acceptance had been issued to affected employees for them to indicate their choice of whether they accepted the offer of transfer or not. The employees had until 31 May 2015 to indicate their choice in this matter. Developments will be reported in the next report period.

Agreement on Recognition of Improved Qualifications in the Public Service: GPSSBC Resolution 5/2015

The PSA tabled this item to enable the DBC to monitor compliance with the Resolution. The employer reported that the Department had commenced with the process to identify the relevant qualifications and labour would be consulted when that process was finalised. Further developments will be reported in the next report period.

Compliance with PSCBC Resolution 1/2012: Upgrade of SR 9/10 and SR 11/12

The employer reported that the Department had complied with the Resolution by upgrading deserving employees. Compliance was further confirmed by the PSA Chairperson.

Government Pensions Administration Agency (GPAA)

Agreement on Recognition of Improved Qualifications in the Public Service: GPSSBC Resolution 5/2015

The PSA tabled this item to enable the DBC to monitor compliance with the Resolution. The employer reported that the Department had commenced with the process to identify the relevant qualifications and labour would be consulted when that process was finalised. Further developments will be reported in the next report period.



National Department of Tourism

Restructuring

The most important issue that was dealt with in the DBC during the report period was the process of restructuring. The employer gave the assurance that no dismissals were contemplated during the process. During the consultation process the employer, however, commenced with the process of matching and placing without fully consulting with labour.

The intervention of the Council was subsequently sought by the PSA to amicably resolve the matter. The employer insisted that it had meaningfully consulted with labour in terms of the DPSA prescripts on restructuring.

The PSA indicated its dissatisfaction with the manner in which the employer handled the matter. It was subsequently resolved that the process would be monitored and any discrepancies would be taken up with the employer and also brought to the attention of the Council.

The matter was indeed monitored by labour and no discrepancies were reported to labour or the employer during the report period. This matter was subsequently regarded as resolved.



Agreement on Recognition of Improved Qualifications in the Public Service: GPSSBC Resolution 5/2015

The PSA tabled this item to enable the DBC to monitor compliance with the Resolution. The employer reported that the Department had started the process to identify the relevant qualifications and labour would be consulted when that process was finalised. Further developments will be reported in the next report period.

Compliance with PSCBC Resolution 1/2012: Upgrade of SR 9/10 and SR 11/12

The employer reported that the Department had complied with the Resolution by upgrading deserving employees. Compliance was confirmed by the PSA Chairperson.

Department of Higher Education and Training (DHET)

Relocation process

The employer reported that it was in the process of relocating to the Ndinaye Building owing to a lack of capacity and parking challenges at 123 Schoeman Street. The following units had already relocated:

- Three units were relocated to Ndinaye Building, namely National Skill Fund, Human Resource Development Council of South Africa and Special Projects;
- The Department of Public Works approved the request for additional accommodation at Ndinaye Building;
- The addendum to the existing lease agreement was signed on 12 February 2015 and would run concurrently with the existing lease, which would expire on 31 July 2017;
- The total rentable area that was secured was 7 774 m² with an additional 140 parking bays;
- The additional space was secured for the National Examinations and Assessment Chief Directorate and additional personnel.

The lease agreement would be effective from 1 March 2015, however, the landlord still had to finalise a few things before the lease agreement was signed off. The function shift process had resulted in the demand for an additional 242 personnel at the Head Office and storage space for over 38 000 personnel files, which would require around 2 900 m² of floor space. The employer was in the process of employing those additional 242 personnel at Head Office. It would arrange a meeting with the National Examinations and Assessment Chief Directorate to engage on the matter. The employer was also planning to convene the Relocation Committee meeting to work on the issue of spacing and labour would be invited to the meeting.

The following units would be accommodated at Ndinaye Building until additional accommodation was secured:

- Human Resource Management and Administration – Personnel Registry and 20 Registry staff and would occupy First floor, North Wing;
- Chief Financial Officer: Finance Files and would also occupy First floor, North Wing;
- National Examinations and Assessment, which indicated that 108 additional AET examinations would join the Department and would occupy the full wing plus an additional wing on another floor;
- The remaining space on the Sixth floor, North Wing would accommodate the Legal Services, Human Resource Development and Supply Chain Management Chief Directorates.

The employer indicated that the National Examinations and Assessment Chief Directorate had been provisionally allocated the full wing (Second floor, South Central and North Wing), which would cater for the Printing and Archives. The employer also indicated that the Relocation Committee would identify the allocation of more space for the said Chief Directorate. Developments will be reported in the next report period.

Agreement on Recognition of Improved Qualifications in the Public Service: GPSSBC Resolution 5/2015

The PSA tabled this item to enable the DBC to monitor compliance with the Resolution. The employer reported that the Department had started the process to identify the relevant qualifications and labour would be consulted when that process was finalised. Further developments will be reported in the next report period.

Compliance with PSCBC Resolution 1/2012: Upgrade of SR 9/10 and SR 11/12

The employer reported that the Department had complied with the Resolution by upgrading deserving employees. Compliance was confirmed by the PSA Chairperson.

Department of Arts and Culture (DAC)

The Department consulted with labour in the DBC and held workshops on a number of policies that were to be adopted. In spite of a report received from the DPSA, the Department attempted to consult with labour on special leave to draft and adopt a policy. The PSA, as the majority union, prevented the employer from doing so and requested a meeting with the Secretaries of both the GPSSBC and the PSCBC to advise the employer on the contents of PSCBC Resolution 5/2001. This Resolution states that special leave should be negotiated at the relevant Sectoral Councils.



The PSA consequently argued that the DBC had no *locus standi* to consult or even negotiate on the issue of special leave as it was a Sectoral Council matter.

A further meeting was held between the PSA and senior management of the DPSA during which it was agreed that the DPSA would draft a framework document on special leave, which would be discussed and agreed upon in the GPSSBC. The GPSSBC would then furnish the various Bargaining Chambers with the Framework Agreement after which Bargaining Chambers would be able to negotiate Special Leave Agreements. The matter was still under discussion between parties by the end of the period under review.

Relocation of Department

The Department sourced new premises as the existing building was dilapidated. A task team established by the DG inspected the premises and was satisfied that the needs of the Department would be accommodated. Based on the fact that the lease contract was renewed with the landlord, the relocation of the Department was delayed. The employer indicated that the Office of the DG was busy engaging the Office of the DG of Public Works to decide on a way forward. The process was consequently put on hold until further notice. Developments will be reported in the next report period.

Collective Agreement on Working Hours and Overtime

During the previous report period it was indicated that there were two Collective Agreements agreed upon and signed by parties during that period, namely the Agreement on Remunerated Overtime and the Agreement on Official Working Hours. These Agreements were then forwarded to Council for ratification but by the end of the report period the matter was still not finalised. The Council did not ratify the Agreements and indicated that policies on these matters needed to be compiled rather than Collective Agreements. The PSA did not agree with this viewpoint and the matter was by the end of the report period still ongoing. Developments will be reported during the next report period.

Department of Rural Development and Land Reform

Project Vulindlela

Project Vulindlela refers to the project that the employer launched around the digitisation or automation of the processes, records and documents dealt with by the Deeds and Surveyor-General offices. The processes deal with issues such as changes in ownership of property, maintaining a public land register, determining the extent and ownership of land parcels, maintaining boundaries and providing access to spatial and geospatial information relating to a land parcel such as minerals and servitudes.

Although structures were initially established to facilitate regular consultation with labour on progress and developments, these soon became dormant. Labour expressed frustration with the lack of information and feedback on progress and requested to at least be updated via the DBC. Engagement on this project was for the moment therefore dealt with mainly via the DBC.

From the outset the employer assured labour that there would be no job losses or retrenchments but clearly acknowledged that the change in work procedures would impact on employees. Job descriptions would

have to be aligned with the new requirements of the job. Employees would have to be retrained to handle new methods and procedures. The changes in job descriptions would impact on performance agreements, key performance areas and performance indicators.

Up to this point in time the project team and the employer were not yet in a position to indicate which occupational categories would be specifically impacted by the process and how.

The feedback thus far confirmed that the Project was still far from ready to deal with the “people” impact but the item was retained on the agenda to ensure that labour was positioned to deal with it once that point was reached. Developments will be reported during the next report period.

Employee Performance Management and Development System (EPMDS) Policy

The employer introduced a revised policy for consultation during the report period. Labour was consulted extensively and presented numerous inputs. Members were informed of the most important proposed changes and the implications thereof and were requested to provide a mandate for adoption. By the end of the report period the mandating process had not been concluded. Developments will be reported during the next report period.

Department of Water and Sanitation (former Department of Water Affairs)

National Macro Organisation of State (NMOS) 2014

As normally happens after elections, a new Cabinet was announced on 25 May 2014. Part of this process could involve the transfer of functions between departments to give effect to Government’s mandate on service delivery and this could, in turn, lead to changes to the configuration of departments and even the formation of new departments. Labour was duly informed in this DBC that in terms of NMOS, the sanitation services located in the Branch: National Sanitation Programme in the Department of Human Settlements (DOHS), and which span over all Provinces, were effectively transferred to Water Affairs.

“The PSA, as the majority union, prevented the employer from doing so and requested a meeting with the Secretaries of both the GPSSBC and the PSCBC to advise the employer on the contents of PSCBC Resolution 5/2001.”



This resulted in the Department of Water Affairs being replaced by a new Department called the Department of Water and Sanitation (DWS). A project team was established to deal with the process. Even though most of the engagement around this process took place in the DBC for the DOHS, labour was kept informed of developments in this Chamber as well. By the end of the report period labour was informed that the process had been concluded and that affected employees had been successfully transferred onto the establishment of the Department. The matter was subsequently removed from the agenda.

Departmental Structure Review

The employer had commenced with the implementation of the new approved structure for the Department of Water Affairs, following compliance with a number of processes that stretched over a couple of years.

As part of the implementation process the employer then commenced with Change and Communication Management road shows in April 2014 to consult with the various Branches and employees affected by the workforce transition on actual placement and labour was invited to participate in these road shows. However, the road shows were put on hold when it was overtaken by the NMOS process reported on above, and the proclamation concerning the name change of the Department to Water and Sanitation (DWS).

The approved structure for the DWA should stop to exist and employees should be issued with letters notifying them of their transfer to the DWS. The employer, however, indicated that the DWS technically did not have an approved structure yet. It was also not impossible that the new Minister might want to change the structure again. A submission was presented to the new Minister for the DWS in January 2015 on how to deal with this issue and a decision or response was being awaited. The matter remained on the agenda for updating and feedback. Developments will be reported during the next report period.

Catchment Management Agencies (CMAs)

This is part of the ongoing process of institutional reform and realignment in the Department, which also formed part of the overall restructuring process reported on above and which started as far back as May 2011. Labour was informed that the employer was looking at ways to streamline structures and processes related to, amongst others, water services in the Department. It was explained that re-engineering did not necessarily mean doing away with things but rather focusing on how to improve and/or enhance these. One of the proposals entailed incorporating the previously-envisaged 19 Water Management Areas (WMAs) (some of which were already established at the time) into Catchment Management Agencies (CMAs), which would be separate juristic persons and also reducing the number of structures from 19 to nine.

In November 2014 labour was informed that the process had reached the stage where the formal establishment of the various CMAs or the converting of existing WMAs into CMAs had been approved and was being Gazetted.

It was also indicated that the process would affect approximately 400 employees spread over all nine Provinces. These employees would be transferred to the CMAs in accordance with section 197 of the *Labour Relations Act, 1995*. Labour indicated that in terms of section 197 an agreement between the old and the new employer was required to ensure that the transfer process would be binding and enforceable and requested the employer to bring the new employer(s), which would normally be a Chief Executive Officer (CEO), on board.

At the close of the report period the employer informed labour that it was busy appointing acting CEOs. Furthermore, the draft transfer agreement that would guide the transfer process and which would address the rights and obligations of all stakeholders, had been circulated to labour for inputs and comments. Labour circulated this to members for comments and inputs on issues that were of importance to them and which might have been overlooked or not fully and clearly incorporated.

It was envisaged that a special DBC would be arranged in due course to deal with the agreement and to update labour on the progress around the transfer of employees and the way forward. The employer had also indicated its intention to go on road shows together with labour to engage affected employees. Developments will be reported during the next report period.

Occupational-Specific Dispensation (OSD)

Resolutions were signed in the GPSSBC in 2009 to develop unique salary structures, centrally-determined grading structures and job profiles, career-pathing opportunities and pay-progression measures for identified professional and specialist occupations. The Resolutions provided for a phased-in approach consisting of three phases. Phase 3 was finalised in the previous report period.

Just when labour was therefore at the point of removing the issue from the agenda, it became aware that the Resolutions had not yet been implemented for employees appointed in terms of section 76 of the *National Water Act, 1998*, referred to as Construction employees. Labour demanded that the employer should implement the relevant Resolutions and by keeping the item on the agenda had been monitoring progress.

During the report period the employer indicated that apart from the financial challenges presented by retrospective implementation, the main challenge was that the posts in Construction were not fully aligned with the OSD posts in the Public Service and that affected employees also did not in all respects meet the criteria of the OSD Resolutions. This hampered the verification process, which only commenced in 2013, four years after the Resolutions came into effect. Apart from that, the DPSA, as the custodian of the relevant Resolutions, had to be approached to assist with the sign-off on this before any implementation could take place.

The employer indicated during the report period that it had tried to set up appointments with the DPSA, which was then cancelled by the DPSA at the last minute.



By the end of the report period the employer reported that the DPSA had indicated that, according to it, the OSD process was finalised and that it considered the matter closed and was not prepared to assist the employer.

Labour requested clarity on the implication of this for members and the envisaged way forward and the employer indicated that it intended to refer the matter to its legal services for a legal opinion on the interpretation and implementation of the relevant Resolutions. The matter remained on the agenda for updating and a report back on the legal opinion. Developments will be reported during the next report period.

Review of Conditions of Service: Construction Branch

Employees involved in the building of dams and related water-resource infrastructure are appointed in terms of section 76 of the *National Water Act, 1998*, referred to as Construction employees or workers, on either project-based, standard or specialist contracts. Owing to the unique working environment these employees operate in, the relevant section of the *Act* allows for the DG to appoint such employees on provisions outside the *Public Service Act, 1994*, subject to consultation with the DPSA on such conditions of employment.

Construction therefore has its own unique conditions of service and salary structure and measures that are not in all regards aligned with the Public Service prescripts and provisions. Labour requested the employer to consider a review of these conditions of service, as this had not been done since 2001, and the employer subsequently tabled a draft document.

The review process commenced towards the end of the previous report period and continued through this report period with numerous workshops taking place.

At the close of this report period the employer submitted the first final draft document to labour for consultation with members. The document contained a number of issues on which labour and the employer could not reach agreement. The major challenge in this process was the legal opinion referred to under the OSD issue above, which placed Construction employees in the ambit of the GPSSBC and therefore subject to any Resolutions relevant to the Public Service. The employer therefore wanted to align the conditions for Construction to that of the Public Service.

By the end of the report period the matter had therefore not yet been concluded. Developments will be reported during the next report period.

Independent Police Investigative Directorate (IPID)

Implementation of GPSSBC Resolution 5/2014:

Recognition of Improved Qualifications in the Public Service

The relevant Resolution commits the employer to recognise the attainment of improved qualifications, which are related to an employee's scope of work and enhance the employee's performance and the service delivered by the employee, including an employee whose job does not require any qualification to choose a qualification that will offer progression opportunities or career pathing.

The Resolution provides for the employer to define the qualifications, which are relevant and/or related to its respective areas of work, and which it intends to recognise. Following this, the Resolution then further requires the employer to consult such qualifications with labour in the respective Chambers.

The employer indicated that a list had been compiled and presented to the DPSA and that a response was being awaited as well as the DPSA directive based on the Resolution. This list would in due course be introduced to the DBC for consultation with labour.



The PSA nevertheless acted pro-actively by requesting members to provide it with information around any qualifications that they had successfully and fully completed without State funding since 1 January 2013 and which met the relevant criteria so that the PSA could be empowered to deal with this item effectively once the list was introduced. Developments will be reported during the next report period.

Danger Allowance

Paragraph IX of PSCBC Resolution 3/1999 provided for the payment of a standard Danger Allowance to employees who, amongst others, were involved in investigating or preventing a crime. The relevant provision was replaced by Annexure A of PSCBC Resolution 1/2007 and the relevant duties referred to above were no longer included. In terms of the provisions of clause 17 of PSCBC Resolution 1/2012, it was agreed that the PSCBC would conduct a comprehensive review of Annexure A of PSCBC Resolution 1/2007. The aim of the review was to determine which occupational categories should, in fact, receive a Danger Allowance.

Round about this time, the employer introduced a Danger Allowance policy for consultation with labour.



The PSA pointed out to the employer that it was its interpretation that Investigators no longer qualified for the Allowance and requested the employer to urgently engage the DPSA because of the potential audit queries and the risk to members should the payment of a Danger Allowance proved to be *contra* the provisions of PSCBC Resolution 1/2007. The employer withdrew the policy and indicated that it would consult with the DPSA.

The PSA, however, got the impression that the employer was avoiding dealing with this matter when it was unofficially informed that the employer was continuing the payment of the Allowance. Therefore, when the DPSA requested information and inputs from departments to deal with the review process, the PSA considered it prudent to introduce an agenda item to determine whether the employer was aware of and participating in the process and to exert pressure on it to do so.

The employer confirmed that it was participating and had submitted the information or motivation required by the DPSA together with a request that Investigators be included in the revised list. It then transpired that in terms of the PSCBC process, two draft agreements were put on the table to deal with this issue. The first agreement dealt with replacing the previous list of categories with a new list. Investigators were excluded from this list and the DPSA, in actual fact, already informed various employers, including the IPID, of overpayments with regard to Danger Allowances. The issue of the inclusion of further categories would, in terms of a second agreement, be deferred to a further process to be finalised within six months from the date of signing of the agreement.

The possibility therefore still remained that Investigators could eventually qualify for a Danger Allowance and by retaining the item on the agenda the PSA aimed to continue to exert pressure on the employer to actively pursue this matter. Developments will be reported during the next report period.

Department of Environmental Affairs

Sea-Going Allowance

Emanating from a long struggle to juggle the requirements of the *Basic Conditions of Employment Act, 1997*, with regard to the limitation on overtime work with the unique circumstances of employees, who undertake research, monitoring, control and surveillance expeditions at sea, the employer entered into a collective agreement in 2009 with Nehawu as the majority union, for the payment of a flat-rate Sea-going Allowance to all such employees. PSA members did not provide a mandate to sign.

The Allowance was intended to be inclusive of overtime payment, night shift and standby allowances. The agreement contained a clause that indicated that it would be terminated on the signing of an OSD for the Marine and Coastal Branch (since renamed to Oceans and Coast). The agreement therefore effectively lapsed with the signing of GPSSBC Resolution 3/2009.

When the Finance Section of the Department picked this up, payments were supposed to be terminated. However, the employer took an “interim” decision to continue with the payment of the Allowance. The employer and Nehawu, as the majority union, discussed the possibility of “amending” the existing agreement rather than reviewing it totally but no proposals were introduced.

The PSA, on the other hand, raised its concern that without an unambiguous agreement replacing the lapsed agreement, members were at risk of receiving payments, which could later be considered by the auditors to be irregular or unauthorised expenditure that had to be paid back.

Based on the continuous pressure exerted by the PSA, the employer approached the DPSA for assistance. The DPSA raised a substantial number of questions and requests for further information and also instructed the Department to collaborate with other Departments performing functions in the same environment, such as the Department of Agriculture, Forestry and Fisheries (DAFF) and Public Works.

The submission of the required information to the DPSA was finalised in the previous report period already. During this period, the employer continuously reported that the matter was still with the Minister of Public Service and Administration (MPSA) to approve the reinstatement of the Allowance since allowances fell within the sole jurisdiction of the MPSA. The matter was therefore not concluded. Developments will be reported during the next report period.

Conversion of Contracts: Working for Water employees

Employees involved in the Working for Water programme were transferred from the Department of Water Affairs to the DEA in 2011. They had traditionally always been appointed on fixed-term contracts, which were regularly extended or renewed. It was this continual renewal process that had sensitised the employer to the fact that there was a permanent need for the functions that these employees were performing, which justified the creation of posts on the establishment.

Members were therefore informed in April 2013 already of the employer’s intention to convert the employment status of these contract employees to permanent and the various options that were being considered as possible approaches in dealing with the matter. The PSA all along indicated to the employer that a reasonable timeframe for the conversion was crucial to allow affected employees to deal with the in-pocket financial position of such employees when the 37% in lieu of benefits cash component was replaced by the actual benefits.

At the last DBC meeting of 2013, labour was informed that the DG had approved the envisaged approach and that 231 affected contract employees would be converted to permanent but the employer could not confirm any implementation date or timeframe for the conversion and undertook to revert to labour. Labour was therefore caught by surprise when a circular was issued by the employer in January 2014 confirming the implementation date as 1 April 2014.



Labour expressed its dissatisfaction with the bad faith displayed by the employer in this regard and indicated that although its members were not opposed to the conversion *per se*, this had all along been subject to the undertaking that the employer would be prepared to consider a reasonable timeframe for implementation and that 1 April 2014 was therefore not acceptable. The employer, in turn, rejected labour's position and challenged it based on the fact that the majority of employees had indicated during the consultation process that they were in favour of conversion to permanent as soon as possible.

Labour was also cautioned that this "window of opportunity" was at risk owing to budget constraints. Furthermore, the delay in finalising the matter was prejudicing those employees, who had indicated that they were ready to convert immediately. Labour was therefore given a final opportunity to consult with its members to obtain a clear indication or position on whether the members were in favour of converting from contract to permanent from 1 April 2014 or rejecting it.

The outcome of this process was that 62% of affected members accepted the conversion but a substantial percentage indicated that they had challenges with the conversion date.

Based on the pressure exerted, the employer extended the implementation date to 1 July 2014. The matter was kept on the agenda to monitor any challenges that members might raise after implementation. When none was received, the item was removed from the agenda at the end of the report period, except how to deal with the recognition of previous service in Water Affairs. Parties agreed to deal with this aspect separately.

Recognition of previous continuous service for ex-Water Affairs employees

The issue relates to the recognition of previous continuous service for Working for Water employees while on contract in the Department of Water Affairs, for purposes such as service bonus, leave, long service, medical aid, etc. The employer only had proof of service of some of the affected employees as far back as 2002 since these were the first appointment dates reflected on Persal.

It was unclear what pay system was used prior to these dates to compensate such employees. The personnel files that were transferred from the previous employer were also lacking proof.

Based on grievances that were raised by employees, the National Treasury and the DPSA were approached to assist and both parties remained adamant that without clear and unequivocal proof, service could not be recognised. On the issue of providing copies of previous contracts as proof of service, the employer previously indicated that this, on its own, was apparently not acceptable since the National Treasury argued that the authenticity of such contracts was almost impossible to verify. It would still require additional supporting evidence. The employer was advised to again approach the Department of Water Affairs for assistance. The employer tried to set up a meeting with the previous employer but it did not assist to resolve the matter.

Both the employer and labour urged employees or members to assist with providing any proof that they might have, either in the form of pay slips or bank statements, or any other communications that could assist in establishing a timeline, should they require previous service to be recognised.

“ The PSA, on the other hand, raised its concern that without an unambiguous agreement replacing the lapsed agreement, members were at risk of receiving payments, which could later be considered by the auditors to be irregular or unauthorised expenditure that had to be paid back.

By the end of the report period only four employees responded of which two had already lodged grievances. The employer therefore submitted a memo to the DG recommending that service before 2002 that was supported by acceptable evidence would be recognised in this regard. The employer indicated that this would be an ongoing process and members could at any point introduce such applications. The matter was therefore removed from the agenda.

Transfer/absorption: Auxiliary Clerks

In terms of the agreement with the Public Private Partnership (PPP) with regard to the building of Environment House, the PPP is responsible for auxiliary functions such as cleaning and certain food services. This impacted on the jobs of 35 Food Services Aids/Auxiliary Services posts, which were graded on salary level 4. Various Branches located in Pretoria were requested to assist with absorbing affected employees.

