

Integrated
Annual Report
2015/16



Introduction	1	Department of Rural Development and Land Reform	10
		Office of the Presidency	10
Service delivery	2	Office of the Public Service Commission	10
		National Department of Public Works	10
Board of Directors	2	Department of Communications	11
		Department of Labour	11
Board Committees of the PSA	2	Department of Stats South Africa	11
Members representing Structures	2	Public Administration Leadership Management and Academy	11
		Department of Energy	12
Assistance to members	3	Department of Human Settlements	12
		Department of Public Enterprises	12
Members' rights	3	Department of Correctional Services	12
		Department of Agriculture, Fisheries and Forestry	13
		Department of Basic Education	13
Collective bargaining	4	Department of Defence	13
		Department of Military Veterans	13
Independent Labour Caucus	4	Department of Arts and Culture	14
Public Service Bargaining Councils	4	Department of Women	14
Public Service Coordinating Bargaining Council	4	Department of International Relations and Cooperation	14
<i>Salary agreement and other related Resolutions 2015/16</i>	4	Small Business Development Department	14
Education Labour Relations Council	5	Department of Trade and Industry	14
		Department of Mineral Resources	14
Public Health and Social Development Sectoral Bargaining Council	5	National Treasury	15
		Government Pensions Administration Agency	15
National Chamber for Health and Social Development (Bargaining Chamber of the PHSDSBC)	6	National Department of Tourism	15
National Department of Health	6	Department of Higher Education and Training	15
National Department of Social Development	6	Department of Transport	15
General Public Service Sectoral Bargaining Council	7	Sport and Recreation SA	15
		Department of Justice and Constitutional Development and National Prosecuting Authority	15
National Departments (Bargaining Chambers of the GPSSBC)	7	Department of Science and Technology	16
Department of Water and Sanitation	7	Parastatals	16
Independent Police Investigative Directorate	8	South African Revenue Service	16
Department of Environmental Affairs	8	National Health Laboratory Service	16
Department of Cooperative Governance	8	South African Social Security Agency	16
Department of Traditional Affairs	9	State Information Technology Agency	17
Department of Home Affairs	9	South African Weather Service	17
Department of Economic Development	10	National Library of South Africa	17
Government Printing Works	10	Pan South African Language Board	17
		Human Sciences Research Council	17
		Group Branch Public Service Pensioners	18

Provincial service-delivery overview	19	Social responsibility	34
Eastern Cape	19	National projects	34
Free State	19	Early Childhood Development	34
Gauteng	20	Food gardens	34
KwaZulu-Natal	22	School libraries	34
Limpopo	22	School jerseys	34
Mpumalanga	23	Stiglingh Memorial Bursary	34
Northern Cape	23	PSA study assistance towards a teaching qualification	35
North West	24	Donations to charity organisations	35
Western Cape	25	Mandela Day	35
Communication with members	25	Other projects	35
Fringe benefits	26	Provincial projects	36
Membership growth and retention	27	Eastern Cape	36
Provincial overview	28	Free State	36
Eastern Cape	28	Gauteng	36
Free State	28	KwaZulu-Natal	36
Gauteng	29	Limpopo	36
KwaZulu-Natal	29	Mpumalanga	37
Limpopo	29	Northern Cape	37
Mpumalanga	29	North West	37
Northern Cape	29	Western Cape	37
North West	30	PSA employment profile	38
Western Cape	30	Environmental footprint	40
Structure empowerment	31	Social and ethical conduct	41
Eastern Cape	31	Financial governance and performance highlights	42
Free State	31	Annual financial statements for the year end 31 March 2016	43
Gauteng	31		
KwaZulu-Natal	32		
Limpopo	32		
Mpumalanga	33		
Northern Cape	33		
North West	33		
Western Cape	33		

The PSA (Public Servants Association of South Africa) is a registered trade union at the forefront of labour developments. The PSA is the largest, politically non-affiliated, fully representative Union in the Public Service. With a proud history of more than 96 years of service to its members, the PSA represents more than 235 000 public sector employees, guided by the following commitment:

***“As a leading trade union, we the PSA, will protect the rights and promote the interests of our members, through professional, dedicated and competent staff and member structures in an assertive, innovative, ethical and financially sound manner
- at all times striving to exceed members’ needs and remain the union of choice.”***

INTRODUCTION

2015 was a year of accelerating momentum for the PSA. The revolution in trade union mapping picked up steam and continues to transform this huge sector of our society.