Affected employees were given an opportunity to choose their own preference in terms of Branches they would like to be placed in. Labour was informed that this process resulted in 21 employees being absorbed. By the end of the report period the employer indicated that it was finalising job descriptions for these employees and was identifying any skills gap. This would inform the type of training interventions that would be required to assist these employees to meet the requirements of the new jobs. The remaining 14 employees, who elected not to apply for positions elsewhere, would be retained in the CD: Facilities and would be utilised in a similar capacity as before. The item was removed from the agenda.

Department of Labour

OSD: Career Counsellor

A request was made to the employer during the previous report period to develop and include an OSD for the occupational class of Career Counsellor.



A task team was subsequently established to finalise a proposal for consideration in the DBC. The task team met and Provinces were requested to provide a list of possible beneficiaries. All but one Province submitted the information. A meeting of the task team was by the end of the previous report period to be reconvened as soon as all the outstanding information was received.

The employer since indicated that Career Counsellors, in its view, did not qualify for an OSD owing to the scope of their work and that the individual Counsellors did not fit the qualifying criteria. The PSA advised its members to exercise their rights individually in this regard through the relevant dispute resolution mechanism.

Upgrading of Clerks

The employer embarked on a job evaluation process, which was part of the above-mentioned Migration Framework. The project was called Project Shanduka.

The PSA during discussions in the DBC concerning the Project indicated that it had come to light that employees at Provincial level were remunerated at salary level 6 whereas at the Compensation Commission (CC) the same category of employees were remunerated at salary level 5. The PSA subsequently demanded that employees at the CC and UIF be upgraded with a view to place them at the same salary level as the rest of the employees, who are employed in the respective Provinces.

The PSA subsequently approached the GPSSBC in accordance with clause 17 of the Governance Rules of the Chamber. In terms of these provisions the Council should facilitate the matter to prevent a formal dispute from being declared. In terms of the Governance Rules facilitation commenced on 2 April 2014.

The PSA once again applied pressure to the employer to implement the results of the job evaluation and provided the employer with only seven days to come up with its final position.

The employer subsequently provided the PSA with the approved job evaluation outcomes, signed by the DG and the Commissioner of the Department of Labour.

During the second facilitation meeting the employer confirmed that the submission to obtain final approval (as explained above) was already at the point that it was only awaiting the approval of the Minister.

The PSA reiterated its position that the job evaluation results should be implemented as soon as possible and that it be provided with the implementation date. The employer, in response, indicated that it would communicate the final Ministerial approval before 22 April 2014.

All Clerks, who met the criteria as per the agreement and outcome of the job evaluations, were subsequently upgraded.

Office of the Presidency

Reconfiguration of the Office of the Presidency

As a result of Cabinet reshuffling, the Office of the Presidency was reconfigured. As a result of this process, some employees were transferred to the Department of Performance Monitoring and Evaluation. The process was completed successfully. A Transfer Agreement was concluded between the PSA and the employer at the DBC and affected employees were transferred in accordance with the Agreement.

Performance Management Development System (PMDS)

As reported in the previous report period, the PSA lodged an application to the Labour Court on the implementation of the PMDS for the 2009/2010-financial year. The employer failed to make payments for pay progression and performance bonuses to members, who qualified for the said financial year. The PSA's attorney submitted and filed all the necessary papers and the matter was set down on 29 August 2013. Unfortunately, the Court postponed it *sine die*.

Both the PSA and the employer filed affidavits that would enable the Court to determine a new date. A new date of 19 November 2014 was determined and the Court adjudicated on the matter and issued a judgement that favoured the PSA. The Presidency, in terms of the judgement, was ordered to review its decision of not paying performance bonuses to those employees, who qualified for such payment.

The matter would be re-introduced in the DBC to monitor the compliance of the Presidency with the Court's judgement. Developments will be reported during the next report period.

Cooperative Governance and Traditional Affairs (CoGTA)

Restructuring

Restructuring in the Department left some Senior Management Service (SMS) members, who were members of the PSA, displaced as the process was unilaterally unfolded by the employer without consulting the PSA and other unions.

The PSA subsequently engaged the Department's top management and was informed that the "re-alignment" process, which was being conducted by the new Minister, would take care of displaced SMS members. The PSA, however, demanded that the "re-alignment" process be consulted at Chamber level to which demand the employer acceded.

The process was subsequently consulted and the employees were migrated successfully to the new structure after it was approved. Displaced SMS members were taken care of in that they were given first preference when posts became vacant. If they were the most suitable candidate for the filling of the relevant post, they were absorbed into the post. Further developments on the placement of displaced SMS will be reported during the next report period.



Contracts of employment of Security Officers that ended in August 2014

This matter was tabled by the PSA at the DBC after being approached by Security Officers, whose contracts of employment came to an end in August 2014. The PSA successfully engaged the employer on the matter and the contracts were extended to the end of December 2014. Further engagement led to another extension of the contracts until the end of March 2015. The PSA is engaging further on this matter and the outcome will be reported in the next report period.

Agreement on Recognition of Improved Qualifications in the Public Service: GPSSBC Resolution 5/2015

The PSA tabled this item to enable the DBC to monitor compliance with the Resolution. The employer reported that the Department had commenced with the process to identify the relevant qualifications and that labour would be consulted when that process was finalised. Further developments will be reported in the next report period.

Unfortunately, the outcome of the investigation was similar to that of the DPSA.

The PSA was still not satisfied with the outcome. Affected members were subsequently advised to lodge grievances as a remedy to resolve this long-outstanding matter. The matter is proceeding on an individual basis.

Compliance with PSCBC Resolution 1/2012: Upgrade of SR 9/10 and SR 11/12

The employer reported that the Department had complied with the Resolution by upgrading deserving employees. Compliance was further confirmed by the PSA Chairperson and some affected members.

Agreement on Recognition of Improved Qualifications in the Public Service: GPSSBC Resolution 5/2014

The PSA tabled this item to enable the DBC to monitor compliance with the Resolution.

The employer reported that the process to identify relevant qualifications had commenced. Labour would be consulted when that process was finalised. Developments will be reported in the next report period.

Department of Traditional Affairs

The Department of Traditional Affairs is being structured as a new Department and it currently relies on the Department of Cooperative Governance in respect of administrative matters including policy development. Policies applied at Cooperative Governance are also being applied at Traditional Affairs and the *status quo* remains in this regard.



National Department of Public Works

Relaxation of qualification requirements

A task team was established to investigate the possible relaxation of qualification requirements and thereby to accommodate long-serving, experienced and competent employees, who did not have relevant qualifications to advance to higher positions when advertised. An investigation was subsequently conducted and the report, comprising of recommendations, was submitted to the DBC by the end of the period under review. The employer reported that the report had been escalated to the DG for approval. Unfortunately, it was not approved as the DG felt that advice should be sought from the Department of Higher Education and the DPSA.

The Department, while seeking advice, found that the relaxation was covered in other prescripts that regulate the employment relationship in the Public Service. The matter was subsequently referred to a task team for finalisation and to report back to the DBC. Further developments will be reported in the next report period.

Office of the Public Service Commission (OPSC)

Overtime

The PSA tabled an item on the contravention of the *Basic Conditions of Employment Act, 75 of 1997* by the employer in respect of the remuneration of Security Officers, who work on Sundays and on public holidays. By the end of the period under review, the employer reported that the matter was still receiving attention and feedback would be given at the next DBC meeting.

The employer interacted with the DPSA for advice relating to the formula it utilised to calculate payment for work on Sundays and public holidays and which derived from the DPSA Directive. According to the response that was received from the DPSA, there was no contravention of the *BCEA* taking place.

The PSA was, however, still not satisfied with the response that was given by the employer and as a result, the DBC referred the matter to the GPSSBC. The GPSSBC and PSCBC worked together to attempt resolve the matter.



Turnaround Strategy/Restructuring

The PSA raised a concern regarding the restructuring that was taking place in the Department without proper consultation with unions. The employer indicated that the Department was developing a “Turnaround Strategy”, which had an element of restructuring. The employer gave an undertaking that the Strategy would be consulted once the preliminary stage was finalised.

The PSA demanded that the said restructuring be put on hold to enable proper consultation to take place first. The employer requested an opportunity to seek a mandate on the matter from its principals. Meetings were held outside the DBC in which the principals of unions were informed by the Department (Minister and DG) about the Turnaround Strategy that the Department was developing. The principals were informed that the Strategy would be consulted with labour once internal processes were finalised.

The National Framework Agreement (NFA), similar to the one that assisted the turnaround strategy at the Department of Home Affairs, was negotiated and signed on 14 March 2014.

Subsequent to the signing of the NFA, parties submitted names for the establishment of the Steering Committee as required by the NFA. The Steering Committee would be established to manage the implementation of the NFA. It would be a Steering Committee of 18 members to be appointed by the DG, (nine from labour, namely PSA, Nehawu and Popcru, and nine from the employer). The Committee would meet monthly or when necessary to receive progress reports on each project from the employer and from the sub-committees that would be established. It would advise on the way forward subsequent to receiving and studying the reports.

The Committee would be chaired by an independent chairperson. The employer would provide secretarial services.

An independent chairperson was subsequently appointed late in 2014 and the Steering Committee became functional. The Committee held several meetings in which information relating to the Turnaround Strategy was shared with labour. Amongst the information provided was the HR Plan, Strategic Plan, Migration Plan, the new structure of the Department, and a Property Management and Training Entity (PMTE). Labour was expected to respond to this information.

The Committee furthermore decided to arrange a two-days workshop that would also be attended by one or two shop stewards of the respective unions. The shop steward(s) would be identified by the respective unions in each region. The employer gave an undertaking to fund the expenses that would be incurred as the workshop would be arranged for the purpose of improving communication, getting “buy-in” and ownership of the Turnaround Strategy and to make it successful.

Compliance with PSCBC Resolution 1/2012:

Upgrade of SR 9/10 and SR 11/12

The employer reported that it complied with the Resolution by upgrading qualifying officials.

Department of Communications

Compliance with PSCBC Resolution 1/2012:

Upgrade of SR 9/10 and SR 11/12

The matter was tabled by the PSA to ascertain whether the Department complied with the said Resolution and the DPSA Directive (Circular 4 of 2014): Grading of Jobs/Positions on the salary levels mentioned above. The employer responded that the positions mentioned above were not evaluated in the past and the Department was not able to absorb employees in those positions. The job evaluation process subsequently commenced after the signing of the Resolution.

The matter remained on the agenda of the DBC to enable the employer to provide progress reports. Developments will be reported in the next report period.

Progress: Reconfiguration of Department

The reconfiguration of the Department was implemented following the Presidential announcement of the new Cabinet and Ministers that was made in May 2014 and subsequent to the general elections. The employer reported that the Department had signed the Memorandum of Understanding (MoU) with the Department of Public Enterprises on how the reconfiguration would unfold. The employer gave an undertaking to update the DBC from time to time on developments.

The PSA also requested the employer to consult labour on how employees would be affected in respect of the reconfiguration process as the process might lead to a transfer of employees. The employer acceded to the request.

Department of Performance Monitoring and Evaluation (DPME)

This Department was also affected by the reconfiguration process as it absorbed the employees, who were transferred by the Presidency.

Compliance with GPSSBC Resolution 1/2012:

Upgrade of SR 9/10 and SR 11/12

The employer reported in the DBC that the Department had upgraded the positions as required by the said Resolution and the DPSA Directive (Circular 4 of 2014). The employer requested labour to advise members, who were not satisfied, to lodge grievances in terms of the grievance procedure. Developments will be reported in the next report period.



Department of Stats South Africa

Policies

A departmental task team was established to deal with the review of policies. During a DBC meeting it, however, came to the attention of the PSA that the employer had unilaterally implemented the Leave Policy and the Overtime Policy. The PSA raised its concern and indicated that it did not accept these Policies as no proper consultation had taken place in the DBC. The employer did not want to deal with the matter, forcing the PSA to request the intervention of the GPSSBC.

The PSA insisted that these Policies should be negotiated. The PSA also indicated that the issue of Special Leave was under discussion at Council level and could not be implemented by the employer. The matter was still under discussion by the end the period under review.

Implementation: Grading levels for Clerks

The Minister for Public Service and Administration conducted a “benchmark” exercise for Clerks in terms of which job descriptions and grading levels were developed. The PSA submitted the issue to the agenda of the DBC to determine whether the employer still had any Clerks, who were remunerated on salary levels lower than five, and whether all Clerks on supervisory level were remunerated on at least level seven.

All Clerks, who met the criteria as per the Agreement and outcomes of the job evaluation, were subsequently upgraded.

Department of Trade and Industry (DTI)

Cipro

The GPSSBC established a new DBC for the Companies and Intellectual Property Registration Office (Cipro), separating it from the DTI based on re-alignment. A new organisation was established in terms of the *Companies Act, 2008 (Act 71 of 2008)*, which created a new Companies and Intellectual Property Commission (CIPC) with the intention of enhancing service delivery by Cipro and the Companies and Intellectual Property Enforcement (OCIPE).

The restructuring of Cipro was discussed at a joint meeting between the DTI and Cipro. The PSA successfully applied pressure to the employer to consult properly in the relevant forum to deal with restructuring issues, identify pitfalls and to avoid any ambiguities during the restructuring process.

The PSA ensured that there were no job losses as a result of this process. The PSA also took a strong position with its commitment to assist the DBC in finalising this matter. All affected employees were successfully placed in the DTI and its agencies.

The employer made a presentation on change management to the Enterprise Organisation (TEO) cluster, which aimed to stimulate and facilitate the development of sustainable and competitive enterprises through the efficient provision of effective and accessible incentive measures that supported national priorities such as Manufacturing Incentives, Infrastructure Investment Support, Services and Incentives, Strategic Partnership and the Office of the Chief Executive Officer.

“ The PSA ensured that there were no job losses as a result of this process. The PSA also took a strong position with its commitment to assist the DBC in finalising this matter.

The PSA noted the report with appreciation, considering that the move was pro-job creation and would ensure that effective, efficient service delivery was realised.

Parties were by the end of the report period on the verge of establishing formal negotiation structures for various entities. The challenge was that the Minister, through the DG, indicated the Office’s intention to create a negotiating structure jointly for all of these entities, namely:

- Company and Intellectual Property Commission (CIPC);
- Small Enterprise Finance Agency (SEFA); and
- The Company Tribunal.

As reported previously, the CIPC had appointed Tokiso Dispute Facilitators to address the previous impasse in consultations and it was agreed that it would continue to assist until proper negotiating structures were established. The transfer agreement concluded in the DTI Chamber with regard to the Company Tribunal was referred for facilitation. Developments will be reported in the next report period.

Department of Basic Education

Restructuring

Since the election of the fifth Administration of Government the Department had been engaged in the restructuring or re-organisation of the Departmental branches to be aligned with and to fully support the new mandate of the Minister and the Department. On numerous occasions, the PSA requested the employer to be transparent and to keep labour informed of the progress on the process envisaged.



The employer representatives at the DBC level had, on numerous occasions, failed to declare and to confirm whether there was a new organogram that the employer anticipated to implement and if so, whether the documents could be shared with the PSA. After failed attempts to get the cooperation of the employer, the PSA invoked clause 17.2 of the GPSSBC Governance Rules. Facilitation of the GPSSBC was sought.

The outcome of the facilitation (clause 17.2) of the GPSSBC Governance Rules process resulted in the employer being forced to share the draft version of the new organogram as well as to establish the task team, which would be an essential part of the re-organisation processes as far as consultation was concerned.

During this report period the PSA sponsored the DBC with a draft for the Terms of Reference for the departmental task team to consult meaningfully on restructuring. The purpose of the task team would be to make inputs on the existing and the new organisational structure tabled at the DBC to facilitate meaningful consultation, after which a new structure would be recommended to the DBC for implementation. During the DBC meeting held in March 2015, the employer informed the parties at the Chamber that it had consulted with its principals, but that the exact date for implementation had not been determined yet. The employer indicated that the new organogram still needed to be signed off by the Minister, depending on the availability of funds. Developments will be reported in the next report period.

Policies

A departmental task team was, at the insistence of the PSA, established to, amongst others, address the review of Policies as there had been a “split” or “re-organisation” of the original Department of Education into the Departments of Basic Education and Higher Education and Training respectively. The PSA also ensured that a task team was established to deal with departmental policies as a result of restructuring.

All Policies tabled during the previous report period were approved by the DG and were effectively implemented. The PMDS Policy, however, was not properly implemented. The PSA, as a result, held that the PMDS Policy be re-negotiated. During the previous report period the employer was, however, not ready with a mandate to finalise the Policy. The employer during this report period informed parties at the DBC that the matter had been finalised.

Public Administration Leadership Management and Academy (Palama)

Re-alignment

Further re-alignment of the Organisation, which was discussed during the previous report period, was the most contentious and pressing issue on the agenda of the DBC. The PSA took a strong position and needed the employer to disclose any information regarding transformation, which could affect the members.

It came to light that the employer might be embarking upon a unilateral process of restructuring. The PSA was monitoring the situation and also indicated to the employer that such actions would be unacceptable.

The employer embarked on a process to change the name of Palama to the National School of Government (NSG) after a Presidential declaration. The PSA raised serious concerns with the manner in which the employer approached this matter without consulting the employees. The PSA tabled its concern at the DBC whereby parties agreed that an independent facilitator would be appointed to ensure that the correct procedure would be embarked upon to protect the rights and interests of its members throughout the process. A task team, consisting of all parties, was established to deal with all the restructuring processes.

During the last DBC meeting the employer reported that the *Public Administration Management Bill (PAM Bill)* had been signed off by the President. The *PAM Bill* was signed on 19 December 2014 and parties were informed that the *Bill* was now an *Act* of Parliament. The employer indicated that the NSG would be established as an institution of Higher Learning. Consultation would take place between the Minister of Higher Education and Training (DHET) and his counterparts from the DPSA. The current mandate of the NSG was to train public servants and it would now expand to Education and Training. The employer informed parties that the *Act* did not specify that the NSG should only train public servants. It therefore implied that the NSG might be able to train individuals, who are not public servants. The *Act* had not been enforced yet and the President was still to pronounce on the effective date of certain clauses.

Upon enquiry from the PSA, the employer indicated that senior management would be meeting before the end of the financial year to look into the implications of the *Act*. The employer further indicated that the Minister had been briefed about the implications of the *Act* in general. The employer reported that it had made a proposal to the Minister to establish an inter-departmental task team, which would lead the establishment process and it was envisaged that the task team would be comprised of representatives from the DPSA, the DHET and the NSG. The task team would also consider the concerns raised by labour. The employer informed the DBC that it was committed to the consultation process and the sharing of information with labour. Developments will be discussed during the next report period.

Department of Energy

Since the “split” of the former Department of Minerals and Energy into the Department of Mineral Resources and the Department of Energy respectively, the DBC reviewed and adopted Departmental Policies on Recruitment and Selection, Resettlement, Salaries and Allowance, Condolence, ICT-Change Management, Laptop, ICT-Software Asset Management, Sexual Harassment, ICT-Logistical, ICT- Incident and Problem Management, ICT-Risk Management, ICT-Business Continuity and Inventory Management.



The Department's head office was to relocate to the new building, which was allocated to the old Land Bank Building in Visagie Street in Pretoria. The Communication Committee dealt with the design and completed the process of rezoning the offices. The documents were submitted to Public Works to be checked.

As far as regional offices were concerned, some relocation might take place, which was to be consulted in the DBC. The PSA was of the view that relocation should be done at State expense in line with the Departmental Resettlement Policy. For those employees with houses in their current cities, the employer would also assist with transfer costs. The employer would consolidate all information and find out how many employees had been affected and consultations would then proceed.

During the report period the employer indicated that the DG had signed the letter and forwarded it to the landlord for the construction of extra offices for the head office. The PSA requested the employer to seek intervention from the Department of Public Works to fast track the process.

During the last DBC meeting the employer reported that progress had been made and that accommodation at Centurion would be on temporary basis. The terms and conditions of relevant employees would, however, not be affected by the move. The employer further indicated that construction of the accommodation had commenced. Developments will be reported in the next report period.

Department of Human Settlements

During the previous report period the employer tabled a "Turnaround" Strategy on the "Migration Framework" for the macro structure.

Once again, details of the Strategy were outlined in that:

- The Strategy was to improve with a view to achieve its goals or core objectives;
- Better align the structure to the Strategy to achieve the goals, which had been set; and
- Promote efficient, economic and effective use of human resources so as to improve the functioning of the Department.

A special DBC meeting was convened where the final version of the Department was tabled. The Department indicated that it was still by then dealing with job evaluation. It was demanded that the process should be finalised before a decision could be taken for the implementation of the Strategy.

The "Turnaround" Strategy was successfully implemented. It was an ongoing process that had not been finalised by the end of the period under review. Developments will be reported in the next report period.

Transfer of Sanitation employees to Department of Water Affairs and Sanitation

During the report period the Department indicated that employees would be transferred from the Department of Human Settlements to the Department of Water and Sanitation in terms of section 197 of the LRA after the announcement of a new Cabinet, which normally happens after elections.

Part of this process could involve the transfer of functions between the Departments to give effect to the Government mandate on service delivery and this could, in turn, lead to changes to the reconfiguration of Departments and even the formation of new Departments. Initially, the employer indicated that it was going to transfer the Bulk Sanitation and not the Domestic Sanitation. It was, however, difficult for the employer to transfer all functions of Sanitation as a whole to the new Department, called the Department of Water and Sanitation.



The employer during this report period informed the DBC that 67 employees were to be transferred. The PSA requested the employer to provide it with the following:

- The results of a skills audit to ensure that all members of the PSA had been accommodated with their expertise.
- The migration plan together with the structure of Sanitation.
- The Transfer Agreement.

The employer provided the PSA with both the migration plan and the structure of Sanitation. The employer reported that the skills audit had been finalised, however, it was still busy with the moderation processes, which would be finalised before the transfer. However, the Transfer Agreement was provided to labour before the office closure in December 2014. The employer further reported that with the migration process, all 67 employees had been transferred on 24 October 2014 and letters had already been made available to all affected employees. The transfer was successfully implemented and finalised.

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Regrading of Clerks

The PSA extensively engaged the employer on the implementation of the coordination process regarding the regrading of Clerks.



It was reported that only 15 clerical posts were identified for re-grading, excluding the Chief Financial Officer Branch, owing to a work-study investigation process that was undertaken. Two of the posts were upgraded, four were downgraded, three were subject to job evaluation, four were not affected, and two were subjected to a work-study investigation. A submission was compiled and sent for approval for implementation. All Clerks, who met the criteria as per the agreement and outcome of the job evaluation, were upgraded.

South African Defence Force and Military Veterans

Performance Management Development System

A concern was raised on the pilot project regarding the Performance Management Development System of the Department. When the system was adopted, it was agreed that the employer would evaluate and report back on the viability of the new system.

The PSA raised a concern that the system was not operative in all the units of the Department. The employer undertook to make presentations to employees in all units. It was requested that the employer should communicate its program in order for the PSA to inform the Provincial Offices and Chairpersons to participate in such road shows. The employer undertook to provide feedback on a regular basis. Developments will be reported in the next report period.

Department of Public Enterprises

Filling of vacant posts

The PSA requested the employer to stop the practice of simply converting contract workers into permanent staff without following due process. Vacant positions should be advertised and all potential applicants be afforded an equal opportunity to apply. This was subsequently agreed to.

Performance Management Process: Project Plan

This matter related to the challenges the employer experienced in addressing the Performance Management in the Department. The employer was not capturing scores correctly. The DBC was informed that the employer was capturing scores, however, in many instances the KPAs in the performance contracts were not aligned to the performance assessments. In addition, there were instances where the “weights” on the performance assessment were not aligned.

The PSA requested information on how far the project plan was and when the employer would pay out performance bonuses. The PSA raised its concern on the implementation date for the PMDS since the performance cycle had already lapsed.

The employer during the report period indicated that the process in terms of moderation from SMSs and non-SMSs was at the DG’s office for Ministerial approval.

According to the results of the moderation, there was a need for additional funds to be made available. Feedback relating to the submission of the DG was communicated to parties in the first DBC meeting in 2015.

The PSA noted the employer’s report and requested to be provided with a detailed report containing a name list of those, who were paid and those who were not paid, and the reasons for this. The employer undertook to provide labour with a report, as requested, before the next DBC meeting. Developments will be reported in the next report period.

Department of Correctional Services (DCS)

Interpretation and application: PSCBC Resolution 5/2009

The DCS failed to implement the agreed percentage annual wage increase as per PSCBC Resolution 5/2009.

The PSA subsequently declared a dispute on the interpretation and application of a collective agreement (the DCS only implemented 10.5% for salary levels 7 and 8 instead of 11%). Arbitration was scheduled for 26 March 2012 and the Commissioner ruled that the DPSA be joined as a second respondent to the proceedings. Arbitration took place on 13 May 2013. After numerous postponements and delaying tactics by the employer, the arbitration was held in November 2013 and an award in favour of the PSA was received. The employer did not implement the award and the PSA instructed its attorneys to make the award an order of court.

Before the award could be made an order of court, the employer, however, filed a Review Application on the matter and a Labour Court date was being awaited by the end of the report period. Developments will be reported in the next report period.

Circumstantial Allowance/Safety in prisons

The PSA received numerous complaints that some prisons were overcrowded whilst also being understaffed. It was the PSA’s view that when a correctional facility exceeded 100% capacity, it created an increased risk for officers.

The PSA demanded a R600 Circumstantial Allowance to compensate officers, who were forced to work in facilities that were more than 100% overcrowded while the DCS was in a process of alleviating the situation by employing adequate personnel and building new correctional facilities. The matter was tabled at the GPSSBC and feedback was being awaited by the end of the period under review.

The matter was also tabled by the PSA at the GPSSBC but the employer could not accede to the PSA’s demand and the matter was removed from the agenda. The PSA tabled its concerns regarding the ongoing failure by the Department to ensure that its correctional facilities were adequately staffed.



To date, these concerns were not addressed or dealt with by the Department. In this regard, the Department was on record as stating that an additional 18 000 employees were required to successfully implement the seven-day establishment introduced by GPSSBC Resolution 2/2009.

This state of affairs pose a significant risk to the health and safety of, amongst others, the PSA's members. This was highlighted by a number of incidents in recent months in terms of which the Department's employees were seriously injured while on duty. The matter was still under discussion and the employer indicated that it was also concerned about the health and safety of employees and was trying to address the matter. The employer would also submit a presentation to the Portfolio Committee on staffing needs in the Department. Developments will be reported in the next report period.

The PSA tabled a draft agreement on the minimum security standards and ratios at the DBC. The employer, however, indicated that it was regarded as an employer prerogative and it would not engage the PSA on this agreement. The PSA declared a dispute on this matter and conciliation was scheduled for 3 December 2014. A certificate of non-resolution was subsequently issued. Arbitration was scheduled to take place in April 2015. Developments will be reported in the next report period.

Second-phase OSD

An arbitration award about the interpretation and application of a collective agreement on the second-phase OSD in favour of the PSA's position was made by the Council. The Labour Court was approached by the employer during the report period but the Labour Court judgement was unfortunately that the arbitration award in favour of the PSA be set aside.

The PSA applied for leave to appeal to the Labour Appeal Court. Leave to appeal was subsequently granted to the Labour Appeal Court. The records were being awaited from I Africa to file the official appeal to the Labour Appeal Court. Developments will be reported in the next report period.

Overtime

GPSSBC Resolution 2/2009 provided for overtime payment in excess of 40 hours for "non-centre based" and 45 hours for "centre-based" officials. This overtime should be paid in accordance with PSCBC Resolution 1/2007. The employer refused to pay officials backdated overtime and the PSA subsequently declared a dispute. The employer raised a point *in limine* on the jurisdiction of the PSCBC to arbitrate over this matter.

The arbitration was, however, held and an award in favour of the PSA was issued. The employer, once again using delaying tactics, applied to review the award on jurisdiction. A court date was being awaited for the review application from the employer.

The matter was then set down at the Labour Court for 29 April 2015. Developments will be reported in the next report period.

Re-alignment of post establishment to OSD

The PSA tabled this matter in view of the fact that the employer's post establishment did not provide for certain posts as per Collective Agreement (GPSSBC Resolution 2/2009).

The employer indicated that it was in the process of an audit to address the concerns of the PSA.

The PSA was not happy with the response from the employer and indicated that it was unacceptable that after five years nothing had been done to realign the establishment. The PSA subsequently invoked clause 17 of the Governance Rules to try and resolve this matter amicably. At a facilitation meeting on 24 March 2014 the employer agreed to provide the PSA with the outcome of the audit report and referred the matter to a workshop for further engagement.

There was no movement on the matter as the employer was still dealing with its audit report, which would be provided to labour. In view of budgetary constraints no additional funds were available for the expansion of the post establishment. The PSA was by the end of the report period considering its options. Developments will be reported in the next report period.

Department of Agriculture, Fisheries and Forestry

The employer announced in the DBC that the Mbazwana, Mbaso and Manzengwenya Plantations were going to be transferred to the Tribal Authorities. The PSA raised concerns as no proper consultation had taken place at that stage.

The PSA requested the employer to provide more information and whether it was contemplating any dismissals. The employer confirmed that dismissals were not contemplated. A task team was established by the DBC to discuss the transfer process.

Meetings took place whereby questions were raised on the funding of this rehabilitation process of the plantations in questions. The Trust indicated in a submission that several NGOs were approached in assisting with this process. The PSA raised concerns that the funds that were available would only be sustainable for a period of three years and members' job security was at risk after the three-year period.

“The PSA demanded a R600 Circumstantial Allowance to compensate officers, who were forced to work in facilities that were more than 100% overcrowded while the DCS was in a process of alleviating the situation by employing adequate personnel and building new correctional facilities.”



The Trust proposed that the employer needed to second all the affected employees to the Trust for a period of five years and be responsible for the remuneration for that period and thereafter negotiations would continue with affected employees as to what would happen to employees after the expiry of the five-year secondment period.

The PSA rejected the process and requested that a meeting be scheduled with the Trust and that it clearly be indicated that section 197, as contemplated in the *Labour Relations Act*, needed to be followed.

Site visits were undertaken by a delegation of the DBC and members indicated that they were not willing to move to the Trust and that the employer should investigate other options of alternative placement and revert back to labour. The employer would revert back to the DBC. Developments will be reported in the next report period.

Unconducive working environment

The PSA received numerous complaints from its members in the Limpopo Province regarding the unfavourable working conditions at certain camps. The PSA attempted to address the issues at a provincial level, but to no avail. The unconducive working environment was subsequently tabled at the DBC to assist members. The following matters were brought to the employer's attention:

- No electricity at camp sites,
- Lack of working tools,
- Dilapidated houses,
- Excessive working hours without compensation, and
- The closure of camps.

An inspection *in loco* was undertaken and the unconducive working environment was confirmed during these visits. An action plan was being awaited from the Department on how to amicably resolve these conditions. Developments will be reported in the next report period.

Further Education and Training Colleges (FETC)

The PSA faced one major matter during the report period.

Transfer of staff

During the 2013/2014-report year the Minister for Higher Education introduced the *Further Education and Training Amendment Bill* via a Government Gazette Notice for inputs from all stakeholders. The PSA submitted its inputs as part of the Independent Trade Unions (ITU: CTU) in the ELRC. The PSA therefore did not submit additional inputs in the GPSSBC in respect of Support Staff as it would have been a duplication of this process.

The *Amendment Bill* was promulgated as the *FETC Amendment Act, 2012 (Act no 3 of 2012)* during the report period. This *Act* made provision for the DHET to take over the responsibilities of further education in South Africa. All the processes in terms of the transfer of functions, buildings, equipment, etc., were finalised. The only outstanding matter was the transfer of staff, which needed to be done in terms of section 197 of the *LRA*.

Against the PSA's advice, a collective agreement was reached between the new employer (DHET), the old employer (FETCEO) and Nehawu in the FETC Bargaining Unit under the GPSSBC. The signed and ratified collective agreement did not provide for the transfer of all of the staff. The actual transfer of staff, which was set to take place on 1 April 2015, was being monitored by a national task team as well as provincial task teams in every office.

Although the PSA did not sign the agreement, the Union was very active in the task teams to ensure the job security of non-transferring employees as far as possible. Further developments will be reported in the next report period.

South African Police Service (SAPS)

The PSA, as a minority union in the SAPS, was not a recognised Union in the SSSBC and could therefore not participate in negotiations or represent members at the SAPS. A number of PSA members, Clerks appointed in terms of the *Public Service Act*, however, raised their concerns in respect of their salary grades. A large number of Clerks at the SAPS were remunerated at salary levels 3 and 4, while Clerks in other departments of the Public Service were remunerated at salary level 5.

Following the engagements between parties to the PSCBC and specifically following the DPSA's guidelines or recommendations in respect of the grading, the PSA pursued the upgrading of all production Clerks and Clerks performing supervisory functions to salary levels 5 and 7 respectively. The PSA is happy to report that all the affected Clerks were upgraded in line with the DPSA's recommendations.

PARASTATALS

The PSA represents members at a variety of parastatal institutions. Highlights of events in some of these institutions are reflected in this Report.

South African Weather Service (SAWS)

Collective bargaining at the SAWS is regulated in terms of the Constitution of the SAWS Bargaining Forum. Bargaining Forum meetings took place in terms of an agreed year plan. Wage negotiations were concluded when parties signed an agreement with the employer where employees received a 7% increase across-the-board.



Overtime

The employer, on 30 April 2013, informed employees that they would no longer be paid overtime in terms of their salary rate as was done in the past, but would be paid in terms of the threshold as set out in the *Basic Conditions of Employment Act (BCEA)*.

This was not acceptable to PSA members and the matter was brought to the SAWS Bargaining Forum for negotiation. Numerous Bargaining Forum meetings took place where labour tried to convince the employer that the employer, on 31 May 2013, made a unilateral decision to implement the new payment in terms of overtime. Labour also indicated to the employer that the implementation was premature as there was no agreement in terms of remuneration for the overtime worked for affected employees or members. Negotiations commenced to reach a collective agreement during which the employer proposed to cap the threshold for affected employees on R200 000, which was rejected by employees.

The employer also deviated from its own policy and the *BCEA* as it no longer calculated the Sunday overtime at double the rate as from May 2013.

Although parties continued with negotiations on the collective agreement, it was the view of the PSA that the employer was not negotiating in good faith and no collective agreement could be reached.

On 31 October 2014 negotiations regarding the overtime issue for affected employees reached a deadlock and labour (the PSA and Nehawu) indicated the intention to refer a dispute.

The PSA referred the dispute for conciliation on 14 November 2014. Conciliation took place in February 2015. No agreement was reached between parties and the matter was by the end of the report period in a process of private arbitration. Developments will be reported in the next report period.

National Library of South Africa (NLSA)

Review of Constitution

Negotiations at the NLSA are regulated by the Constitution of the Joint Bargaining Forum.

During the report period the employer proposed the review and amendment of the Joint Bargaining Forum's Constitution. The matter was tabled and negotiations were by the end of the report period still ongoing, although close to finalisation.

Salary increase

Negotiations with the employer took place and after a process of negotiation, the final agreement reached was a 7.2% salary increment across-the-board for the report period.

The review of NLSA policies was continuing and was an ongoing process. Developments will be reported in the next report period.

State Information Technology Agency (Sita)

The PSA was during the report period the only admitted Union at Sita and the only Union enjoying organisational rights.

The PSA was by the end of the report period engaging Sita with a view to have a permanent Bargaining Forum established. An Interim Bargaining Forum was in place in terms of the Organisational Rights Agreement.

During the current report period the PSA negotiated a salary increase for its members of up to 9.5% across-the-board. This increase included a real wage increase as well as performance and merit increases.

The PSA engaged Sita on the fact that the vast majority of its employees were placed in a corporate pool following a number of botched attempts at restructuring. Owing to the continuous replacement of senior managers, including the position of CEO, the employer could not finalise the turn-around strategy.

During the report period the PSA entered into agreements to secure the placement of staff on levels A1 to C5 as well as staff on levels D1 to D5, respectively. The PSA is pleased to report that all employees were placed and were enjoying secure employment.

The PSA already tabled its wage demand for the next report period and negotiations were set to commence in due course. Developments will be reported in the next report period.



South African Social Security Agency (Sassa)

Salary disparity (Supervisors of Administration Clerks: Grant Administration – Intake Processing)

This matter relates to the “salary regularisation” of Supervisors of Administration Clerk: Grant Administration - Intake Processing (level 1 to 6) in Sassa. The matter dates back to the 2012/2013- financial year. A legal opinion was obtained following correspondence with the employer and a mutual interest dispute was declared and referred to the Commission for Conciliation, Mediation and Arbitration (CCMA).

Following the arbitration on 17 June 2014, a consultation meeting with the PSA legal representatives was held at the request of the National Branch Chairperson, wherein he requested that he be afforded an opportunity to engage the executive managers of Sassa to address the matter outside the CCMA level.



Subsequent to that the PSA, through its legal representatives, wrote a letter to the CCMA requesting it to put the matter on hold pending the engagement between the National Branch Chairperson and Sassa executives. In February 2015, the PSA received a mandate to continue with the matter at the CCMA level. Consequently, on 10 March 2015, the PSA's legal representatives were instructed to approach the CCMA to proceed with the matter. Feedback from the CCMA was being awaited. Developments will be reported in the next report period.

Policies

Policies on the Disciplinary Code and Procedure, Grievance Procedure, Performance Management and Development Systems as well as the Recognition Agreement were by the end of the previous period under review being consulted and were being finalised.

Before the matter could be concluded the employer, however, unilaterally implemented a new Disciplinary Code and Procedure as well as the Grievance Procedure. With regard to the Disciplinary Code and Procedure, the employer took away the right to appeal after the disciplinary hearing was completed.

The PSA declared a dispute in respect of the interpretation and application of a Collective Agreement (PHSDSBC Resolution 1/2006). Conciliation was held and a certificate of non-resolution was issued. The PSA referred the matter to the CCMA for arbitration. Arbitration was held and an award in favour of the PSA was issued by the CCMA Senior Commissioner. Developments will be reported in the next report period.

Public Protector South Africa

A large number of policies were dealt with, which included a large number of consultations with the employer. All the PSA inputs were incorporated and no problems were experienced in this regard.

As in the previous report period, members of staff were instructed to relocate to other offices during the report period without being consulted.

The PSA stepped in and insisted on meaningful consultations. After the employer agreed to a consultative process, consultations took place, members' inputs and needs were brought to the employer's attention and an acceptable financial compensation for staff transferred was agreed to. The financial compensation was agreed to by means of individual, signed agreements between the employer and all affected employees.

No wage negotiations are conducted at the Office of the Public Protector as salary increases are given in line with those of the Public Service.

South African Revenue Service (Sars)

During the period under review, the National Bargaining Forum (NBF) of Sars addressed and resolved a number of matters of mutual interest. The PSA has a very vibrant and active negotiating team in the Forum, which consists mainly of full-time shop stewards, and is assisted by the PSA Administration. From January 2014 until December 2014 the PSA maintained a membership total of above 45% in the bargaining unit and therefore, in terms of the full-time shop steward collective agreement, qualified for an additional full-time shop steward.

Hay Grading Dispute

The Sars embarked on a job evaluation process (Hay Grading) in 2003 and serious concerns and dissatisfaction were raised by PSA members regarding the process that was followed. Despite numerous attempts by the PSA to have the matter arbitrated in terms of the Sars private arbitration procedures, the employer continued to frustrate the process.

The PSA appointed an attorney and during the first arbitration sitting the Commissioner ruled in favour of the PSA by indicating that the disputes regarding the Hay Grading could and had to continue. The PSA was by the end of the report period preparing for further arbitration to hopefully close the matter successfully. Developments will be reported in the next report period.

Microsoft Office

During the report period the employer decided to remove the Microsoft Office package from all employees' computer systems and only renew it for employees, who needed it to perform their various work functions. After numerous consultations sessions and deliberations and even written communication to the Commissioner, the employer conceded to the PSA's demand and agreed to reinstall Microsoft Office for all employees.

Field Workers Allowance

The employer shared with labour a position paper on Field Workers Allowance and took a position to withdraw from the Field Workers Collective Agreement. The impact would be that all current qualifying employees, who received the Allowance, would no longer receive it after the employer had given the prescribed notice to labour.

Labour managed to convince the employer that its decision to withdraw from the Collective Agreement was premature and alternatives could be considered. The employer agreed and this process was still underway by the end of the report period. Developments will be reported in the next report period.

Team leaders

The Sars embarked on an exercise to regrade all team leaders and to convert the post of team leader into an operational manager. Team leaders had to undergo an assessment to determine their effectiveness. Those employees, who passed the assessment, were immediately translated to operational managers.



Those employees, who failed the assessment, had to undergo 12 to 18 months of training and, if successful, would then also be translated to operational managers. The necessary training did not commence as agreed with labour.

After raising this matter at the NBF, the employer agreed to do away with the training and to translate all employees to operational managers. The necessary regrading and salary adjustments would also be made regarding affected employees. Developments will be reported in the next report period.

National Health Laboratory Service (NHLS)

Wage agreement 2012 to 2014

The PSA forms part of the HIP (Hospersa, ISA and PSA) alliance in the NHLS Bargaining and Labour Relations Forum (BLRF) in terms of a working-together arrangement and, together with Nehawu, labour barely represents 50% plus one of the bargaining unit in the Forum.

The PSA had been taking the initiative to consolidate labour's wage demand for the last couple of years and ensured that it was formally presented to the employer as per the provisions of the Constitution of the Forum. During the report period the demand was thus introduced and the process eventually concluded with the signing of a three-year agreement for the period 2012 to 2014. The implementation date was changed from 1 July to 1 April. The PSA could not manage to get a mandate to sign the Agreement but since Nehawu and two of the alliance partners signed the Agreement on behalf of HIP, it also became binding on PSA members. The increase for 2014 was aligned with that of the Public Service, namely 7.2% with effect from 1 April 2014.

Wage negotiations 2015

Labour introduced a consolidated wage demand for 2015 in February. Parties agreed to a number of meetings in March 2015 to fast track the negotiations. At the close of the report period negotiations had not been concluded. The employer's offer for an increase stood at 5% while labour moved from 15% to 9%. The employer was also not prepared to agree on any of the other substantive issues included in the demand such as a housing allowance, leave, shift allowance and the medical-aid subsidy, owing to severe financial constraints that were being experienced. Developments will be reported in the next report period.

Agency Fee Agreement

The PSA had taken the initiative to introduce a draft proposal for an Agency Fee Agreement as part of the 2012-wage demand. During the wage negotiations it was agreed that this matter would be deferred to form part of the review process of the Constitution of the Forum and Organisational Rights Agreement. The employer kept on shifting the goal posts and tried its utmost to avoid dealing with the matter. The Agreement was only finalised and signed in September 2014. The employer then raised issues around the administration of the deductions and the bank accounts that the various unions had to open for this purpose in line with the Agreement.

The various labour parties only managed to sort out these issues towards the end of the report period and because of these delays, implementation had not yet happened. It was agreed that it would be unfair to

place the burden of a retrospective deduction on employees and therefore implementation would probably only commence during the April pay-roll run. Developments will be reported in the next report period.

Review of Constitution of Forum and Organisational Rights Agreement

A review process was embarked upon at the insistence of Nehawu. The employer utilised the opportunity to introduce some proposals of its own, such as trying to exclude trade union representatives, who were not in the employ of the NHLS, from attending the Forum and managed to drag out the process for a number of years by continually shifting the goal posts and introducing new issues on a regular basis. Some of these issues were reported on extensively in the previous report period.

Even though not all the issues were resolved to labour's satisfaction, the PSA managed to retain the right to remain in the BLRF as part of the HIP Alliance and the threshold also remained unchanged. The PSA official was also still allowed to attend meetings.

The Agreements were signed in September 2014 and the matter was therefore finalised.

Pan South African Language Board

A few issues were tabled at the negotiation forum which, amongst others, included:

- Review of the Organisational Rights Agreement,
- Restructuring,
- Unconducive working environment, and
- Lack of working tools

During a negotiating forum meeting, the employer indicated that it had received a court application from the majority of PSA members and it regarded these matters as *sub judice* seeing that the application covered almost everything on the agenda.

“The PSA had been taking the initiative to consolidate labour's wage demand for the last couple of years and ensured that it was formally presented to the employer as per the provisions of the Constitution of the Forum.”



The PSA indicated to the employer that it distanced itself from the Labour Court application seeing that its members had not approach the PSA for assistance in this regard. The employer, however, indicated that it was not prepared to engage the PSA at that point in time and the PSA indicated to the employer that the Union reserved its rights. The PSA declared a dispute on refusal to bargain and referred the matter to the CCMA.

An arbitration date was being awaited by the end of the report period. Developments will be reported in the next report period.

Group Branch Public Service Pensioners

In the sixties a group of public servants, working and already retired, met because they were concerned about retired public servants. These people, as is probably the case with all other pensioners from a variety of work environments, no longer had the “protection” of their former employers. They also no longer enjoyed the protection of their employee associations (now trade unions) and they were thus “homeless” between their former employer departments and worker associations. There was nobody that could look after their interests and well-being or where they could turn to for assistance.

This meeting resulted in the formation of the Group Branch Public Service Pensioners and this Group Branch has been taking care of Public Service pensioners for more than 50 years. If pensions are not paid out, or if a Public Service pensioners passes away, and the spouse must receive a pension, and there are complications, this Group Branch is there to look after their interests.

The Group Branch also has branches in some of the Provinces.

Members and recruitment

There are more than 340 000 Public Service pensioners of which only some 5 000 are members of the Group Branch. In addition, the Group Branch is with regard to recruitment being limited to employed public servants, who are due to retire in the near future. Other pensioners, who have already retired and did not join the Group Branch immediately, can no longer take up such membership.

There is a system in place whereby public servants, who are close to retirement age, are approached to join the Group Branch at retirement. The cooperation of all Government departments is crucial to ensure that not one of the new pensioners is lost and to ease their way into joining the Group Branch. The Group Branch still finds it very tragic that former employees of the State, who did not join the Group Branch earlier, can now no longer be recruited as members. The Group Branch is endeavouring to overcome this anomaly.

Liaison

The Group Branch during the past year brought about closer liaison with *Gryskrag* and, by means of this organisation’s monthly publication, an effort was being made to make more Public Service pensioners aware of the existence of the Group Branch. Even though they can no longer become members, their names can at least be captured on a data basis and they can still be assisted at their request.

The Group Branch management also arranged for the information on investments and estates, which was published in the *PSA magazine*, to also be published in *50 Plus*, the publication of *Gryskrag*.

The Group Branch also contacted Sassa, which is involved with the grants for the aged, who do not have income other than only the monthly social grant. Public Service pensioners were furthermore advised in published information that should their current pension be less or even equal to the current social grant, they could apply for additional assistance to supplement their own pension.

The Group Branch management also maintains contact with other organisations that serve pensioners, such as the Council for the Aged. In this way meaningful, joint actions are brought about to the benefit of pensioners.

Meetings of Management and Committees

The Group Branch management met every second month during the report period. In future, meetings will, however, take place on a quarterly basis. The management had Committees that met on the same days as management and dealt with matters such as pensions, communication and recruitment, and medical issues.

The previous Chairperson of the Group Branch, Mr Hennie Koekemoer, resigned as management member during the past year, as did the Vice-Chairperson, General Colin Steyn.

The new management team consists of:

Mr Gideon Serfontein (Chairperson)
email gideonjs@mweb.co.za or cell phone 082 412 1326

Eddie Trollip (Secretary)
email trollipam@telkomsa.net or cell phone 083 230 4245

Manie Lemmer (Vice-Chairperson)
email lemmer.manie@gmail.com or cell phone 082 879 6969

Annual General Meeting

The Group Branch’s Annual General Meeting in Pretoria was attended by some 120 members.



The guest speaker was Mrs Ina Wilken, a well-known consumer activist. She provided the pensioners with valuable advice, also in written format, together with relevant addresses and telephone numbers. This will enable members to lodge their complaints regarding consumer matters at the right time and right place.

The Group Branch wishes to, as in the past, be of service to all Public Service pensioners. Although the members pay membership fees on a monthly or annual basis, the management and committee members render this service on a voluntary, cost-free basis - a service of which PSA members, who in future will also be pensioners, must take note.

Provincial service-delivery overview

Eastern Cape

The PSA services members in the Eastern Cape by means of Provincial Offices in Mthatha and Port Elizabeth.

The Mthatha Provincial Office, together with the Port Elizabeth Provincial Office, hosted the Eastern Cape Inter-sectoral Meeting from 15 to 17 October 2014. The Meeting was attended by all executive members of the various Branch Committees and Chairpersons of member structures in the Eastern Cape. The PSA President, the Eastern Cape Board of Directors member, the PSA General Manager, and managers from the PSA Head Office, were also in attendance.

The Mthatha Provincial Office furthermore held various Branch Meetings during the report period, namely for the SAPS (two meetings), Justice (two), Transport (one), Agriculture (two), Social Development (one), Labour (one), Health (one), Home Affairs (one), Sassa (one), and the PHSDSBC (two).

In respect of service delivery to individual members, the Mthatha Provincial Office had 93 outstanding cases by the end of the report period. These cases related to pending disciplinary hearings, disciplinary hearings waiting for outcomes and set-down dates, appeals, appeals waiting for outcome, conciliations, cases registered for conciliation waiting for set-down dates, arbitrations, Labour Court cases, and 46 old grievances that were waiting for verification of payment of outstanding backlogs.

On 1 May 2014 the Mthatha Provincial Office hosted a Workers' Day event for the Eastern sub-regions in Lusikisiki.

The Provincial Office in Port Elizabeth continued to build on the foundations of the previous year when outstanding cases were limited. The Office continued with the strategy to ensure that members received the monies they were entitled to. To achieve this, letters of demand were sent to employers and if employers did not react and pay members, the relevant court was approached to obtain a court order to compel payment. If employers then still failed to pay members, the PSA again approached the court and obtained an attachment order. Generally, when the sheriff moved in to remove State assets, the employer normally effected payment.

There were, however, a number of cases where the PSA was forced to remove State property. Government vehicles were removed from the Department of Education to be auctioned. On the morning of the auction, the outstanding money of members, plus 15% interest and the PSA's legal costs, were paid by the Department. In the process an amount of R250 000 was recovered for members. In total, the Provincial Office during the report period recovered some R1 100 000 on behalf of member in similar actions.



The three Provincial Sectoral Branches and 12 Provincial Committees of the National Departments as well as eight Provincial Committees of Provincial Departments in the Eastern Cape resorting under the Provincial Office were active and functioned well. Representatives of structures not only served on departmental structures but also in the Chambers of the GPSSBC, PHSDSBC and PSCBC.

The Provincial Office had regular meetings with PSA business partners, which resulted in beneficial outcomes. The business partners, where possible, joined liaison staff on recruitment meetings to ensure visibility. Sanlam, Mahala, Old Mutual, Dignity and Metropolitan made valuable contributions to the success of

the Workers' Day celebration in East London, which was attended by some 200 members. In celebration of the PSA's birthday in July, refreshments were distributed to members in King William's Town, Bhisho and East London.

Free State

The core function of the Union is to protect the rights and interests of members. The Provincial Office in Bloemfontein's core theme during the report period was "Member First" in order to stay focused on the core business and not let non-employment matters influence this.



The Provincial Office recognises that member structures are the PSA's face in the workplace. To enhance their visibility, functioning and participation in PSA activities, the Office started to provide a platform during training sessions with structures in 2012, which was followed-up in 2014's training sessions and regular training sessions (more than 67) conducted by the CCMA throughout the Free State. The Office is, however, aware that some structures only act as "post offices" to channel members' complaints to the Provincial Office without trying to handle the complaint at the first level.

Failure by the employer's human resource departmental components in their core functions to, amongst others, advise and assist staff with related enquiries, resulted in that workload flowing over to the PSA to advise members on matters such as leave, which led to a huge additional workload for PSA staff. The Provincial Office, in general, had a heavy workload with an average of 45 new cases per day (excluding telephone enquiries).

The Provincial Office has two Labour Relations Officers, who handled a large number of hearings, arbitrations, and other matters during the report period.

The Free State Provincial Office had the largest number of referrals country-wide and in some disputes, its number of referrals exceeded that of some other unions combined.

The Office also ascribes its success to the vital role its full-time shop stewards and shop stewards played in increasing the capacity to enhance service delivery. The Office has a strong, dedicated and experienced core group, who are assisting members to the best of their ability.

The Free State Provincial Office had a high rate of success in various fields of its operational scope during the report period. As far as disciplinary hearings were concerned, the Office identified a core group of capable shop stewards, who assisted members successfully. Labour Relations Officers and shop stewards assisted 1 108 members in disciplinary hearings and grievance proceedings with a success rate of 92.3%. A huge concern, which was reported in the previous Report, was the large number of repeat transgressions by members, which could indicate a decline in discipline amongst some members.

In respect of arbitrations, several successes led to PSA members being reinstated after being dismissed. The Provincial Office also successfully declared disputes in cases where the employer did not comply with Resolutions such as PSCBC Resolution 1/2007 - non-payment of overtime (SAPS and several provincial departments). In a few cases the PSA also successfully ensured that the employer applied the Job Evaluation System.

Regarding the employer's reluctance to comply with PSCBC Resolution 14/2002 (grievances), the Provincial Office was once again identified by the PSCBC and the DPSA as the Office with the most disputes relating to the employer's non-compliance.

More than 731 conciliation boards and 451 arbitrations were conducted. A very low settlement rate (less than 10%) in conciliation boards is of concern. The Office's success rate in arbitrations was more than 72%, with a monetary value of R3 378 million to the relevant PSA members. This represented a new milestone for the Office.

With regard to Labour Court cases, in a major victory for PSA members, who performed overtime but were remunerated only up to 30% of their salaries, the Labour Court ruled that all overtime worked, if requested to do so, must be paid. Most provincial departments were forced to recalculate all restricted overtime payments and more than R330 000 were paid to those members for arrear overtime. Of grave concern to the PSA was the fact that there were 13 pending cases in the Labour Courts in Johannesburg and Cape Town, which had not been placed on the role to be heard. The PSA instructed its attorneys to approach, in writing, the Judge Presidents in this regard and, if silent on the matter, the Minister for Justice and Constitutional Development would be approached.

When dealing with collective matters, the Provincial Office's slogan "Member First" remained the centre of its service offering. The Office focused on bread and butter matters, which affected all members, who based their service demands on the Union's collective bargaining power. Based on the Office's success in attending to collective matters as raised by members or shop stewards, the Free State Provincial Office is the only Office with the majority membership in the Coordinating PSCBC, GPSSBC and PHSDSBC.

Some of the matters that the PSA successfully tabled were the non-implementation of probation periods, training of Chairpersons and initiators for disciplinary hearings, rumours regarding the GEPF, as well as the Department of Health's unilateral implementation of a 45-hour work week for EMS staff.

While special attention was given to how mandates were obtained, thus ensuring that ownership of collective matters was vested in the general membership, members still left the decision to the PSA by passive participation. Mandating remained of great concern to the Office and it struggled to get mandates or inputs on draft policies, which affect members in the workplace. The attitude of members must change in their own interest and PSA liaison staff were requested to convey this message to all members.

A major concern for the PSA was the lack of the employer's proper mandating processes in the sense that according to the *Public Service Act* and its Regulations, the Premier (mandating authority for the GPSSBC and Coordinating PSCBC Chambers), and either the Executing Authority (MEC) of Health or Social Development (appointed by the provincial cabinet as mandating authority for the PHSDSBC) could act as mandating authorities. After several deliberations and differences in the midst of the employer, the DG indicated to the PSA that the matter would be resolved soon as he was in agreement with the PSA's viewpoint.



None of the other unions supported PSA in this very important matter, which has legal consequences.

The PSA was responsible for 96% of all agenda items sponsored in the various Bargaining Chambers or forums and had a 100% attendance rate. Some of the collective matters, as raised by the PSA during the report period, are highlighted in this Report.

Coordination process for Clerks

The PSA tabled this matter in the Chamber and indicated that the Minister for Public Service and Administration had approved the coordination process on Clerk jobs. The PSA, based on its continued pressure on the employer and a court action, was the only Union that eventually forced all provincial departments to finalise implementation. More than 4 230 Clerks benefitted from the PSA's intervention. The PSA also approached the Labour Court to force the Departments of Health and Education to implement the upgrading process at an earlier date.

Condition of Government buildings

Shocking conditions under which PSA members must perform their daily duties were unveiled by the PSA in the Free State. It was widely reported in the local media. Based on the employer's ignorance of the magnitude of the problems raised, more than 26 cases were reported to the Department of Labour, which issued written notices for not complying with the *Occupational Health and Safety Act*. The PSA compiled a comprehensive report on the matter, which was under consideration in the PSCBC by the end of the report period.

The Provincial Office's business partners played a major value-adding role during liaison activities and in special projects. The Provincial Office also broadened the Free State fringe benefit list, which covers more than 69 local discount agreements.

Gauteng

The PSA has Provincial Offices in Johannesburg and Pretoria that render services to members in the Province.

In the Johannesburg area, PSA members at the Correctional Service Management area of Johannesburg during the report period experienced several problems that included a shortage of staff, the escorting of high-risk prisoners one-on-one while carrying a firearm, the continued cancellation of the transport services between home and work and constant harassment of members by the Area Commissioner.

The PSA embarked on a series of meetings with the Regional Commissioner and his office and successfully resolved these issues. The transport between work and home was reinstated in August 2014, more staff members were delegated to escort high-risk prisoners and the relocation of the then Area Commissioner to the Regional Office brought to an end the harassment of PSA members.

The Provincial Office successfully conducted several individual arbitrations for members in the workplace.

One such an arbitration related to the case where a member at the Gauteng Department of Health received an offer of employment from an outside company. When she resigned the Department made her a counter offer on a higher rank and salary. The Department, however, then failed to implement the counter offer after the member cancelled the outside offer. The case was decided in favour of the PSA and the member.

Several successes were also achieved with individual unfair dismissals where the PSA brought the members back to the workplace by means of arbitrations.

Effective corporate services were constantly enforced by the Provincial Office to support and enhance service delivery to members. All staff members were evaluated every six months according to the PSA's performance management system. The full-time shop stewards were also evaluated to confirm that they were performing their duties as per their contract with the PSA. Various administrative tasks were performed on a daily, weekly and monthly basis, including the processing of claims, originating documents for payment, and monitoring of budget expenses to ensure a stable support base from which quality service delivery to members could be adhered to at all times.

The PSA's Provincial Office in Pretoria during the report period placed more emphasis on the implementation of its operational plan. Existing member structures were regularly reviewed to ensure that these were in place and active. Shop stewards were replaced on a regular basis where vacancies arose and, where necessary, through growth in the number of members at workplaces. New structures were also established with formation and recognition submitted for approval.

In order to pursue the objective of bringing services closer to members, the Provincial Office trained 93 shop stewards during the report period. This intervention hugely improved the visibility of the PSA in workplaces as well as the quality of representation. The Provincial Office during the report period had eight full-time shop stewards, who reported to Office and were stationed on the outskirts of Pretoria. Only one full-time shop steward was stationed at the Office.

In another step to bring the Union's service closer to members, the Provincial Office relocated to Pretoria's central business district on 1 August 2014.

“The Free State Provincial Office had the largest number of referrals country-wide and in some disputes, its number of referrals exceeded that of some other unions combined.”



This resulted in a substantial increase in membership and also brought about an increase in members coming to the Office and speedy resolution of their grievances and enquiries. Travel expenses were furthermore reduced owing to the concentration of Government departments in the area.

The Provincial Office also made progress with its exposure in the media and follow-ups were made by the media on several individual cases. Strict compliance with the norms and standards was enforced and regular editions of the *Informus* were issued on the outcome of cases.

Awards made in the PSA's favour were also widely circulated amongst various stakeholders.

In respect of collective bargaining, the PSA concluded a collective agreement on salary increases for Agriseta employees for the 2015/2016-financial year. This agreement was to be implemented as of 1 April 2015 and the percentage increase was between 7.5% and 9.5%.

During negotiations at Sasseta on wage increases for the 2014/2015-financial year, the employer negotiated in bad faith. An offer was tabled of 9%, which was later withdrawn and a reduced offer was tabled. This led to an impasse and subsequent strike action. Unfortunately, the strike action did not persuade the employer and it unilaterally implemented the following increases: Administration (8%), Practitioners (7.5%), and Senior Practitioners (7%).

KwaZulu-Natal

In KwaZulu-Natal, the PSA also has two Provincial Offices offering a service to members from Durban and Pietermaritzburg.

In the Durban Provincial Office, based on a growth in membership, it became increasingly difficult to maintain an efficient and professional service. It thus became paramount that full-time shop stewards should play a vital role. Two years ago the Provincial Office set out integrating the full-time shop stewards into the Office. This proved an invaluable exercise as not only did they begin to understand the culture of the PSA but also the required work ethic. All shop stewards, apart from new-elected individuals, were fully integrated into the Office environment. They worked almost independently with minimal supervision. They attended to complex matters as well as disciplinary and arbitration hearings. In this way, increased capacity and improvement in service delivery were brought about.

The report period saw the PSA gaining prominence in the media. This was to a great extent based on the PSA representing officials, employed by the Department of Public Works, who were implicated in the Nkandla matter. This enlightened the media to the PSA as a Union that will go all out to protect the interests of its members. In addition, the PSA also featured prominently in the media in news coverage of the problems experienced by its members employed in the Province's Emergency Medical Services.

The Provincial Office received wide-spread recognition from members with regard to its visibility and the exposure it received in the media.

In respect of the PHSDSBC, the Public Health and Welfare Branch secured the appointment of a second full-time shop steward. The Branch took gender into account and appointed a female shop steward.

With regard to collective bargaining, the PSA was active in every Chamber of the Province and attended all bilateral and multi-forum meetings. The PSA was at the forefront of tabling items at all Chamber meeting on issues that affected members. During the report period the PSA did not hesitate to declare disputes on matters such as the upgrading of Clerks and Security Guards.

The majority of shop stewards made every effort to ensure that the institutions that they were responsible for had 100% PSA membership. During the report period the Public Health and Welfare Branch embarked upon forming district branches to ensure better communication to grass-roots level. The contact details of all shop stewards were publicised to ensure better communication.

In spite of some members holding dual membership, the PSA is still the most trusted Union when it comes to representation at disciplinary and grievance hearings. The PSA was during the report period still the only Union dealing successfully with OSD matters, and the appointment of Nurses, who successfully completed bridging courses privately. Most grievances were resolved at institutional level.

The Provincial Office furthermore brought two business partners on board during the report period by involving them in activities.

At the Provincial Office in Pietermaritzburg Labour Relations Officers worked closely during the report period with the Senior Clerks to assist and represent members with their queries, grievances, disciplinary hearings and disputes. Besides assisting members on a day-to-day basis with routine matters, members of staff had to rise to the occasion in dealing with the unexpected. This included instances where problems at the workplace had to be addressed on an urgent basis to avoid unprotected industrial action, unfair treatment of staff by their supervisors, resolving problems related to the non-payment of overtime, and restructuring of departments without consultation.

The two PSA Provincial Managers remained the Chairperson of the KZN Public Service Coordinating Bargaining Chamber and KZN General Public Service Sectoral Bargaining Chamber. The PSA actively contributed in submitting the majority of agenda items and robustly engaged the employer in the Chambers for the GPSSBC, PHSDSBC and PSCBC.

The three full-time shop stewards played an active role in increasing and maintaining the PSA's membership in the Pietermaritzburg area of the Province.



They played an active role in representing members predominantly with grievances, conciliation boards and disciplinary hearings.

The Provincial Office also benefited from the assistance rendered by a few dedicated shop stewards during very difficult times as a result of the prolonged illness of a member of staff, rotation of staff as well as an increased workload. These shop stewards regularly assisted the Provincial Office with bilaterals, conciliation boards and disciplinary hearings.

The Office issued newsletters on a regular basis following KZN PSCBC or KZN GPSSBC Chamber meetings or when information had to be communicated to members in a specific department regarding an issue, or to provide general information of interest to members in the Province. The Provincial Office furthermore regularly submitted articles for publication in the *PSA magazine*. Chairpersons of Branches and Committees received regular updates and were, in some instances, with the assistance of shop stewards, requested to assist with the obtaining of mandates.

Various training interventions took place during the report period. Case law updates were provided on a quarterly basis by Tomlinson Mnguni James, a firm of attorneys frequently used by the PSA. These sessions were attended by the Provincial Manager and Labour Relations Officers.

The Provincial Manager also attended a business letter writing training intervention from 20 to 21 May 2014. Training regarding the PSA membership system was provided to Senior Clerks and the Provincial Manager from 18 to 20 August 2014. The Provincial Manager and three Labour Relations Officers attended the Juta Labour Law Seminar in Durban on 11 September 2014. The Liaison Officers and Provincial Manager also attended the training session for Liaison Officers from 9 and 13 February 2015 that was conducted for all liaison staff and Provincial Managers in Saldanha Bay.

The report period saw the renewal of secondments of the full-time shop stewards for the PHSDSBC and GPSSBC. The full-time office bearer for Correctional Services began serving the second year of his four-year term.

The Pietermaritzburg Provincial Office celebrated three special events during the report period. A Workers' Day event was held at MaThembu Hall in Tugela Ferry (or Msinga), a small, rural community situated between Greytown and Dundee. The Office was well represented with nine members of staff and a full-time shop steward in attendance.

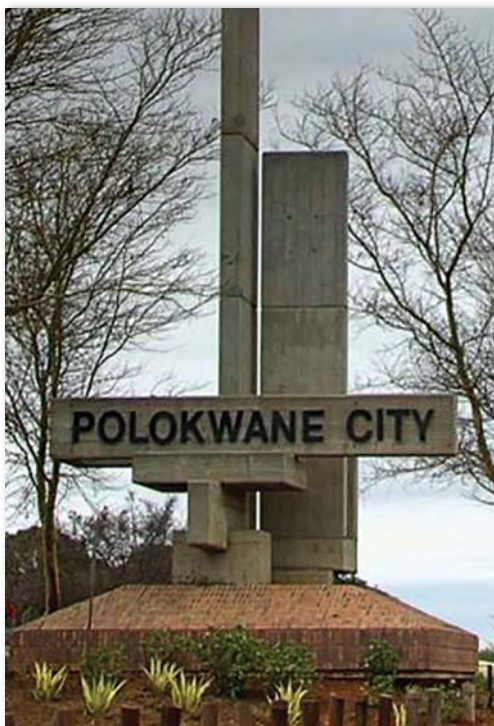
In addition to a member of the PSA's Board of Directors, the Chairpersons of the KZN GPSSBC Branch and the KZN Sassa Committee were also present at the event. Pamphlets, wrist bands and diaries were handed out to the members in attendance.

Women's Day was celebrated by the Provincial Office with a function for members at the Pietermaritzburg Prison on 8 August 2014. Some 100 women attended the event at the Prison's Recreation Club. Members were, amongst others, entertained by the Prison's choir and received PSA-branded gifts.

The PSA's business partner, Sanlam, provided an informative talk on issues that ladies had to be aware of in preparing themselves for dealing with life's eventualities. The celebration was concluded by a luncheon.

Heritage Day was celebrated on 24 September 2014 at Greys Hospital in Pietermaritzburg, with more than 200 members in attendance. Members were, amongst others, treated by learners of Ashdown Primary School performing a musical item. A representative of Old Mutual informed the attendees about the benefits that they could receive from Old Mutual as a business partner of the PSA.

On 27 February 2015 the Pietermaritzburg Provincial Office moved office from Dorchester Place to Dorchester House. The new Office, in the same office complex, brought additional benefits of securing more offices and having the Office under one roof.



Limpopo

At the PSA Provincial Office in Polokwane the demand for service in various forms increased during the past year, putting more pressure on staff and full-time shop stewards. A core group of loyal and dedicated shop stewards also contributed to the efficient functioning of the PSA.

During the report period 314 formal grievances, 70 conciliations 79 arbitrations, and 104 disciplinary hearings were attended to by PSA staff and shop stewards. In addition, 8 127 enquiries had to be attended to - mostly in a written form. This excluded "walk-in" members and telephone enquiries.

During conciliation meetings, settlement agreements to the value of R1 797 774 were concluded on behalf of members.

The PSA during the report period was active in the Limpopo Chambers of the PSCBC, PHSDSBC and GPSSBC. Some of the more prominent matters that were dealt with are highlighted.



Restructuring and configuration of Limpopo Departments of Public Works, Roads and Transport and Safety, Security and Liaison

This emanated from a re-arrangement of Departments by the Premier of the Province. All employees, who were affected, were by the end of the report period settled in their new directorates and/or departments.

Working tools, facilities and transport at Nature Reserves

Numerous complaints were received regarding the poor state and or lack of working tools, facilities and transport at some of the Nature Reserves in the Province. It was placed on the agenda of the Chamber of the GPSSBC. The Department acknowledged some of the allegations and stated that it was attending to these matters. Although the situation improved at some Nature Reserves, the matter was still being monitored by the PSA.

Awarding of Performance Bonus for employees on salary level 1 to 12 for 2012/2013-financial year: Limpopo Department of Health

Employees reverted to unprotected industrial action because performance bonuses were not paid to qualifying employees by the middle of 2014. Numerous meetings took place with the employer to try and resolve the matter. The Department later tabled a draft agreement in terms of which a flat rate would be paid to all qualifying employees in an attempt to resolve the matter. The PSA declined to sign this document but unfortunately all other unions signed to make it a binding agreement. Many members subsequently received far less than they were supposed to get.

New organisational structure for Malaria Control

The employer tabled a new organisational structure for the Malaria Control Directorate for consultation. The PSA's main concern was that no employee should be prejudiced as a result of the changes. After affording members an opportunity to make inputs, the PSA agreed to the new structure.

Mpumalanga

Active participation by member structures and the utilisation of PSA shop stewards and other members played a vital role in enhancing service delivery by the PSA Provincial Office in Nelspruit, specifically in the protection of members' rights and other related matters.

The Provincial Office attended all Bargaining Chamber meetings and actively participated, especially in adding agenda items to all meetings. The PSA successfully forced the employer at the PSCBC to implement the upgrade of level 9/10 and 11/12, a matter which was overlooked by other unions.

Labour Relations Officers and shop stewards assisted 420 members in disciplinary hearings, conciliations and arbitrations with a 75%-success rate and an associated monetary value of more than R3.5 million to PSA members. These successes included, amongst others, members, who were dismissed and re-instated, PMDS payments, and acting allowance payments.

The Department of Health was unwilling to pay overtime to members at clinics. After several unsuccessful engagements between PSA and the employer, members were advised to work normal hours and not overtime. The employer then urgently processed the payments.

At the Department of Education, a directive was unilaterally issued by the employer to stop officials from taking early retirement. The PSA challenged this with the PSCBC after which the directive was withdrawn.

The Provincial Office also hosted an Inter-sectoral meeting with the theme of "How to organise the unorganised". The meeting was also attended by the PSA's General Manager, the PSA President, a member of the Board of Directors and PSA business partner, Old Mutual.

Metropolitan, also a valued PSA business partner, again arranged a team-building exercise with member structures during the report period.

Northern Cape

The Northern Cape is the biggest Province in South Africa. With Kimberley as the center, the furthest points are Alexander Bay in the North and Noupoot in the South - some 1 200 km apart. The distance between Kimberley and Alexander Bay is approximately 650 km while from Kimberley to Noupoot, the distance is approximately 550 km.

The focus on service delivery meant that the PSA Provincial Office in Kimberley had to constantly evaluate service-delivery intentions, aligned with the strategic intent, and the PSA norms and standards. This, coupled with the notion that the Union had to adjust to the ever-changing needs of members, the economy and the topographical positioning of the Office to meet goals and the needs of members, contributed to enhanced service delivery that surpassed competitors and puts critics to shame.

The Provincial Office's success during the report period is directly attributed to the force of shop stewards, who were utilised on every level of service offering. Enhancing, involving, training, and empowering these shop stewards was a priority that added to the Office's competitive edge.

In the ever-changing and sometimes volatile labour field, shop stewards are at the core of service delivery, a fact that is embraced by the PSA. Shop steward accountability is a golden thread in all endeavours, thus ensuring that high-quality services are rendered. The Provincial Office's Liaison section contributed immensely by encompassing all efforts in conjunction with the Labour Relations component.

The PSA in the Northern Cape was a main force in the collective bargaining arena during the report period, adding substantially to the product offering on a provincial scale in representing the interests of members.



Aggressive marketing of services and the product offering took place by means of various communication media, thus labelling the PSA in the Province as the “*Informus* Union”.

The Provincial Office recorded various successes during the report period, of which some are highlighted in this Report.

- A senior member at the DCS was charged for allegedly assaulting a junior colleague. The PSA’s full-time shop steward assisted the member through a pre-hearing deliberation, which resulted in the charges being withdrawn, based on a lack of evidence.
- The disciplinary hearing of a member at Department of Justice commenced in November 2014. The matter was based on two allegations. After cross-examining the witnesses of the employer, the PSA presented the defence case. The member was, however, found guilty. Mitigating factors were presented by the PSA where after the member received a final written warning and one month’s suspension without pay.
- A PSA shop steward consulted with a member at the NPA, who faced disciplinary measures. His national supervisor flew from Pretoria to take disciplinary steps against him. The member was accordingly counselled, which in itself, is the most lenient sanction to be given in a disciplinary hearing.
- At the Department of Social Development, four members approached the PSA for assistance regarding a PMDS matter. After a lengthy process, the matter was finally dealt with by the Labour Court, which ruled that all members had to be re-evaluated. After the moderating committee had convened, all members were awarded a PMDS bonus.
- Two members at the SAPS were charged on two counts of theft related to the disappearance of venison. Representation was arranged for the members and after two sittings, both were found not guilty.
- A member at the Department of Agriculture, Land Reform and Rural Development a member was charged with seven counts of misconduct. With PSA representation the member received a written warning coupled with counselling.
- At the Department of Roads and Public Works a member was charged on three counts of negligence. With the assistance of the PSA, he was found to be not guilty on all charges.
- A DCS a member at the Dog Unit was charged with three counts of misconduct related to dereliction of duties, absence or repeated absence without permission and breach of security measures. The PSA, noting the severity of the charges, appointed a representative from another Department. The charges were later dropped and the hearing did not continue.
- At the Department of Statistics South Africa a member was charged on one count of fraud and an alternative.

The PSA successfully represented the member, given the circumstances. The member was sanctioned to a R2 000 fine and counselling via the employee assistance programme.

“In the ever-changing and sometimes volatile labour field, shop stewards are at the core of service delivery, a fact that is embraced by the PSA. Shop steward accountability is a golden thread in all endeavours thus ensuring that high-quality services are rendered.”

- A member approached the PSA regarding his acting in a higher post. The matter was referred for conciliation and a settlement agreement in favour of the member was reached.
- A victory award was issued in relation to an unfair labour practice related to promotion to a member at the SAPS where the Commissioner, after arbitration, ruled that the interview process should be redone before a new panel.
- An award was issued in favour of a DCS member, a Typist on salary level 6, who had a concern that her salary level should be grade progressed to the next level. The remedy sought was that the undisputed retrospective pay due to the applicant from 1 July 2011 to March 2015 was an amount of some R69 200. The Commissioner found that the member’s salary should be adjusted to level 7 with retrospective effect from 1 July 2011.
- At the Department of Education a school principal was charged with misconduct. The PSA assisted him in the disciplinary hearing but he was found guilty and dismissed. The matter was taken to arbitration where the award was in favour of the member, who was awarded retrospective reinstatement. The employer took the matter on review and the PSA assisted the member in the Labour Court, where the matter was won with costs. The Court ordered that after three years the member had to return to work.
- A total of 12 members at the Department of Water Affairs approached the PSA regarding their EPMDS dispute. The matter was referred to the respective Council and eventually arbitrated. The arbitration award was in favour of the members and they were all to receive their bonuses.
- A member at the Department of Health approached the PSA regarding her incorrect OSD translation. The PSA engaged the Department on the matter, which proved fruitless. The matter was then referred and the member received more than R100 000 in back pay and the translation was corrected.



- A member at the Department of Safety and Liaison was demoted and approached the PSA. The matter was referred to the Bargaining Council. After conciliation the PSA made a referral to arbitration. Before the arbitration could be heard, the member's position and level were rectified.
- A member at the Department of Health approached the PSA for assistance with an OSD matter. The matter was referred to the PHSDSBC for arbitration. After conciliation the Department was willing to enter into a settlement agreement. The member was paid out R723 000.
- A member at the DCS was dismissed in 2007. The PSA stood by the member for six years without fail. The matter was referred to the Labour Court and throughout this process the member was assisted by the PSA until finally, in August 2013, she was reinstated retrospectively. She again assumed duty after six years and had to be paid in excess of R1.2 million.
- An OSD matter that arose in the Department of Defence was referred by the PSA. At arbitration an award was issued in favour of PSA acting on behalf of the member. An amount of R72 000 had to be paid to the member.
- A school principal was initially suspended and subsequently charged with 12 counts of misconduct. The PSA represented him at the lengthy hearing but he was ultimately found guilty on all charges and was dismissed. The matter was referred as an unfair labour practice to the respective Council and again, after a lengthy process but with professional representation, the PSA was successful in the arbitration. The member was re-instated and awarded R506 928 for loss of salary.
- In an arbitration hearing a PSA member at the SAPS was successfully represented. His case was referred as an unfair labour practice relating to disciplinary action short of dismissal. The Commissioner ruled in his favour and awarded him compensation of some R72 000.
- A member at the DCS approached the PSA with a temporary incapacity leave matter, which the Department had initially declined and deducted a huge amount from her salary. The PSA was thorough in the dispute resolution process, which after considerable delay and deliberations, resulted in an award in favour of the member. The Department was ordered to pay back R28 000 to the member.

As part of the Provincial Office's service to members, a full-time office bearer was based in Kimberley and functioned from the Office during the report period. He was responsible for problem solving at the Departments of Health and Social Development as per instruction of the Provincial Manager. He was also involved with recruitment and representing members in disciplinary hearings, conciliations and arbitrations. He participated in the PHSDSBC in the Province and also handled problems from GPSSBC departments.

The Northern Cape had three full-time shop stewards during the report period, namely in John Taolo Gaetsewe district, in Z F Mgcawu district, and in Pixley ka Seme district.

The full-time shop stewards in the Francis Baard district returned to his employer following the lapse of his contract. The full-time shop stewards were positioned at the furthest corners of the Province to visit and service the rural areas, to be closer to members in the interest of service delivery, to recruit members in rural areas, to communicate with members, to deal with member enquiries, to resolve problems or labour issues locally and to prevent the Provincial Office from traveling long distances.

The PSA has appreciation for its business partners' support in the Province. Old Mutual Finance and Edu-loan graced structure meetings and supplied members with promotional material during the report period.

North West

Service delivery by the PSA's Provincial Office in Mmabatho improved substantially during the report period owing to various reasons. Assistance from the full-time shop steward in executing liaison and labour-relations work contributed positively towards service delivery. Assistance from shop stewards with disciplinary hearings, grievances and recruitment improved drastically. Complaints from members were reduced thanks to the commitment of staff, shop stewards and the full-time shop steward.

The Office was, however, still faced with a challenge whereby not all shop stewards were willing to assist members, but steps were taken to address this situation and an improvement was noted.

With regard to the database of shop stewards, the Office has a 94% accurate record in respect of email addresses and contact numbers.

The Office's Labour Relations Officers, full-time shop stewards and some shop stewards did a sterling job during the report period by winning the majority of disputes and disciplinary hearings. The Provincial Office obtained some R700 000 in monetary value for members.

The PSA maintained its majority status in the GPSSBC and meaningful growth was observed in the PHSDSBC Sector.

The active participation and involvement of the PSA in various Chambers yielded positive results. This was shown by the way in which the PSA concluded salary negotiations for two parastatal institutions, namely the North-West Development Corporation (NWDC) and Mmabana Arts and Culture. In both entities the PSA managed to correct past salary disparities. By the end of the report period the PSA was on the verge of concluding an agency-fee agreement with the NWDC.



The PSA contributed meaningfully in all Provincial Chambers. The PSA also tackled the issue of the upgrade of Clerks in line with the DPSA determination. The Administrator of Council from the GPSSBC went so far as to mention that he was grateful to be part of this Chamber as the PSA was keeping it afloat.

Elections of Branch and Committees were conducted and all structures were revived during the report period.

The PSA furthermore celebrated Workers' Day in the Province at Ganyesa Huhudi Hall. For the first time in the history of the Province, buses were filled to capacity. The gathering was marked by a jubilant atmosphere, with 17 new members from the Department of Health joining at the event. The event was also attended by the Provincial Chairperson of the PHSDSBC Branch and a member of the PSA's Board of Directors.

Western Cape

During the report period the Provincial Office in Cape Town, its full-time shop stewards and individual shop stewards assisted nine members in new court cases, 82 members in arbitrations, 78 in conciliation boards and a further 241 members in disciplinary matters.

These numbers show an increase in court cases, a 10% increase in disciplinary hearings and a slight decrease in arbitrations and conciliations. The complexity of matters referred to arbitration, however, increased with the majority of matters dealing with temporary incapacity leave and OSD disputes.

The PSA, with the active assistance of member structures, also furthered the interests of members by participating in more than 43 bargaining meetings. This demonstrated the Union's continued commitment to promote the interests of PSA members through collective bargaining activities, and ensuring that not only were members' rights protected but also furthered their interests in their employment relationship with the State.

The above services were rendered by a well-functioning and knowledgeable team of PSA staff, full-time shop stewards, full-time office bearers as well as an increasing group of shop stewards.

Communication with members

The PSA Communication Section has proved over the years that it not only provides effective support to other functional areas of the Union but is enhancing its own role in the organisation.

Talks about modern methods of communication have been on the agenda in recent years. The role of the Union remains clear and enhancement of its approach to deal with issues needed to be aligned in answer to changing times. The report period was marked by various new developments in respect of the Union's communication initiatives.

The PSA was proud to during the report period introduce social media as one of its key communication channels. The Communications Section researched and worked towards placing the Union in the social-media sphere during the report period.

This was achieved by means of a PSA Facebook page (<https://www.facebook.com/public.servants.association>) that was created and went live for members to engage with their Union and with each other. Although it is still early days, this channel is proving to be an element that many members were longing for, based on the favourable response within a short space of time.

YouTube is one of the most popular methods that people use to get their message out and the PSA therefore also introduced this platform to share its stories with members and the public.

The introduction of these two elements of communication is set to grow and strengthen the PSA brand, as the impact of these networks reach far wider than traditional methods. The new channels give support to the Union's popular website, the *PSA magazine*, *Informus*, and media statements, which, amongst others, have all been part of the internal and external communication of the PSA.

The PSA furthermore issued a range of targeted SMSs to members to keep them updated on various events and topics.

The PSA, in its commitment to continually improve its service offering to members, completed an overhaul of its website (www.psa.co.za) during the report period. The newly-designed site provides users with a simpler way to navigate through the website and conveniently find information. The website offers a window on a variety of areas, including events and the latest fringe benefits. It also provides members with an opportunity to rate the Union's service.



Since the launch of the new site in July 2014 until the end of the report period, more than 59 000 unique visitors were recorded.

The PSA mobile site (*m.psa.co.za*) continued to be an effective alternative to the website for members using their cell phones to access PSA information.

The electronic helpdesk, *ask@psa.co.za*, also provides members with an alternative channel to lodge enquiries to the PSA. During the report period, the PSA received 1 181 enquiries by means of this portal.

The *PSA magazine* underwent a transformation during the report period with the first, new-look edition being published in January 2015. The pages of the publication were increased to 68 to allow the PSA to share more-detailed articles and information with members as well as offering additional benefits and rewards. Posting magazines by means of conventional post presented the PSA with challenges during the report period owing to on-going instability of the service provider.

During the report period, the PSA therefore introduced an alternative and more convenient approach for members to receive the *PSA magazine*. Members can now subscribe to *PSAmag@psa.co.za* to receive a link and read the magazine online at their leisure and thereby eliminate the impact of postal delays.

The PSA continues to communicate with members through the *Informus* almost daily. This electronic newsletter, dealing with a variety of workplace-specific topics, also received a makeover. The design and style of reporting in the *Informus* were enhanced to give it a fresh look and ease readability. During the report period 420 editions of this newsletter were published and distributed to members.

In support of various events and campaigns, the Communications Section during the report period produced a variety of topical flyers for use by PSA Provincial Offices.

Communication with or amongst PSA staff members is also vital for the inclusion of all personnel in organisational matters. The PSA's internal newsletter, *Intravox*, was issued 15 times in the report period.

Media monitoring is a daily task in the Communications Section. Newspapers are scanned and any PSA-related articles or labour-related news that affect public servants are shared with staff and members. The PSA also makes use of an external service provider for national monitoring of related news in printed and on-line publications as well as broadcastings.

Media coverage

The PSA makes use of media statements to air its views on a variety of matters. During the report period a news distribution service provider was engaged to undertake distribution of PSA media statements. This service allowed the PSA to reach a wider audience. A total of 27 media statements were distributed during the report period.

In the process, an advertising value equivalent of some R23 229 637 was secured for the PSA.

Branding

External branding of PSA Offices was also undertaken by the Communications Section, as brand custodians, during the report period in an effort to ensure brand consistency and raise brand awareness. The branding of the majority of Provincial Offices was completed during the report period.

In celebration of the PSA 95th birthday, a special edition of the PSA's 2015 Diary was compiled by the Communications Section and included sponsored messages of goodwill from business partners as well as value-adding information.

The PSA continues to strive to improve on the existing channels and to explore new ways to improve communication with members.

Fringe benefits

In addition to its service to members, in line with its core business of protecting and promoting their rights and interests in the workplace, the PSA also offers a range of national and provincial fringe benefits to members.

These benefits are in the form of group or other products at discounted rates to place them in a better bargaining position than the general public. The PSA has a close relationship with its business partners at a provincial level, where they are also actively involved in many PSA activities, including joint social responsibility initiatives.

During the report period new national fringe benefits were negotiated with existing business partners and new partners.

A new contact was concluded with **Legalex** in December 2014, whereby legal-insurance policies and telephonic legal-advisory services, administered by Legalex, are offered to Union members. The product consists of legal services for individuals and families and is underwritten by Guardrisk.

Community Legal Clinic extended its product range in August 2014 by adding a "Traffic Offence Arrest" product, underwritten by Genic Insurance Company. This includes disputes related to e-toll, drunken/negligent/reckless driving, culpable homicide, bail bond/hearing and identity theft.

Indwe in March 2015 added a stand-alone Bundle Insurance Product for electronic devices underwritten by Contantia.

Sanlam added a funeral product with a R60 000 benefit in August 2014.

Zisekele added a new product to assist members with their claims against the Road Accident Fund.



The **PSA Short-term Insurance Scheme** has 5 538 members. The facility is insured by Guard Risk and administrated by Alexander Forbes from 1 April 2013.

The PSA has a short-term insurance contract with **Indwe**, the largest independent short-term insurance broker.

Funeral schemes and services are available through **Assupol, Dignity, The Best Funeral, Old Mutual, Metropolitan, Zisekele**, and **Sanlam**.

Assurance and other products are available from **Old Mutual, AIG, Metropolitan, Assupol, Liberty, Optivest** and **Sanlam**.

Funeral services are rendered to PSA members by **Doves** at discounted rates.

Legal services are provided by **Community Legal Clinic** to PSA members and their family.

Emergency rescue services with the **Automobile Association** are provided at 15% discount.

As far as health care is concerned, **AIG** provides unique hospital cash plans and accident benefits.

An agreement with **Barloworld Motors** provides free on-the-road charges to the members (licence, registration cost, delivery cost, pre-delivery inspection cost and number plates).

Old Mutual Finance provides consolidations, unsecured personal loans and policy-secured loans.

Members can obtain education finance to further their studies and those of their dependants for university, school fees, laptops and books with **Edu-loan**.

The **PSA Mahala Loyalty Program** is a rewards program where members can earn discounts or points (mahalas) on ordinary, day-to-day purchases from Mahala partners. Mahala includes the loyalty program to all PSA members applying for the The Best Funeral policies, underwritten by Hollard.

Medquote provides quotations and broker appointments for medical schemes and healthcare-related products to PSA members. Medquote also liaises with medical schemes regarding unpaid claims.

In total more than 198 000 policy holders are making use of the various schemes.

At the **SA National Parks** discounts of between 10% and 15% on accommodation are available.

The **PSA Holiday Resort**, near East London, offers equipped chalets and camping facilities at discounted rates for PSA members.

Other exclusive benefits administered by the PSA include the **PSA Funeral Benefit** where, in the event of a member's death, the dependents or next of kin can approach the PSA (within six months of the death) for financial assistance with funeral costs. This R2 350 grant is awarded on an *ex-gratia* basis, subject to available funds.

The funeral benefit of R7 000, which was implemented with effect from 1 May 2005 for members employed in the SAPS (*Public Service Act* as well as *Police Act*), was changed to R2 350 with effect from 1 March 2015.

By the end of the report period, a total of 986 claims, of which 31 were from SAPS members and 78 from pensioners to the value of R2 461250, had been paid out. Five more funeral claims were paid in this period, compared to the previous period.

The **PSA professional indemnity cover for nursing staff and medical technologists** is unique in the trade union industry, as cover has been secured at an initial R1 million, per member, per year, with no limitation, at no additional cost to the member. The scheme is administrated by Mustofin Insurance Brokers.

The **PSA's insurance cover for its office bearers** offers such members, or their substitutes, who serve the PSA in an official capacity, e.g. to assist members in labour matters, or when attending official PSA meetings, comprehensive insurance cover on death or permanent disability.



Membership

Recruitment and retention of members

The PSA's membership has shown strong growth over many years owing to its committed liaison staff and shop stewards, relevant solutions and financial discipline. For succeeding years the PSA has delivered on its promise to render a service that is unparalleled by competitors with about 18% compound year-on-year membership growth.

This achievement demonstrates the Union's understanding of the needs of the market and its ability to meet members' expectations. This strong position has meant that the PSA is regularly rated as one of South Africa's best performing trade unions in the Public Service. Once again, all areas of the PSA's liaison operations experienced growth during the year under review. During this period, the PSA's primary focus was to consolidate and complement its existing service offerings. The Liaison Section also focused on growing its activities with existing empowerment initiatives of structures.

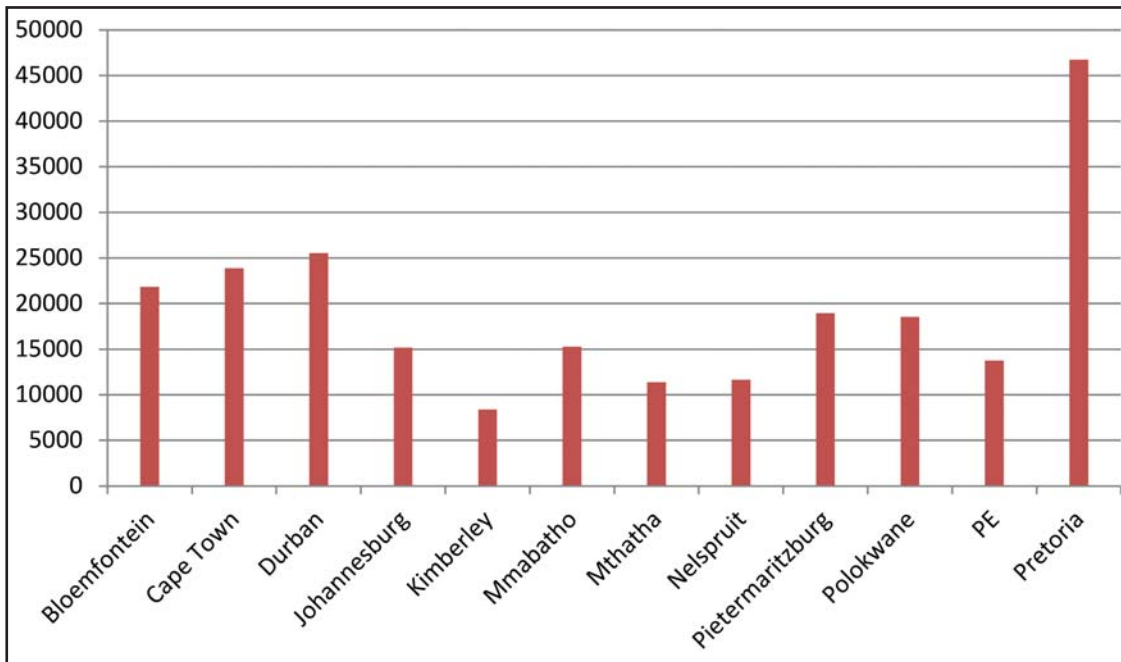
The following statistics serve as reference:

Points visited	17 787
Members addressed	133 592
Non-members addressed	35 960
Meetings attended (i.e. branches)	343
Training sessions for shop stewards	185
Distance travelled (km)	550 414
Overall membership	231 029

The PSA membership showed a growth during the report period as illustrated in the tables below.

Retention and recruitment initiatives through day-to-day and co-ordinated, vigorous tours in the main centers and rural areas of the respective Provinces presented an opportunity to both recruit and retain members. The PSA's growth pattern illustrates that the Union's professional, dedicated staff and shop stewards are hard at work. The decline in distances travelled compared to the same period in 2014, demonstrates the effectiveness of the PSA's growth strategy that is driven by empowerment of local structures.

Bloemfontein	Cape Town	Durban	Johannesburg	Kimberley	Mmabatho	Mthatha	Nelspruit	Pietermaritzburg	Polokwane	Port Elizabeth	Pretoria	Total
20 652	23 333	25 224	14 386	8 068	15 087	11 955	11 077	18 701	17 970	14 025	44 225	
21 825	23 870	25 533	15 148	8 388	15 279	11 365	11 655	18 957	18 529	13 746	46 734	231 029
6%	2%	1%	5%	4%	1%	-9%	5%	1%	3%	-2%	6%	





Provincial overview

Eastern Cape

The PSA membership in the Western half of the Eastern Cape lost about 156 members during 2014. The Provincial Office participated in all the national drives such as in the PHSDSBC, SARS, SAPS and GPSSBC. In the drives in the PHSDSBC and GPSSBC the Office ended in the top five for the campaign. The involvement of PSA structures and shop stewards in the recruitment of new PSA members showed a healthy improvement.

Free State

Recruitment through service delivery and the maximum utilisation of all shop stewards and business partners paid off during the report period to contribute to the Provincial Office's success in terms of recruiting new members in a very competitive market. The low percentage of members, who resigned from the PSA in the Free State, is a clear sign that the PSA was providing a service to members in the Province that satisfied their aspirations. During the report period the netto membership growth (resignations deducted from new recruitments) was 1 445 new members. It seems as if a generalisation of "PSA, the Union of Choice" started to filter through to prospective members.

Gauteng

During the report period the PSA Provincial Office in Johannesburg participated in various recruitment drives. Successful open-day events were conducted during the Health drive in the following institutions: Jabulani, Chris Hani Baragwanath, Sterkfontein, Hillbrow and Leratong Hospitals. Existing members were retained and many new members were recruited. The recruitment drive for the GPSSBC took place in September and October 2014. The open-day event that was conducted at the Gauteng Department of Finance was a big success and many new members were recruited. Members were retained through regular communication and motivation and contact with shop stewards.

Various events were undertaken by the Provincial Office in Pretoria during the report period. These included recruitment drives, open days, a Workers' Day intervention and national initiatives. Participation in these events contributed to the overall growth in the Province. This further enhanced the visibility of the PSA at workplaces and assisted with the improvement of service delivery. Business partners also contributed towards the successes of these events.

The membership of the Pretoria Provincial Office increased with approximately 6 000 new members during the report period, which exceeded the target. The improvement in services by both the Liaison and Rights components in the Office furthermore contributed to the overall growth.

KwaZulu-Natal

The Provincial Office in Durban experienced a steady growth in numbers over the past few years. This is mainly ascribed to the sterling efforts of shop stewards and the Liaison component. The Office, while pursuing a target of 30 000 members by the end of the next financial year, encouraged members to make every effort to recruit new members.

In the Provincial Office in Pietermaritzburg the recruitment of members went very well during the report period. The fact that the Office had both its Liaison Officers featuring in the Top-Ten list of recruiters speaks of their dedication and passion for their work of expanding and maintaining the membership of the PSA. The benefits of having a close working relationship with full-time shop stewards and shop stewards contributed to the success. These factors, as well as service delivery from the Labour Relations component, all contributed to the Office's membership figure exceeding the 20 000 mark.

Limpopo

The Provincial Office's membership grew from 18 217 members in 2013 to 18 923 in 2014 - a net growth of 706 members. The Liaison Officers undertook 12 tours, two to each district during the report period. On average, 1 136 members were addressed per month. Unfortunately, there were areas and institutions where it was almost impossible to meet with members. Owing to time and financial constraints, many clinics, road camps and malaria control workers were not visited on a regular basis.

Mpumalanga

The optimal utilisation of shop stewards, full-time shop stewards and business partners, especially Metropolitan and Old Mutual, contributed to the success in recruitment by the Provincial Office during the report period. The declaration of every Friday as a recruitment day contributed a lot in terms of visibility and recognition of structures as they were participating in all activities.

Northern Cape

The year 2014 is regarded as very successful in respect of recruitment in the Northern Cape. The Provincial Office exceeded the 9 000-members mark and claimed the fifth place amongst the Top-Ten recruiters. Recruitment was a high priority for the Office, with participation in the national drives for Health and Sars. This enabled the Office to be more visible amongst members and to retain existing members. Application forms that were submitted never reflected back as being rejected.



North West

This Provincial Office was successful with regard to recruitment during the report period with the top recruiter being based in the Province. Another Liaison Officer ended in the sixth position. Improved visibility through liaison visits and inter-sectoral meetings, assistance of members by Labour Relations Officers, full-time shop stewards, and shop stewards in cases, grievances and disputes, attributed positively towards retention and the growth in membership. Full-time shop stewards and other shop stewards contributed greatly in assisting members with especially grievances and representation during disciplinary hearings and grievances. Without their assistance the Province would not have been able to assist all members. In some instances, the Office had to deal with up to five cases per day.

The Health and Social Development recruitment drives assisted in achieving the recruitment objective. In this drive the Province finished in the first position for the second year in a row. In 2013 the Office claimed the first position, with 775 new members. In 2014 it broke its own record by recruiting 1 300 members in this Sector.

The PSA received a good response when entering departments to assist members. Employees performing night duties were especially pleased as no other union services members after hours. These achievements are attributed to Liaison Officers, full-time shop stewards, Labour Relations Officers, administrative staff and a group of shop stewards.

Three of the Office's full-time shop stewards amongst themselves recruited more than 1 000 new members during the report period. The Office exceeded its growth target of 400 new members.

These results were achieved despite challenges and stiff competition from rival unions that were conducting aggressive recruitment campaigns across the Province.

During the report period the PSA in the Province became more visible at the SAPS and, as a result, more members were recruited in this Sector. Invitations were even received directly from SAPS employees, who requested the PSA to introduce the Union to them. It must, however, be that noted intimidation by rival unions is still rife in this Sector.

Western Cape

During the period under review, the Provincial Office's Liaison Officers and full-time shop stewards reached out and spoke to a total of 41 483 officials at various Public Service institutions across the Western Cape. Of these, 32 879 officials were already PSA members with whom contact was made during the year. From the non-members, who were addressed, 3 056 new members were recruited, resulting in a net membership growth of 694 for the PSA in the Province.

A total of nine liaison tours were undertaken to the regions outside of the Cape Town metropole. The PSA visited members at a total of 4 425 different works sites, travelling 122 654 km in the process.

The above liaison activities resulted in the PSA membership growing in the Western Cape to 24 319 members by the end of the report period.

The growth was achieved thanks to the sustained, excellent value offering the PSA presented to public servants in the Western Cape from across all Government and parastatal spheres.

PSA staff and structures, full-time shop stewards, full-time office bearers and shop stewards, worked hand-in-hand to ensure that the PSA remained valid and visible in all the workplaces.

The dedicated recruitment drives and various open-day events throughout the year paid dividends and ensured that the Provincial Office retained current members and recruited new members to realise stability and marginal growth in both the Health and DCS sectors.

The PSA marketing material, and especially the PSA Dairy, once again assisted with the Union's sustained visibility, and attracted the interest of non-members and encouraged them to attend PSA meetings

and events, where these non-members could then be recruited.

Nurses' Day, Public Service Day and PSA Day were celebrated, with events being hosted by the PSA for its members at various institutions.



Empowerment of structures

Active and efficient member structures represent a key aspect of the PSA's success. Branch managements and shop stewards form a vital link between the Board of Directors, the PSA Administration and the broad membership. Branches, in most instances, serve as principals in the consultation and negotiation process regarding matters of mutual interest, which directly affect members in the workplace, and for which strike action may eventually be decided on.

The Unions' extensive member structures must closely cooperate with the twelve PSA Provincial Offices to ensure members of the best service.

The highlights of the PSA's activities during the report period in support of this objective are reflected in this Report.

Eastern Cape

The PSA Provincial Office in Mthatha undertook a capacity-building training intervention for shop stewards. The purpose of the training was to capacitate shop stewards to assist the Office in member-related matters. The training was mainly focused on grievance handling and disciplinary hearings.

A total of 16 newly-elected shop stewards from the Central Sub-Region (Department of Justice, Sassa, Department of Education, DCS, Department of Health, Department of Agriculture, Department of Home Affairs and the South African National Defence Force) underwent training from 31 July to 1 August 2014 at the Provincial Office in Mthatha.

A further 21 shop stewards from the North Western Sub-Region (Sassa, Department of Health, Department of Home Affairs, Department of Justice and the Department of Education) received training on 6 and 7 August 2014 in Maluti.

A total of 25 shop stewards from Provincial Committees (PHSDSBC, Sassa and the Department of Home Affairs) underwent training on 21 and 22 August 2014 at the PSA Holiday Resort in East London.

On 27 and 28 August 2014, 28 shop stewards were combined in a training session for the the Department of Justice, the Department of Rural Development and Agrarian Reform, and the Department of Labour, in East London. On 22 and 23 October 2014, 21 shop stewards from the Department of Education, the Department of Rural Development and Agrarian Reform, and Sassa, received training in Maclear.

Free State

Service to members in the Province was greatly complimented and extended by the dedicated work of seven full-time shop stewards, who served areas where the PSA Provincial Office were not in a position to serve members. Enquires, written complaints and alike, were handled by the well-trained shop stewards with a high success rate.

The PSA recognises that member structures are the PSA's face in the workplace. To enhance their visibility, functioning and participation in PSA activities, the PSA Provincial Office in 2012 already started to provide a platform during training sessions with structures, which were followed-up in several subsequent training sessions.

A total of 120 training sessions, attended by 96 shop stewards in various towns in the Free State, were offered during the report period.

During the report period six successful, well-organised Inter-sectoral members' meetings were held in Harrismith, Sasolburg, Kroonstad, Welkom, Trompsburg and Bloemfontein, which were all well-attended. More than 8 000 members attended the various rallies.

Gauteng

The PSA Provincial Office in Johannesburg conducted several training interventions during the report period to empower shop stewards and to enhance service delivery.





Newly-elected shop stewards, during an induction course, were trained on the roles and functions of the shop steward, while Branches were trained on the *Manual for PSA Branches*.

Advanced training projects were undertaken with a core group of shop stewards on, for example, conducting grievance meetings, disciplinary hearings, conciliation and arbitration hearings. The practical skills, abilities and confidence of the trained shop stewards were further expanded after the training when they attended disciplinary hearings and other intervention as observers together with the personnel and full-time shop stewards.

The Gauteng SARS Provincial Committee was trained on policy documents, including the Temporary Incapacity Leave Policy.

All the statutory branch meetings for the structures under the jurisdiction of Johannesburg Provincial Office took place during the report period.

KwaZulu-Natal

The PSA Provincial Office in Durban recorded a growth last year and has constantly done so for the last 14 years. Apart from the Office's Liaison officers, who constantly performed well over the past years, it was the ever-changing attitude of shop stewards that enabled the Office to not only increase its membership but also to assist members with grievances, disciplinary hearings and grievances.

The Office has a group of dedicated full-time shop stewards and a core group of shop stewards, who constantly assist the Office in all aspects of its work. Shop stewards at various hospitals attended IMLC (Institution Management Labour Committee meetings), Skills Development Committee meetings, Employment Equity Forum meetings and various other meetings. This enabled the Office to take care of the more complex issues and provide members with dedicated and timeous service.

The Office also noticed a change in Committee and Branch meetings, where members were more vocal and enthusiastic and keen to take up issues with the employer. Although some Committees were not fully functional, efforts were being made to ensure that Branches and Committees take responsibility for their constituencies.

During the report period the focus of training and the nature of training were changed to a certain degree. Much emphasis was placed on training of Branch and Committee members instead of training all shop stewards. The reason for this shift was that despite a number of shop stewards being trained, it was discovered that only a few shop stewards assisted the Office. In this respect, the focus was thus centred on Branch and Committee members to be trained. In addition, it was found that although members were trained in labour-relations matters, the shop stewards had never been trained on how to counteract proliferation of members by other unions. Members thus received training on these aspects.

The Provincial Office in Pietermaritzburg conducted a basic shop steward training session in Kokstad on 28 August 2014. The next training session took place in Dundee on 30 September 2014 and the Office's training program was concluded with a training session taking place in Pietermaritzburg on 30 March 2015.

The majority of Branches and Committees functioned well during the report period and had their regular meetings to discuss matters of importance. The Chairpersons of the Committees played a pivotal role in ensuring that agenda items were discussed before a decision was taken on the way forward.

In December 2014 the PSA Provincial Office bid farewell to the former Chairpersons of the KZN Justice Committee, who had both resigned from the Public Service, namely Mr Thulani Ntom-bela, who served both as Provincial Chairperson and National Chairperson, and Mr Alfred Mhlongo, who became his successor as Provincial Chairperson. The PSA, members of the KZN Justice Committee as well as the constituencies that they had served, wish to thank them for their valuable contributions to the PSA.

At the request of the KZN Justice Committee, all Committee members on 20 March 2015 received advanced training on assisting members in the workplace.

Limpopo

During the period under review the following training was conducted by the Provincial Office to equip and empower structures:

- A three-day training session for a group of ten shop stewards on how to assist members at disciplinary hearings.
- A training session per district for shop stewards focusing on basic labour relations and the *PSA Statute*. These training sessions served as "refresher" for seasoned shop stewards.
- One training session for Branch and Provincial Committee management members.

The Chairpersons of the Sectoral Branches were invited to attend Chamber meetings. By attending these meetings, Chairpersons got a better understanding of collective bargaining and the role the Branches could play to improve on this function.

The acting Chairperson of the ELRC Branch participated in a radio talk show on *Thobela FM* every Saturday morning. This program dealt with education and related matters. The PSA became well-known with listeners and the Union's image improved as a result.

An Inter-sectoral members' meeting was held in Polokwane in December 2014 and was attended by 420 members. This meeting afforded members, the leaders of structures, the Provincial Office and Board members an opportunity to mingle and strengthen relationships.



Mpumalanga

The Provincial Office during the report period capacitated all member structures and provided 25 shop stewards per district with basic training. These interventions had a positive impact as shop stewards can now be utilised in respect of members' issues.

Northern Cape

The Provincial Office, through the four structure meetings that were held during the report period, kept shop stewards updated. In November 2014 an Inter-sectoral meeting was held that was also attended by the PSA President, a member from the PSA's Board of Directors, managers from the PSA Head Office and PSA business partners.

CCMA training sessions were during the report period held in various towns, including Calvinia, Kimberley, Kuruman, Springbok and Upington. The shop stewards were very eager to attend these trainings sessions to be equipped with valuable knowledge.

North West

During 2014 the Provincial Office conducted basic as well as intensive training for leaders. Intensive or advance training was afforded to shop stewards, who stood up to be counted by assisting members with grievances and disciplinary hearings. The Office, as a result, enjoyed the benefit of getting assistance from these trained shop stewards in terms of cases, grievances and disputes. The statistics related to assistance of members by shop stewards improved drastically. The Office also trained Branches and Committees regarding their important roles in the Union.

The Office adopted a stance that recruitment and growth become standing agenda item for all structures meetings. It was also adopted that collective bargaining should form part of standing agenda items in Branches and Committees. The importance of the mandating processes and sponsoring of agenda items for Chambers was also pointed out to structures.

The Office organised a successful Inter-sectoral meeting in Potchefstroom on 1 August 2014. The event was attended by Provincial Chairpersons as well as Secretaries and Deputy Chairpersons of all Branches and Committees. The PSA President, PSA Head Office representatives and staff from the Provincial Office were also present.

This two-day event included a gala dinner where structures were given accolades for various outstanding achievements. The PSA's business partners, Old Mutual, Dignity and Sanlam Sky, were also present at this occasion.

Western Cape

A total four of the five Branches and all of the 11 National Departmental Committees functioned well during the report period. The Office, however, experienced difficulty to activate the ELRC Branch in the Western Cape.

Committees met regularly and some even exceeded the *PSA Statute's* requirements in this regard. These meetings of structures were complimented by an Inter-sectoral meeting hosted at Goudini Spa in Rawsonville. A total of 210 delegates from the 17 PSA structures in the Western Cape attended the meeting. They were joined by the PSA Chairperson, assisted by the PSA's General Manager and various Head Office representatives.



The focus of the meeting was the Public Service salary negotiations for 2015 and the mobilisation of PSA structures to take up their role, duties and responsibilities during the negotiations and to be prepared for any possible industrial action that could flow from the process if agreement could not be reached.

The PSA Chairperson, who is also the PSA Board of Directors member responsible for the Western Cape, then presented to the PSA structures the Province's operational plan for 2015/ 2016. The operational plan was consulted with all Chairpersons of the PSA's Western Cape structures.

Training interventions for shop stewards, in the form of an induction course, and advanced training in disciplinary matters for selected shop stewards, took place throughout the period under review.

The Province also bid farewell to Mr Rob Moody, as PSA Chairperson of both the National and Provincial Department of Defence Branch and Committee, as Mr Moody retired from the Department on 31 October 2014.

During the report period the PSA was saddened by the tragic and unexpected loss of Mr Jeremy le Roux, who was a serving full-time office bearer in the DCS at the time of his death. We miss Jeremy as well as all other valuable and respected members, who passed away during the report period and whose legacy will long still be appreciated by the PSA – the PSA salutes all of them!



Social responsibility

National projects

School jerseys

The PSA during the report period continued to provide school jerseys to needy learners in rural schools. Various PSA Provincial Offices participated in the roll-out of the project with Board of Director members, management, staff and shop stewards participating in the handover. Also refer to the reports by Provincial Offices in this regard.

In Mpumalanga the PSA touched the lives of learners at Louieville Combined School, where 115 jerseys were donated. The School was identified by the SANDF Chairperson, Ms Paulinah Manda. The School is located in rural Low's Creek and most children do not have a complete school uniform. A further 19 jerseys were donated to Ukhanya Junior Secondary School, and 100 each to Prince Primary and Andisa Primary.

The Provincial Office in Limpopo donated 63 jerseys to Lulekani Primary School, 88 to Westernburg Primary School, and 38 to Matatadibeng Primary School near Siyabuswa.

The Provincial Office in the Free State identified Tsatsi Intermediate School in Sasolburg to benefit from the 256 school jerseys donated by the PSA.

In KwaZulu-Natal, the Pietermaritzburg Provincial Office provided jerseys to two schools. Botrada Junior Secondary in Umzimkhulu received 321 jerseys and 350 jerseys went to learners of Konfoor Combined School in Vryheid.

In the Eastern Cape, the Provincial Office in Mthatha handed over 250 jerseys to Magwa Senior Primary School. The School is situated in a deep-rural area with community members being former employees of the closed-down Magwa Tea Corporation. Owing to high unemployment, the community is mostly dependent on donations from tourists visiting Magwa Falls.

The Provincial Office in the Western Cape identified St Luke Primary School for a donation of 227 jerseys.

The parents of these learners are mainly dependent on Government grants, with some of them being seasonal workers at fruit-export companies. The School is classified by the Department of Education as a "no-fee school".

In North West, the PSA donated jerseys to two schools. Kamogelo Primary School in Pambrook Village received 56 jerseys and Louwna Primary School, near Ganyesa, received 210 jerseys.

The Northern Cape Provincial Office donated jerseys to three schools. Mankuruane Primary School received 110 jerseys, Gamasego Primary School and Gakgatsana Primary School each received 40 jerseys for extremely needy learners.

The above-mentioned donations bring the total number of jerseys donated to learners by the PSA, as part of this on-going project since 2013, to 10 373.

Early Childhood Development Centres

Early Childhood Development (ECD) Centres are managed by the Department of Social Development with the National Development Agency as part of a campaign to create solid foundations for development and life-long learning in poor communities.

In November 2013 the PSA supported such a Centre in Gauteng where the Union made a commitment to support a further three ECD Centres in other Provinces in the 2014/2015-financial year. The handover was completed in two Provinces during the report period. In Mpumalanga, the Thuthukani Centre in Ntunda was assisted and in Limpopo, the Moloisane Centre at Nobody east of Polokwane was the beneficiary. The third project, at New Brighton in the Eastern Cape, was at an advanced stage and will be formally completed early in the next report period.

The PSA conducted a needs analysis at the respective centres, which resulted in support being offered in the form of a permanent structure to serve as a classroom, and the sponsoring of one-day food-garden training to establish a vegetable garden for the Centres' feeding schemes. In addition, a jungle gym to aid with the children's physical development and serve as a recreation facility, as well as tables and chairs for learners, were donated.





Also refer to the reports by Provincial Offices in this regard.

No Student Hungry

The PSA, in cooperation with its Provincial Office in the Free State, sponsored students at the University of Free State as part of the No Student Hungry Project. The programme was started in 2011 by Prof Jonathan Jansen, Vice-Chancellor and Rector of the University, to offer needy students a small daily allowance for food. The PSA committed to contributing R55 500 per year to this programme over a period of three years.

Mandela Day

PSA Head Office staff joined forces with the SAPS in Hartbeespoort in North West in celebration of Mandela Day. The PSA donated a structure to serve as base for the local Community Policing Forum (CPF) of Sunway Village, which was operating with minimum facilities for a long time. The CPF provides an essential service to the community in cooperation with the SAPS. The PSA, together with other role-players, secured a piece of land, which was fenced off by the PSA and where the CPF is now based. The centre will also be used as a satellite police station to combat crime.

On Mandela Day, PSA Head Office staff rolled up their sleeves to enhance the centre environment. Paving was laid and trees were planted. Members of the SAPS, the Cluster and local Policing Forum, PSA shop stewards, Madibeng Municipality representatives and the community joined in. Donations were received from other role-players for paving bricks, refreshments and furniture for the centre. The PSA also provided snacks for the community's children.

In Cape Town, the Western Cape Provincial Office's staff members partnered with the SAPS to paint Sharon House of Christine Revell Children's Home in Hazendal, Athlone. Toys were also donated to the Home's children. PSA business partner, Old Mutual, contributed building material and other items.

In Mpumalanga, the Provincial Office in Nelspruit also joined hands with the SAPS to paint the Child Protection Unit in Acornhoek. Toys were also donated to the Unit.

The Free State Provincial Office in Bloemfontein on Mandela Day provided soup and bread to the residents of Bloem Shelter, a haven for babies and abused or homeless women with children, that takes care of more than 60 people in the city, and Emelia House in Bochabelo, a day-care centre for 20 disadvantaged children with multiple disabilities in need of 24-hour special care. Occupational Therapists from the Department of Health conduct daily therapy sessions with the children, aged between three and 18 years. Both of these non-governmental organisations rely heavily on donations to keep them operational.

In Sasolburg, shop stewards also participated in the celebrations by contributing their own money towards funds to buy paint. They identified two care centres in their community, where they used their 67 minutes to paint rooms at Boiteko Care Center for Children and More Domme and Zamdela, a home for the elderly where the residents, who are still able to work, recycle paper, cardboard boxes and plastic bags to generate income for the Centre.

The Provincial Office in Limpopo visited Ngwana House Orphanage and served staff with a three-course meal. The manager of the House said that it was the first time that someone had taken pity on the staff, many of whom are volunteers.

In the Eastern Cape, staff of the Provincial Office in Port Elizabeth provided soup and sandwiches to community members at Motherwell Clinic on Mandela Day. Staff of the Mthatha Office visited Siyakhana Rehabilitation Centre and Home for Children with Disabilities in Engcobo.

In KwaZulu-Natal the Provincial Office in Durban started the day's activities at Addington Hospital at the Children's Ward, where staff assisted by cleaning the Ward. They also distributed toiletries and food packs to the children, staff members and shop stewards. The rest of the day was spent at Ilovo Development Centre, a place of safety, which is part of the Department of Social Services. PSA staff embarked on an extensive cleaning exercise by cutting the grass, trees and cleaning up. Refreshments were also served to staff of the Centre.

In Pietermaritzburg, PSA staff and a member of the Board of Directors, accompanied by an electrician and two assistants, visited Gezibuso Orphanage in Sweetwaters on the outskirts of the City to do electrical repairs in the kitchen to ease the institution's food preparation. The Orphanage was overjoyed when the problematic stove and wall plugs were either replaced or repaired as this will make it much easier for the care givers to prepare meals for the children. The team also cleaned up the yard. A second project was undertaken on the same day with Umsunduzi Municipality, where PSA staff members assisted in cleaning up some of the City's pavements, flower beds and storm-water drains.

PSA staff at the Mmabatho Office in North West celebrated Mandela Day by donating blankets and food parcels to two officers from the SAPS in Vryburg, who lost their houses in a fire.

In Gauteng, the Provincial Office in Pretoria visited Dimphonyana Place of Safety in Olievenhoutbosch, near Centurion, to paint and hand school bags, story books, toys and groceries to the children. Staff of the Provincial Office in Johannesburg joined hands with members at Kopanong Hospital in Vereeniging to paint the emergency entrance and rooms as well as the pillars outside the Hospital.



School library

The need to sponsor a library with books to a rural school was identified in an effort to support teaching and learning as well as access to information to learners and the community. The PSA Provincial Office in Mthatha was approached to identify a school where literacy levels of the community are low. Buntingville Junior Secondary School in Ngqeleni was chosen as beneficiary. Arrangements were by the end of the report period at an advanced stage for the formal handing over of the library unit, stocked with books, to the School and community.

Fencing of school premises

The PSA responded to the request of the Principal of Mamosala Secondary School in Limpopo to assist with fencing of the School premises. The School is categorised as a quintile-one school in a deep-rural area. The School was established in 1994, some 45 km from Tzaneen in the mountainous, remote rural area of Hweetji, Mashiloane and Masoma Villages. Learners have to travel long distances to attend school. The unemployment levels are extremely high and most people rely on seasonal employment on nearby farms. Most learners depend on support of pensioners and orphan grants.

Although the protection of school premises rests with the Department of Education, the PSA agreed to assist as such assistance as, apart from ensuring proper control of learners' movements and security of the school buildings, the School Governing Body wanted to start a vegetable garden with the aim of raising funds for the School. Learners will also get the nutritional benefit whilst gaining the skills to establish their own gardens at home to address food production. The fence was officially unveiled on 25 February 2015, with the PSA Provincial Manager, local PSA shop stewards and community members being present in large numbers.

At the event, the PSA also donated school bags to 42 Grade 12 learners to encourage their studies.

Stiglingh Memorial Bursary

The PSA annually awards study bursaries to students studying towards a qualification in Medicine or Natural Sciences.

An amount of R22 500 was approved and allocated to five qualifying students during the report period, with each student receiving R4 500.

School-uniform competition

The PSA and Ackermans Stores jointly donated 70 school-uniform hampers to learners. Based on the motivation received from Mr Mosa Costa Maluleka, a PSA member, who won the PSA's Back-2-School Competition, Rivoningo Primary School was selected to benefit from this project. The School is situated in a rural area, 40 km from Makhado in Limpopo. The School's learners are from a disadvantaged background with most parents being unemployed.

One-day food-garden training

The PSA during the report period sponsored food-garden training for learners and the community at Magwa Primary School in Mthatha in the Eastern Cape and Mofusi Primary School in Mangaung in the Free State. The training was offered in conjunction with Food Trees for Africa.



Christmas hampers

The PSA brought smiles to little ones by providing them with gifts boxes for Christmas in cooperation with Joy in a Box, an organisation that sources gifts for children in need. The 39 gift boxes, each containing toiletries, stationary and a toy, were distributed to children at Kleuterland Pre-School in Pretoria Tuine, West of Pretoria.

The PSA also supported Tshwaraganang Orphanage in Hammanskraal, Gauteng with a donation of children's furniture. The centre accommodates 76 orphaned children between the ages of seven and 18 years.

Hearing aid

The PSA responded to the request received from Limpopo for a hearing aid for a pensioner. With the assistance of the PSA Provincial Manager in Limpopo, the PSA arranged for hearing tests and a hearing aid to be fitted. Also see Limpopo report on page 62.



Provincial interventions

Eastern Cape

The Provincial Office in Mthatha during the report period finalised the distribution of school jerseys to needy learners. In February 2014, 101 school jerseys were donated to Ndindimeni JSS in Buntingville. In the same month, the Office donated sports gear in the form of volley ball kits for boys and girls and soccer kit for boys at Upper Mjika JSS in Tsolo. On 13 March 2014 the Office presented 100 school jerseys to learners of Thembaletu Primary School in Lusikisiki.

The Provincial Office in Port Elizabeth was involved in three school jersey projects. It also sponsored rugby jerseys for the under-19 teams of Dordrecht High School.

Free State

During the report period the Provincial Office in Bloemfontein donated a photocopier to a needy school, 350 meat parcels to needy communities, and clothing to a needy family in Botshabelo. A total of 530 school jerseys were donated to a needy school in Sasolburg. The Office also donate R20 000's worth of furniture and maintenance material to a needy community primary school.

Gauteng

The Provincial Office in Johannesburg conducted a social responsibility project in Midrand where small chairs and tables were bought for a pre-school facility.

KwaZulu-Natal

The Provincial Office in Durban's involvement in social responsibility projects was enhanced by the fact that, together with the ELRC Branch, it identified two schools in the Northern KwaZulu-Natal region that would participate in the school jersey project.

On 24 February 2015, the Provincial Office in Pietermaritzburg, together with Mr Sakhile Mdlalose from the Department of Education in Vryheid, who assisted in identifying the School, handed over 350 school jerseys to learners at Konfoor Combined School in the Vryheid area.

On 18 March 2015, the Provincial Office and Mr Mawethu Khambula, a shop steward from the KZN Department of Health, handed over 321 school jerseys to learners of Bondrad Junior Secondary School in the uMzimkhulu Area. The event was also attended by the School's Principal and various teachers.

Limpopo

In October 2014 the Provincial Office was at hand when the PSA stepped in to assist a pensioner member to get a new hearing aid. The member had worked for the Department of Water Affairs at Levubu for many years. Throughout this period, he was a loyal PSA member. He could not afford a hearing aid and a neighbour noticed a copy of the *PSA magazine* at his home. He contacted the PSA and the end result was a hearing aid for the member. Approximately 250 school jerseys were also distributed to children in the rural arrears of Limpopo during the report period.

In December 2014 the Provincial Office participated in the hand-over of a classroom structure to Moloisi Day-Care Centre in Nobody. This project was in conjunction with the NDA, which launched the Early Childhood Development campaign in 2013. In addition to the classroom, furniture was also donated and a food garden was established to assist the Centre to provide in its own nutritional needs.

Mpumalanga

The Provincial Office staff, together with structures, demonstrated the value of the PSA being a caring Union and showed kindness by identifying four needy schools in deep rural areas, where school jerseys and a photo copier were donated.

The Office also participated in the NDA's "Adopt-an-ECD" campaign by adopting Thuthukani Edu-Care Centre, situated towards the Swaziland Border gate. A permanent structure, jungle gym and a food garden were donated.

Northern Cape

The PSA in the Northern Cape views social responsibility interventions as an important part of the Union's activities. The Provincial Office during the report period undertook various projects. School jerseys were donated to learners of Kim Kgolo Primary School in Kuruman. A computer was donated to Phuthadichaba and a washing machine was donated to an old age home in Gaascla.

North West

The Provincial Office in North West was actively involved in social responsibility interventions during the report period, with the function being elevated. The highlight during this period was the donation of school jerseys to learners of Louwna Primary School in Ganyesa, which is situated 275 km from Mmabatho, on 20 January 2015.



A similar donation was made on the same day to learners of Kamogelo Primary School in Pambrook Village. PSA staff members and the Provincial Chairperson of the ELRC arrived at the School early in the morning to be met by teachers, learners, support staff and community members. There was excitement in the air as learners and their parents stood together to receive their new jerseys. Children removed their old, worn-out jerseys and replaced these with new ones, with the assistance of the Chairperson. The School's Principal, when thanking the PSA, mentioned that it was the first in the history of the School that learners received such a much-needed gift. He encouraged the learners to attend classes more regularly now that they would be warm.

The Provincial Office also donated five cot beds to a centre for handicapped children, namely Tshelebana Home For Disability, situated outside Rustenburg, after it learnt of the centre's pressings needs in a newspaper article.

The PSA also established a vegetable garden at Mathateng Primary School, which is situated at 118 km from Mmabatho. Teachers, learners and the School's Governing Body were present at the event and were happy to receive training on how to plant and take care of plants.

Western Cape

In the Western Cape, the Provincial Office undertook various smaller interventions during the report period where the PSA, in partnership with business partners, showed that it cares – not to be seen – but for its presence, compassion and assistance to be felt by those most vulnerable members of the societies we live in.

The Office's interventions included a donation of stationary to Paul Greyling and Bonga Primary Schools, a donation of school jerseys to learners at St Lukes Primary School in George, and paint to Herberg Orphanage in Robertson.



PSA employment profile

On 1 May 2012 the PSA commenced with the implementation of its new, approved Employment Equity Transformation Plan and Procedure (EETPP) for the five-year period 2012 to 2017.

During the report period, i.e. 1 April 2014 to 31 March 2015, the PSA's overall workforce profile reflected a decrease of 0.59% (6) from 89.96% (233), as at 31 March 2014, to 89.37% (227) by the end of the period under review in respect of employees from designated groups. Employees from the non-designated group increased from 10.04% (26), at the end of March 2014, to 10.63% (27) by the end of the report period. The PSA's representivity statuses in the respective occupational levels, as at 31 March 2015, were as follows:

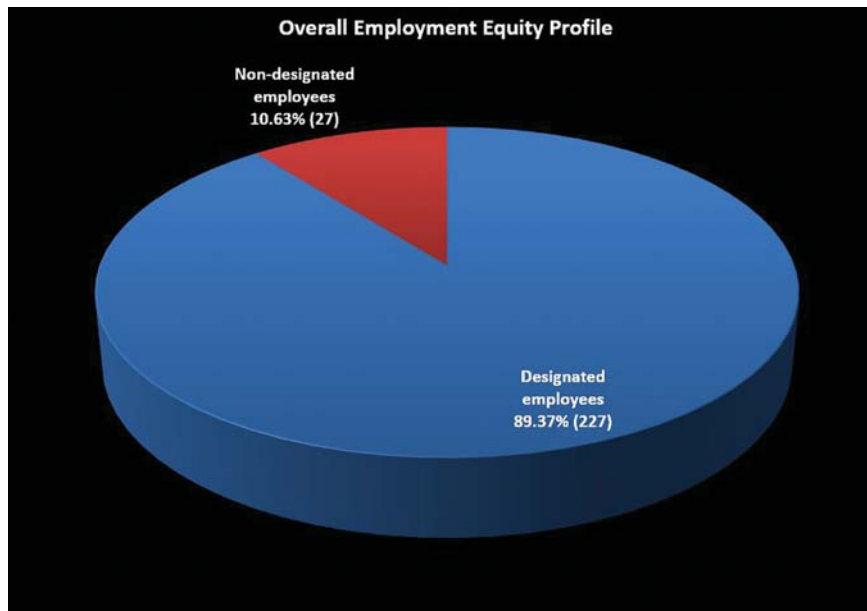
Occupational Level	Overall Designated Target %	Current Designated % (filled positions)	Current Non-designated % (filled positions)
Top Management	93%	50% (1)	50% (1)
Senior Management	93%	66.67% (2)	33.33% (1)
Middle Management	80%	58.33% (14)	41.67% (10)
Junior Management	92%	91.76% (167)	8.24% (15)
Semi-skilled	93%	100% (36)	0% (0)
Unskilled	93%	100% (7)	0% (0)

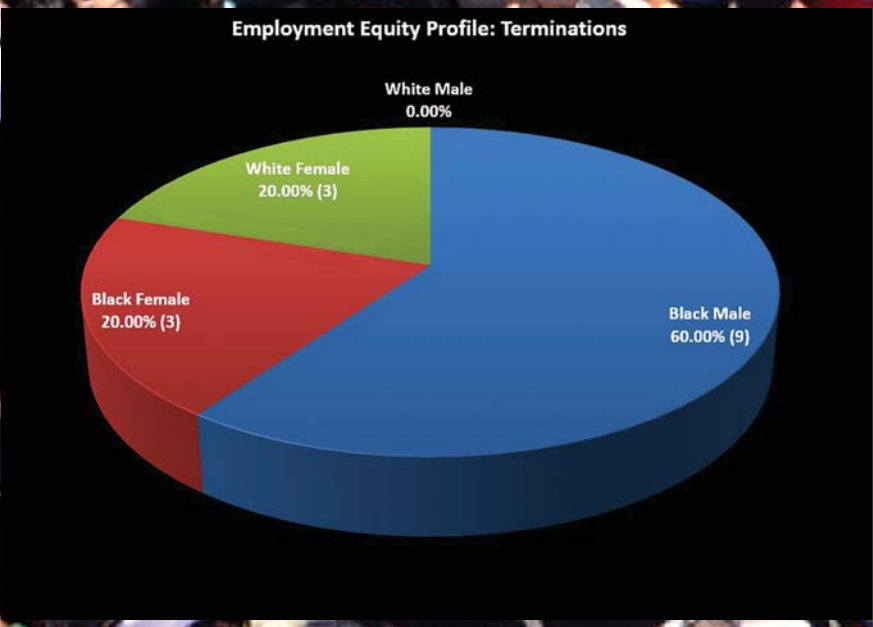
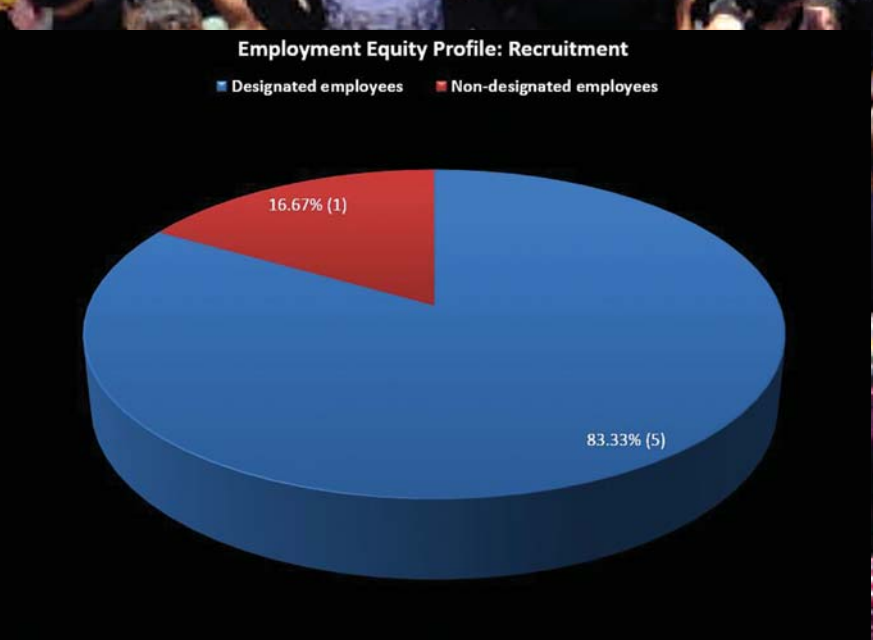
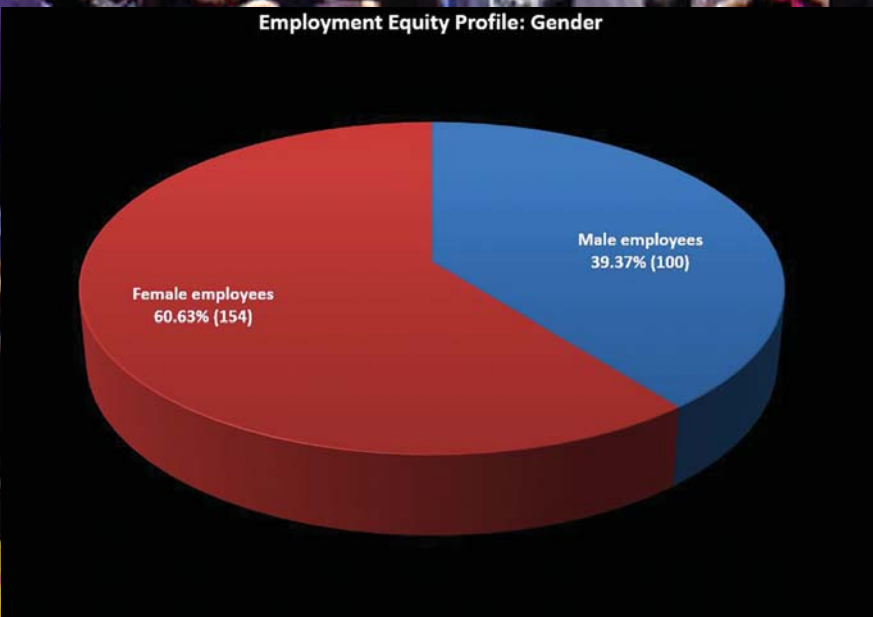
By the end of the report period, 39.37% (100) of the PSA's workforce consisted of male employees, whilst 60.63% (154) of its workforce constituted female employees. The Economically Active Population of South Africa consists of 54.67% males and 45.33% females.

Since 31 March 2014 until the end of the period under review, 83.33% (5) of employees recruited by the PSA came from the designated groups and 16.67% (1) from the non-designated group. Hundred percent (10) of employees promoted from within the PSA came from the designated groups. Hundred percent (15) of the terminations for the said period came from employees from the designated groups of which 20% (3) were white females. Terminations from the non-designated group constituted 0%.

The PSA is committed to and has been working aggressively towards a transformed workplace, as is reflected by the accompanying figures.

The slower progress made in the senior- and middle-management level may be attributed to the low turnover in this level within the PSA.





Environmental footprint

The PSA is the owner of Farm 803, Quenera Mouth East, which is 184.2059 ha in extent. The PSA is also the holder of the mining rights, and holder of the mining authorisation and is actively mining on the property. The mine is approximately 15 km north of East London on the main road to Gonubie, close to the N2. The mine is an open-cast mine and the material being mined by means of extraction by an excavator is primarily building sand.

The PSA, as a responsible mining owner, approaches the mining operations as a holistic cradle-to-grave undertaking by taking cognisance of all economic, social and environmental aspects in order to achieve sustainable development of South Africa's mineral resources.

The PSA affirms the commitments to the *Mineral and Petroleum Resources Development Act* to, amongst others, protect the environment for the benefit of present and future generations.

In line with the above, Aurecon performs various functions associated with environmental protection such as frequent environmental audits to determine top-soil protection, removal and relocation of various plant species and the introduction of specific indigenous plants.

Aurecon also acts as liaison between the PSA and the Department of Mineral Resources to finally sign off all areas previously mined and fully rehabilitated.

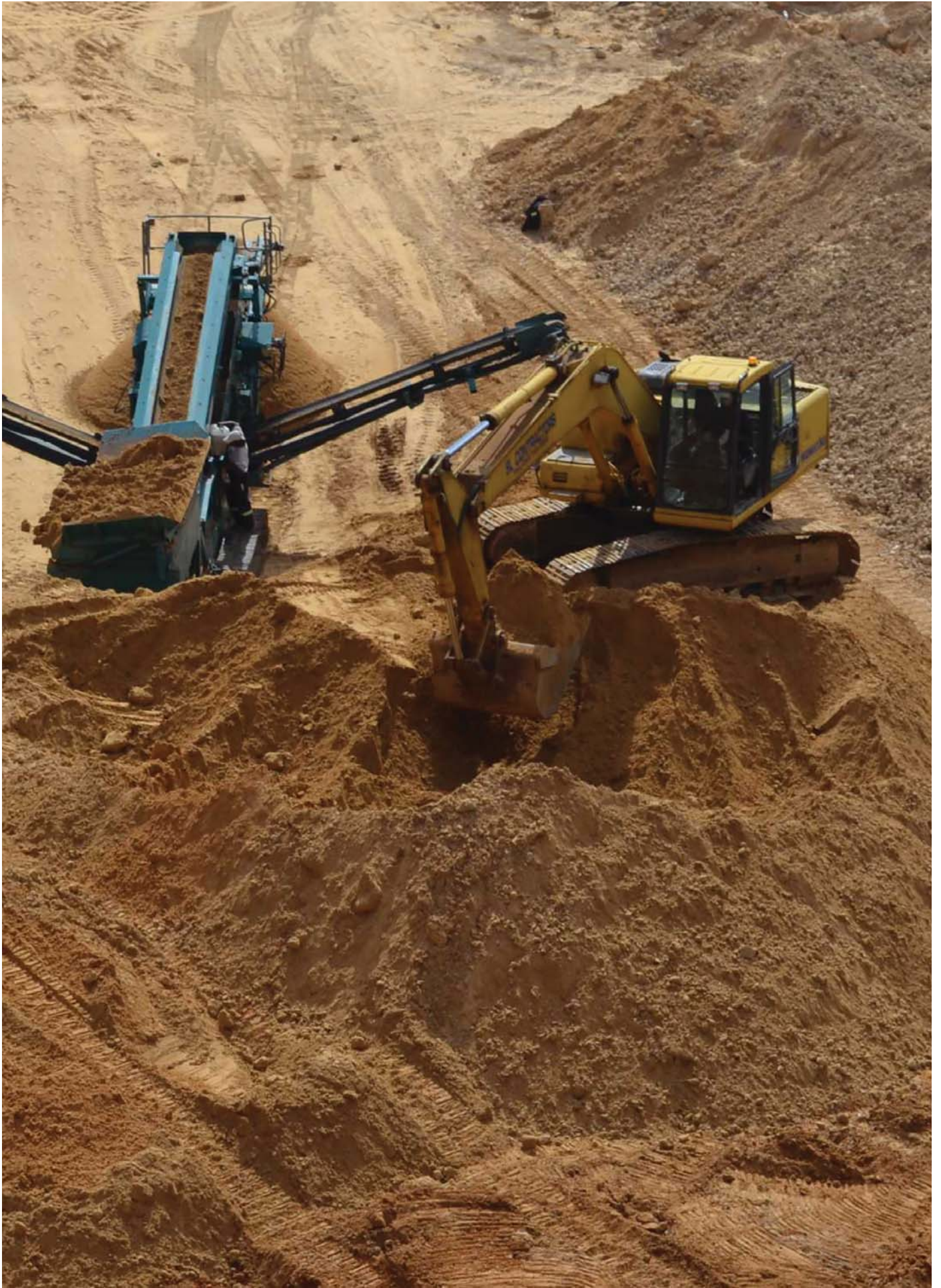
“The PSA affirms the commitments to the *Mineral and Petroleum Resources Development Act* to, amongst others, protect the environment for the benefit of present and future generations.

In order for the PSA to comply with the prescripts of the *Act* and to attain the commitment to the ecological impact of mining operations, the PSA has appointed Aurecon to, amongst others, act as

environmental consultants to monitor and minimise the ecological impact the mining operations might have on the environment.

Aurecon is an international consulting company which, amongst others, recognises the need for economic growth in conjunction with social development and the protection of the environment. With this in mind, the PSA appointed Aurecon as environmental consultants to execute services taking into consideration statutory as well as common-law provisions. Aurecon acts as a liaison between contracted parties, governing bodies and the PSA.





Social and ethical conduct

The PSA's Code of Ethics is based on principles of the King Code III and addressed in the *Companies Act (71 of 2008)* under section 72(4). The Code is to be adopted and followed by all employees of the PSA and recognises the ethical obligations of each stakeholder and the importance of a relationship of honesty, openness and fairness. Employees are expected to adhere to the highest standards of business ethics. The Code is intended to raise ethical awareness, act as a guide to employees and assist in assuring stakeholders of the integrity of the PSA.

The Code shall apply to all employees of the PSA and members of the Board. It also deals with the PSA's obligation to society at large. All people to whom the Code applies are expected to observe their ethical obligations in such a way as to properly and effectively carry out the affairs of the PSA.

PSA employees and members of the Board are required, by reason of their being in control of the affairs of the PSA, to:

- Be responsible for communicating the Code and for ensuring its understanding by the members of the PSA
 - Be responsible for the observance of the ethical obligations of the PSA
 - Take the necessary steps to ensure compliance within the PSA with the provisions of the Code
 - Set an example to stakeholders, contractors and associates in all matters pertaining to the Code
 - Strive to minimise inefficiencies in the PSA, and establish standards of efficiency in consultation with members and member structures
 - Introduce and maintain in the PSA an awareness that the resources of the PSA, including time resources, are in limited supply
 - Keep the costs of the PSA at the lowest reasonable level
 - Not permit any acts of bribery
 - Act within their powers, and in the interests and for the benefit of the PSA
 - Carry out their duties with the skill and care to be expected from a person of their knowledge and experience, and exercise their own judgement
 - Not permit wastage of the assets and resources of the PSA
 - Report accurately to members and stakeholders of the PSA on the performance and prospects of the PSA, and justify the confidence placed in them
 - Furnish the external auditors with all information and explanations which they require for the performance of their functions
 - Not carry on the affairs of the PSA negligently or recklessly
 - Not misuse their position in PSA structures to acquire for their own benefit, any economic or other opportunity
- Not divulge confidential information of the PSA or otherwise make improper use of such information
 - Not accept bribes or any other corrupt or unconscionable benefits
 - Not accept any gifts or favours, without prior permission of the Board or Management
 - Report to the General Manager or the Board any approach made by an employee, a member or an associate of the PSA which may compromise them in the execution of their duties
 - Deal courteously with members of the PSA, having regard for cultural diversity and individual dignity
 - Never expect a member or the PSA to act in an immoral, unethical or unlawful way
 - Employees in management or supervisory positions are required, by reason of being responsible for staff members reporting to them, to ensure that:
 - Due attention is given to the training and development of all employees
 - Safe working conditions are provided, including appropriate tools to perform the job, and competent supervision
 - In the appointment, treatment or promotion of employees there is no discrimination on any ground which is unlawful and affects the carrying out of the duties of the staff member
 - Opportunities are provided for individuals whose potential has been restricted by historical injustices,
 - Efforts of employees are acknowledged by fair and adequate remuneration and other means
 - Employees are protected against sexual, physical or emotional harassment from whatever source
 - There is compliance with laws governing labour relations and conditions of employment
 - There is effective communication with employees
 - There is commitment to honouring the agreed terms and conditions of employment

In respect of the society at large, PSA employees and members of the Board are required to:

- Pay due regard to environmental, social and public health considerations
- Before retrenching staff, consider the effect such retrenchments may have on society at large
- Participate, within means, in uplifting the community in which it operates
- Respect the law
- Respect the rights, dignity and diversity of other persons





Financial governance and performance highlights

As an employee organisation, the PSA is registered in terms of the *Labour Relations Act, 1995* as a trade union. The PSA is recognised and admitted to the various relevant bargaining councils to protect and promote the individual and collective rights and interests of its members.

The PSA conducts its business operations as a “Non-Profit Company” of the *Companies Act, 2008* and in terms of its Memorandum of Incorporation (MOI) as of a Non-Profit Company (NPC), it has no share capital and the liability of its members is limited to one month’s subscription in the event of dissolution.

The trade union activities of the PSA is the core business, while it also operates a holiday resort, sand mine and a Cell Captive Insurance Scheme under licence from Guardrisk Insurance Company Limited for the benefit of its members.

The Directors are required by the *Companies Act, 2008* to maintain adequate accounting records and are responsible for the content and integrity of the Annual Financial Statements. The Directors acknowledge that they are ultimately responsible for the system of internal control established by the PSA and place considerable importance on maintaining a strong internal control environment. To assist the Directors in discharging the responsibility in this regard, the Audit and Risk Committee has oversight over financial governance and risk to assist the Board with its financial responsibility.

The Board also established an Internal Audit Function to provide oversight to obtain reasonable assurance regarding management’s assertions that objectives are achieved for effectiveness and efficiency of operations, reliability of financial information and compliance with laws and regulations.

The external auditors are engaged to express an independent opinion on the financial statements of the PSA. PricewaterhouseCoopers Inc has been the PSA’s auditors for the past four financial years. PricewaterhouseCoopers has issued an unqualified audit opinion regarding the financial affairs of the PSA for the year ending 31 March 2015.

The consolidated net loss of the PSA was R11 220 538 (2014: R2 356 161 profit).

The summarised financial performance of the different business divisions of the PSA are indicated under item 2 on page 6 of the financial statements.

The statement of cash flows indicates positive cash flows as at the end of the financial year.

According to the Board of Directors’ report for the financial year ended 31 March 2015, the Financial Statements support the financial viability of the PSA and reflect the view that the PSA will be a going concern in the foreseeable future based on its potential to raise adequate revenue to meet its obligations.





The Board of Directors would like to draw your attention to the following points:

- Reconciliation of Equity paragraph 3 on page 8 of the Annual Financial Statements, which indicates the liquidity of retained income.
- The operating loss has increased from R7 061 872 in 2014 to R18 643 369 in the current year. A contributor to the loss made in the current year relates to the write off of the membership system. The membership service has been fully written off as the system is no longer used owing to the contract with the service provider being cancelled on the service provider's request. The amount written off equals to R7 483 006 in the current year and R3 907 891 in the prior year. These impairment charges and amortisation costs are included in the operating expenses of the Statement of Profit or Loss. To ensure comparability from one year to the other and comparing operating losses without the impact of the write off of the membership system, the operating loss for 2014 was R3 153 981 and R11 160 363 in 2015. This amounts to an increase in operating losses of R8 006 382.
- It was brought to the Board's attention that possible over charges had been made by the previous membership system service provider. The Board instructed the General Manager to attempt to recover these apparent over charges. Further, the Board has launched an investigation into these apparent over charges.

The audited detailed Financial Statements of the PSA for the year ended 31 March 2015 are fully set out from page 73 of this Report, and do not, in our opinion, require further comments.





PUBLIC SERVANTS ASSOCIATION OF SOUTH AFRICA NPC
(Registration number 1942/015415/08)
Trading as PSA

ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH, 2015

These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa.
Issued 29 July, 2015



Public Servants Association of South Africa NPC

(Registration number 1942/015415/08)

Trading as PSA

Annual Financial Statements for the year ended 31 March, 2015

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Trade Union
Directors	Dr CV Dyantyi (President) Mr P Snyman (Chairperson) Mr MA Maepa (Vice-President) Mrs AC Rencken (Vice-Chairperson) Mr B Jacobs Miss OM Lefifi Mr AD McAnda Mr RD Moody Mr NS Ndlovu Mrs GF Masinga
Registered office	563 Belvedere Street Arcadia Pretoria 0007
Business address	563 Belvedere Street Arcadia Pretoria 0007
Postal address	PO Box 40404 Arcadia Pretoria 0007
Auditors	PricewaterhouseCoopers Inc. Chartered Accountants (S.A.) Registered Auditors South Africa
Secretary	Mr DZ Adonis
Company registration number	1942/015415/08
Tax reference number	9009987166
Preparer	The annual financial statements were internally compiled by: M Muller B.Com Hon (Fin Acc)

Public Servants Association of South Africa NPC

(Registration number 1942/015415/08)

Trading as PSA

Annual Financial Statements for the year ended 31 March, 2015

Index

The reports and statements set out below comprise the annual financial statements presented to the members:

Index	Page
Audit and Risk Committee Report	3 - 4
Directors' Responsibilities and Approval	5
Directors' Report	6 - 9
Independent Auditor's Report	10 - 11
Statement of Financial Position	12
Statement of Profit or Loss and Other Comprehensive Income	13
Statement of Changes in Equity	14
Statement of Cash Flows	15
Accounting Policies	16 - 28
Notes to the Annual Financial Statements	29 - 50

Preparer

M Muller

B.Com Hon (Fin Acc)

Published

29 July, 2015

Public Servants Association of South Africa NPC

(Registration number 1942/015415/08)

Trading as PSA

Annual Financial Statements for the year ended 31 March, 2015

Audit and Risk Committee Report

This report is provided by the Audit and Risk Committee appointed in respect of the 2015 financial year of Public Servants Association of South Africa NPC.

1. Members of the Audit Committee

The members of the audit committee are all independent non-executive directors of the company and include:

Name	Date of appointment	Audit and Risk Committee meetings attended
Mr RD Moody	24 October 2012	4 out of 4
Miss OM Lefifi	24 October 2012	4 out of 4
Mr P Snyman	25 August 2010	4 out of 4
Mr MA Maepa	30 October 2013	4 out of 4

The committee is satisfied that the members have the required knowledge and experience as set out in Section 94(5) of the Companies Act of South Africa and Regulation 42 of the Companies Regulation, 2011.

2. Meetings held by the Audit Committee

The audit committee performs the duties laid upon it by Section 94(7) of the Companies Act of South Africa by holding meetings with the key role players on a regular basis and through unrestricted access granted to the internal and external auditors.

The committee held 4 scheduled meetings during 2015 and the members of the committee attended the meetings as indicated above.

3. External auditor

The audit committee has nominated PricewaterhouseCoopers Inc. as the independent auditor and Nezira Ayob as the designated partner, who is a registered independent auditor, for appointment of the 2015 audit.

The committee satisfied itself through enquiry that the external auditors are independent as defined by the Companies Act of South Africa and as per the standards stipulated by the auditing profession. Requisite assurance was sought and provided by the Companies Act of South Africa that internal governance processes within the firm support and demonstrate the claim to independence.

The audit committee in consultation with executive management, agreed to the terms of the engagement. The audit fee for the external audit has been considered and approved taking into consideration such factors as the timing of the audit, the extent of the work required and the scope.

4. Annual Financial Statements

Following the review of the annual financial statements the audit committee recommend board approval thereof.

Public Servants Association of South Africa NPC

(Registration number 1942/015415/08)

Trading as PSA

Annual Financial Statements for the year ended 31 March, 2015

Audit and Risk Committee Report

5. The Effectiveness of Internal Control and Risk Management

The system of controls is designed to provide cost-effective assurance that assets are safeguarded and that liabilities and working capital are efficiently managed. In line with the Companies Act and the King III Report on Corporate Governance requirements, Internal Audit which has been outsourced provides the Committee and management with assurance that the internal controls are appropriate and effective. This is achieved by means of the risk management process as well as the identification of corrective actions and suggested enhancements to the controls and processes. From the various reports of the Internal Auditors and the Audit Report on the annual financial statements it was noted that no significant or material non-compliance with prescribed policies and procedures have been reported. Accordingly we can report that the system of internal control for the period under review was efficient and effective. The Committee is directly responsible for the recommendation to the Board and approval of the Annual General Meeting of the independent Auditor's appointment.

On behalf of the audit committee



RD Moody
Chairman Audit and Risk Committee

Pretoria

Public Servants Association of South Africa NPC

(Registration number 1942/015415/08)

Trading as PSA

Annual Financial Statements for the year ended 31 March, 2015

Directors' Responsibilities and Approval

The directors are required in terms of the Companies Act of South Africa to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board of directors sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the year to 31 March, 2016 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on pages 10 to 11.

The annual financial statements set out on pages 6 to 50, which have been prepared on the going concern basis, were approved by the board of directors on 29 July, 2015 and were signed on its behalf by:



Mr P Shyman (Chairperson)



Mr MA Mzopa (Vice-President)



Dr CV Dyantyi (President)

Public Servants Association of South Africa NPC

(Registration number 1942/015415/08)

Trading as PSA

Annual Financial Statements for the year ended 31 March, 2015

Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of Public Servants Association of South Africa NPC for the year ended 31 March, 2015.

1. Liability of members

Public Servants Association of South Africa NPC was registered in South Africa and in terms of the Companies Act 71, 2008 as a Non Profit Company and in terms of section 96 of the Labour Relations Act, 1995 and operates as a trade union. In terms of its Memorandum of Incorporation, it has no share capital and the liability of its members is limited to the amount of membership fees due by them to the PSA in terms of the Memorandum of Incorporation as at the date of dissolution. The company operates in South Africa.

There have been no material changes to the nature of the company's business from the prior year.

2. Review of financial results and activities

The annual financial statements have been prepared in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa. The accounting policies have been applied consistently compared to the prior year.

As an employee organisation, the Public Servants Association of South Africa NPC (PSA) is recognised and admitted to the various relevant bargaining councils to protect and promote the individual and collective rights and interests of its members. Apart from the aforementioned function the company is also involved in other operations in the interest of its members.

The PSA Insurance Services operates under license from Guardrisk Insurance Company Ltd. According to the agreement the company shares in the profits and losses of the undertaking.

The risk attached to the liability for losses is neutralised by 100% reinsurance taken out against any risk with regards to losses.

The operating results and state of affairs of the company are fully set out in the attached annual financial statements and do not in our opinion require any further comment. The financial performance and position of the PSA business divisions are tabled below:

Public Servants Association of South Africa NPC

(Registration number 1942/015415/08)

Trading as PSA

Annual Financial Statements for the year ended 31 March, 2015

Directors' Report

2015	Membership	Holiday resort accommodation	Sand	Cell Captive	Total
Reconciliation of net income/(loss)					
Income	244,350,555	715,797	1,267,675	44,840,591	291,174,618
Cost of sales	(158,175)	-	(39,615)	(2,129,928)	(2,327,718)
Other income	2,533,577	50,806	-	94,155	2,678,538
Employee costs	(152,558,274)	(1,192,241)	(579,668)	-	(154,330,183)
Other expenses	(111,453,180)	(706,773)	(143,940)	(37,466,780)	(149,770,673)
Property revaluation	(161,143)	-	-	-	(161,143)
Other comprehensive income	1,516,023	-	-	-	1,516,023
	(15,930,617)	(1,132,411)	504,452	5,338,038	(11,220,538)
2014	Membership	Holiday resort accommodation	Sand	Cell Captive	Total
Reconciliation of net income/(loss)					
Income	230,720,674	658,237	1,254,960	40,752,487	273,386,358
Cost of sales	(45,038)	-	(40,760)	(1,935,744)	(2,021,542)
Other income	2,545,649	48,796	-	80,697	2,675,142
Employee costs	(139,348,622)	(1,065,841)	(532,720)	-	(140,947,183)
Other expenses	(99,962,697)	(697,594)	(92,825)	(35,419,126)	(136,172,242)
Property revaluation	3,709,123	-	-	-	3,709,123
Other comprehensive income	1,726,505	-	-	-	1,726,505
	(654,406)	(1,056,402)	588,655	3,478,314	2,356,161
2015	Membership	Holiday resort accommodation	Sand	Cell Captive	Total
Reconciliation of net assets/liabilities					
Assets	69,210,753	3,773,984	110,179	45,892,258	118,987,174
Liabilities	(15,715,062)	(15,367)	(884,245)	(15,288,344)	(31,903,018)
	53,495,691	3,758,617	(774,066)	30,603,914	87,084,156
2014	Membership	Holiday resort accommodation	Sand	Cell Captive	Total
Reconciliation of net assets/liabilities					
Assets	98,937,258	3,951,011	127,147	39,449,372	142,464,788
Liabilities	(31,470,633)	(25,200)	(835,057)	(12,183,496)	(44,514,386)
	67,466,625	3,925,811	(707,910)	27,265,876	97,950,402

Public Servants Association of South Africa NPC

(Registration number 1942/015415/08)

Trading as PSA

Annual Financial Statements for the year ended 31 March, 2015

Directors' Report

3. Reconciliation of Equity

Equity

Capital development reserves	2,000,000	2,000,000
Social and welfare reserve	1,000,000	1,000,000
Strike reserve	2,000,000	2,000,000
Funeral benefit reserve	3,000,000	3,000,000
General reserve	6,686,448	6,686,448
Swedish AIDS education fund reserve	37,420	37,420
Stiglingh reserve	542,534	536,878
Insurance reserve	5,709,320	5,709,320
Sand rehabilitation reserve	3,500,000	3,500,000
Revaluation reserve	11,498,506	11,659,649
Mark-to-market reserve	6,017,165	4,506,796
Cell Captive insurance contract reserve	32,603,914	27,265,877
	<u>74,595,307</u>	<u>67,902,388</u>

General reserves excluding the cell captive insurance contract are represented by the liquidity of the retained income and is tabled below:

Retained Income

Cash and cash equivalents (Excluding Cell Captive)	12,533,907	14,743,923
Other assets (Non cash assets)	(45,061)	15,304,091
	<u>12,488,846</u>	<u>30,048,014</u>

4. Insurance and risk management

The company follows a policy of reviewing the risks relating to assets and possible liabilities arising from business transactions with its insurers on an annual basis. Wherever possible assets are automatically included. There is also a continuous asset risk control programme, which is carried out in conjunction with the company's insurance brokers. All risks are considered to be adequately covered, except for political risks, in the case of which as much cover as is reasonably available has been arranged.

5. Directorate

The directors in office at the date of this report are as follows:

Directors	Office	Designation
Dr CV Dyantyi (President)	President	Non-executive Independent
Mr P Snyman (Chairperson)	Chairperson	Non-executive Independent
Mr MA Maepa (Vice-President)	Vice-President	Non-executive Independent
Mrs AC Rencken (Vice-Chairperson)	Vice-Chairperson	Non-executive Independent
Mr B Jacobs	Other	Non-executive Independent
Miss OM Lefifi	Other	Non-executive Independent
Mr AD McAnda	Other	Non-executive Independent
Mr RD Moody	Other	Non-executive Independent
Mr NS Ndlovu	Other	Non-executive Independent
Mrs GF Masinga	Other	Non-executive Independent

There have been no changes to the directorate for the year under review.

6. Directors' interests in contracts

During the financial year, no contracts were entered into which directors or officers of the company had an interest and which significantly affected the business of the company.

7. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

Public Servants Association of South Africa NPC

(Registration number 1942/015415/08)

Trading as PSA

Annual Financial Statements for the year ended 31 March, 2015

Directors' Report

8. Going concern

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

9. Auditors

PricewaterhouseCoopers Inc. continued in office as auditors for the company for 2015.

10. Secretary

The company secretary is Mr DZ Adonis.

11. Date of authorisation for issue of financial statements

The annual financial statements have been authorised for issue by the directors on 29 July, 2015. No authority was given to anyone to amend the annual financial statements after the date of issue.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE PUBLIC SERVANTS ASSOCIATION OF SOUTH AFRICA NPC

We have audited the financial statements of the Public Servants Association of South Africa NPC set out on pages 12 to 50, which comprise the statement of financial position as at 31 March 2015, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Directors' Responsibility for the Financial Statements

The company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

PricewaterhouseCoopers, 32 Ida Street, Menlo Park, P O Box 35296, Menlo Park 0102, South Africa
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Chief Executive Officer: T D Shango
Management Committee: T P Blandin de Chalign, S N Madikane, P J Mothiba, C Richardson, A R Tilakderi, F Tonelli, C Volschenk
The Firm's principal place of business is at 2 Egin Road, Sunninghill where a list of the partners' names is available for inspection.
VAT reg.no. 4070182128.



Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Public Servants Association of South Africa NPC as at 31 March 2015, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

Other reports required by the Companies Act

As part of our audit of the financial statements for the year ended 31 March 2015, we have read the Directors' Report, the Audit Committee's Report and the Company Secretary's Certificate for the purpose of identifying whether there are material inconsistencies between these reports and the audited financial statements. These reports are the responsibility of the respective preparers. Based on reading these reports we have not identified material inconsistencies between these reports and the audited financial statements. However, we have not audited these reports and accordingly do not express an opinion on these reports.

PricewaterhouseCoopers Inc

PricewaterhouseCoopers Inc.

Director: N Ayob

Registered Auditor

Pretoria

4 August 2015

Public Servants Association of South Africa NPC

(Registration number 1942/015415/08)

Trading as PSA

Annual Financial Statements for the year ended 31 March, 2015

Statement of Financial Position as at 31 March, 2015

	Note(s)	2015 R	2014 R
Assets			
Non-Current Assets			
Property, plant and equipment	4	36,356,270	38,836,470
Intangible assets	5	1,214,129	8,863,687
Other financial assets	6	21,152,797	23,554,202
Motor vehicle loans	7	7,995,461	4,593,124
		66,718,657	75,847,483
Current Assets			
Inventories	8	900,066	1,002,014
Cell captive insurance contract	11	30,603,914	27,265,877
Trade and other receivables	9	5,725,049	6,961,326
Other financial assets	6	536,880	525,570
Motor vehicle loans	7	1,958,370	3,721,447
Study Loans		10,331	20,836
Cash and cash equivalents	10	12,533,907	14,743,923
		52,268,517	54,240,993
Total Assets		118,987,174	130,088,476
Equity and Liabilities			
Equity			
Reserves		74,595,307	67,902,388
Retained income		12,488,846	30,048,014
		87,084,153	97,950,402
Liabilities			
Non-Current Liabilities			
Finance lease liabilities	12	191,771	1,225,186
Retirement benefit obligation	14	3,930,000	3,515,000
Provision	13	884,245	835,057
		5,006,016	5,575,243
Current Liabilities			
Finance lease liabilities	12	767,083	738,096
Trade and other payables	16	19,085,440	19,833,599
Retirement benefit obligation	14	132,000	153,000
Provision	13	6,912,482	5,838,136
		26,897,005	26,562,831
Total Liabilities		31,903,021	32,138,074
Total Equity and Liabilities		118,987,174	130,088,476

Public Servants Association of South Africa NPC

(Registration number 1942/015415/08)

Trading as PSA

Annual Financial Statements for the year ended 31 March, 2015

Statement of Profit or Loss and Other Comprehensive Income

	Note(s)	2015 R	2014 R
Revenue	22	246,334,027	232,633,871
Cost of sales		(197,790)	(85,798)
Gross profit		246,136,237	232,548,073
Other income	23	825,982	1,071,430
Operating expenses	24	(265,605,588)	(240,681,375)
Operating (loss) / profit		(18,643,369)	(7,061,872)
Investment revenue	25	1,758,401	1,523,015
Finance costs	26	(1,028,488)	(1,018,924)
(Loss) / profit for the year		(17,913,456)	(6,557,781)
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Gains and losses on property revaluation		(161,143)	3,709,123
Items that may be reclassified to profit or loss:			
Exchange differences on translating foreign operations		5,656	6,081
Available-for-sale financial assets adjustments		1,510,367	1,720,424
Cell Captive insurance contract		5,338,038	3,478,314
Total items that may be reclassified to profit or loss		6,854,061	5,204,819
Other comprehensive income for the year	28	6,692,918	8,913,942
Total comprehensive (loss) income for the year		(11,220,538)	2,356,161

Public Servants Association of South Africa NPC

(Registration number 1942/015415/08)

Trading as PSA

Annual Financial Statements for the year ended 31 March, 2015

Statement of Changes in Equity

	Funds		Revaluation reserve		Mark-to-market reserve and Cell Captive insurance contract		Other non-distributable reserves		Total reserves		Retained income		Total equity	
	R	R	R	R	R	R	R	R	R	R	R	R	R	R
Balance at 01 April, 2013	530,797		7,950,526		26,573,935		23,933,188		58,988,446		36,605,795		95,594,241	
Loss for the year	-		-		-		-		-		(6,557,781)		(6,557,781)	
Other comprehensive income	6,081		3,709,123		5,198,738		-		8,913,942		-		8,913,942	
Total comprehensive Loss for the year	6,081		3,709,123		5,198,738		-		8,913,942		(6,557,781)		2,356,161	
Balance at 01 April, 2014	536,878		11,659,649		31,772,673		23,933,188		67,902,388		30,048,014		97,950,402	
Loss for the year	-		-		-		-		-		(17,913,456)		(17,913,456)	
Other comprehensive income	5,656		(161,143)		6,848,406		-		6,692,919		354,288		7,047,207	
Total comprehensive Loss for the year	5,656		(161,143)		6,848,406		-		6,692,919		(17,559,168)		(10,866,249)	
Balance at 31 March, 2015	542,534		11,498,506		38,621,079		23,933,188		74,595,307		12,488,846		87,084,153	
Note(s)	18828		19828		21828		20				28			

Public Servants Association of South Africa NPC

(Registration number 1942/015415/08)

Trading as PSA

Annual Financial Statements for the year ended 31 March, 2015

Statement of Cash Flows

	Note(s)	2015 R	2014 R
Cash flows from operating activities			
Cash receipts from members and customers		244,472,773	234,498,320
Cash paid to suppliers and employees		(248,964,400)	(236,966,699)
Cash generated (used in) from operations	29	(4,491,627)	(2,468,379)
Interest income		1,758,401	1,523,015
Finance costs		(1,028,488)	(1,018,924)
Net cash from operating activities		(3,761,714)	(1,964,288)
Cash flows from investing activities			
Purchase of property, plant and equipment	4	(6,060,837)	(3,191,245)
Sale of property, plant and equipment	4	511,930	134,971
Expenditure on product development	5	-	82,887
Movement Cell Captive insurance contract		5,338,038	3,478,316
Encashment from Zurich		5,948,094	-
Investment in Guardrisk		(3,948,094)	-
Movement in financial assets		2,390,095	3,202,577
Motor vehicle loans granted		(6,740,762)	(4,280,430)
Motor vehicle loans repaid		5,101,502	4,655,910
Study loan repaid		70,286	52,278
Study loan granted		(59,781)	(66,150)
Net cash from investing activities		2,550,471	4,069,114
Cash flows from financing activities			
Movement in funds (capitalised)		5,655	6,081
Finance lease payments		(1,004,428)	(209,278)
Net cash from financing activities		(998,773)	(203,197)
Total cash movement for the year		(2,210,016)	1,901,629
Cash at the beginning of the year		14,743,923	12,842,294
Total cash at end of the year	10	12,533,907	14,743,923