To compete and grow in such a dynamic environment requires commitment and innovation, a focus on continuous improvement and service excellence, a rigorous attention to building shareholder value and a deep belief in the social benefits of our members. While much has been achieved, the magnitude of the task at hand still leaves much to be done. The PSA needs to consolidate the gains made and focus on mass delivery of required service to members through skilling shop stewards and structures.

As the Chairperson of the PSA Board, I was heartened by the support and hardworking Administration and structures that have supported the Board and its activities. It is against this framework that I report on the activities, challenges and achievements of the PSA during the year under review. Our focus was mainly two-fold: Strengthening corporate governance issues through an enhanced Board and sub-committee structure and responding to our members' and stakeholders' needs.

Once again, I am pleased to report that the Union's overall performance has surpassed our expectations, both on corporate level and in service to members. An important milestone was the strengthening of the PSA Board through skilling, especially on corporate governance issues. Knowledge acquired through these interventions added significant knowledge and skills to fulfil our fiduciary obligations. In this regard, I have pleasure to indicate that all our sub-committees are operational, including the new Ethics Committee that was established as a result of the training intervention during the report period.

Over the past year we demonstrated our leadership on all these fronts. At the core of our growth strategy is our commitment to using our human and infrastructural resources wisely to address the ever-increasing industry challenges. How can we improve the lives of our members? How can technology make our businesses more efficient? How will innovation transform our Union for the better? As you will see in this Report, the PSA's networks provide a platform for answering these questions in new and powerful ways, creating new growth opportunities for our Union and expanding our positive impact on our members and the Public Service.

Investing in technology will permeate every corner of any business and society - no single business can deliver everything customers want and need without having great partners. At the PSA, partnerships are a fundamental piece of our growth strategy, helping us branch into new possibilities, stimulate innovation and broaden our geographic reach. In 2015, we took several major steps to create strategic advantages through collaboration with our ever-supporting business partners. Today's members' needs have evolved to require access to their Union through multiple mediums of communication portals, be it video content on a personal computer, tablet or cellphone wherever and whenever it is convenient for them. To address this demand, the PSA has invested in a new membership system that members will be able to access through a mobile application. The Union has also vigorously increased its presence on all social media platforms to allow members instant insight into where their Union is heading.

It is against this backdrop that I can confidently say that the PSA is well managed by qualified and dedicated staff members. Being a responsible citizen is at the heart of our business, which can be seen in the commitment of our employees and shop stewards to provide members with the best possible service. Nowhere was that dedication more apparent than in the commitment demonstrated by PSA employees and shop stewards. I thank each and every one of them for their dedication to our members. I am grateful to our Board of Directors for their strategic guidance and support in helping us build the PSA to be successful for decades to come. I'm confident about the trajectory of our business and inspired by our potential for making a difference in the Public Service. The PSA is in the midst of a powerful transformation, and is well.

Another key factor to the PSA's continued success is the Union's close relationship with its structures that act as the voice of members. The PSA continues to act only on the clear mandate of its members - a commitment that has contributed to the ongoing internal stability in the organisation during times when many other unions have suffered serious blows.

The PSA's acute awareness of the social circumstances of the society within which it operates continues to drive interventions to alleviate the plight of people affected by poverty. The Union's social responsibility interventions have during the report period, amongst others, secured school jerseys for 3 980 learners across the Country.

The PSA's General Manager, Danny Adonis, announced his retirement during the report period with last day of service on 30 June 2016. The Board pays tribute to Danny for his strategic leadership, which has greatly contributed to the Union's stature and continued success.



Pierré Snyman
CHAIRPERSON



PSA MANAGEMENT

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.

Board of Directors

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

Dr Vuyo Dyantyi (President)
(Term of office expired on 21 September 2015)

Adv Rashied Daniels (President)
(Elected on 21 September 2015)

Ronny Maepa (Vice-Chairperson)
(Term of office expired on 14 March 2016
based on *Statute* amendment)

Pierré Snyman (Chairperson)

Annetjie Rencken (Vice-Chairperson)

Oniccah Lefifi (Director)

Ben Jacobs (Director)
(Passed away on 3 February 2016)

Rob Moody (Director)
(Term of office expired on 14 March 2016
based on *Statute* amendment)

Ashley McAnda (Director)

Friedah Masinga (Director)

Sboniso Ndlovu (Director)

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

Board Committees of the PSA

The following members served on the various Board Committees of the PSA:

Audit and Risk Committee

Rob Moody
(Elected as Chairperson on 30 October 2013
[Committee member on 24 October 2012]
- expired 14 March 2016)

Pierré Snyman
(Elected on 25 August 2010)

Oniccah Lefifi
(Elected as Chairperson on 14 March 2016
[Committee member on 24 October 2012])

Ronny Maepa
(Elected on 30 October 2013 - expired on 14 March 2016)

Ashley McAnda
(14 March 2016)

Annetjie Rencken
(14 March 2016)

Cell Captive

Ashley McAnda
(Elected as Chairperson 30 October 2013
[Committee member on 24 October 2012])

Annetjie Rencken
(Elected on 25 August 2010)

Sboniso Ndlovu
(Elected on 30 October 2013)

REMCO

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

Ben Jacobs
(Elected on 26 October 2011 - passed away on 3 February 2016)

Rob Moody
(Elected on 24 October 2012 - expired on 14 March 2016)

Friedah Masinga
(Elected on 30 October 2013)

Oniccah Lefifi
(Elected on 14 March 2016)

Sboniso Ndlovu
(Elected on 14 March 2016)

Members representing Structures

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

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

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

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

ASSISTANCE TO MEMBERS

The granting of legal assistance is one of the benefits members enjoy to ensure that where legal experts are required, the PSA can responsibly grant such assistance.

Members' rights

The PSA's Rights Section gives effect to one of the objectives of the PSA Strategy in ensuring that the rights of members are protected. This objective can only be achieved through the responsible and optimal utilisation of the Union's human capital and other resources as well as its finances. The PSA's shared core values, such as honesty, integrity and respect, form the foundation of its operations, which are the building blocks of the Union's responsibilities and objectives.

The success of all the services rendered to PSA members is ascribed to the dedication of its staff and shop stewards. The issuing of twelve editions of the PSA's *Informus* showcasing cases where the PSA has stepped in to protect members' rights, is indicative of the Union's competitive edge to be regarded as the Union of Choice.

The graph below depicts the different activities undertaken by this functional area countrywide during the report period and provides a picture of the commitment of staff and shop stewards to ensure that no stone is left unturned to secure the protection of members' rights.

Figure 1 reflects that 23% of the activities undertaken was to deal with grievances of members whilst 29% of the activities was absorbed by other meetings that would include bilateral meetings that staff and shop stewards attended to resolve matters on behalf of members.

During the period under review, the PSA referred 230 cases to the Court for adjudication related to review applications, opposition of review applications and enforcements of favourable awards.

The granting of legal assistance is one of the benefits members enjoy to ensure that where legal experts are required, the PSA can responsibly grant such assistance.

Figure 2 illustrates the total amount spent on legal assistance and representation opposed to monetary value of award and/or settlements in favour of the PSA during the report period.

Although the PSA spent a total amount of R 9 481 800.70 on legal assistance and representation of members, the monetary value of awards and/or settlements in favour of the PSA's members amounted to a total of R13 397 305.04 for the report period.

Figure 1

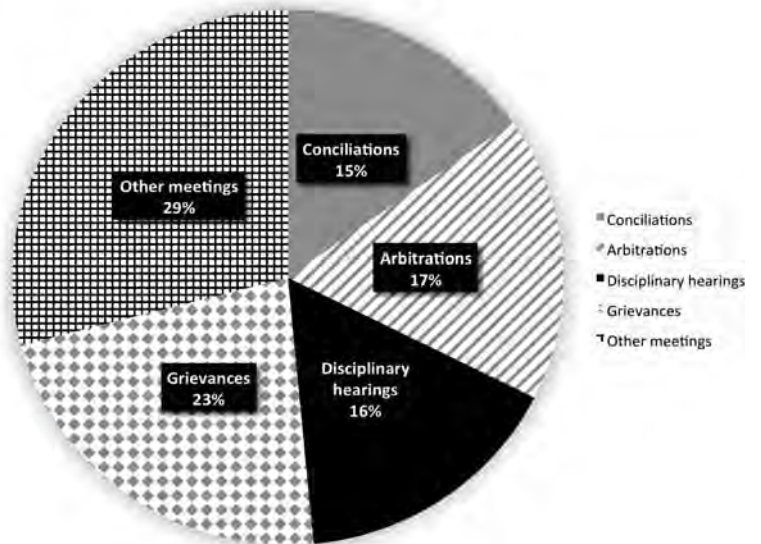
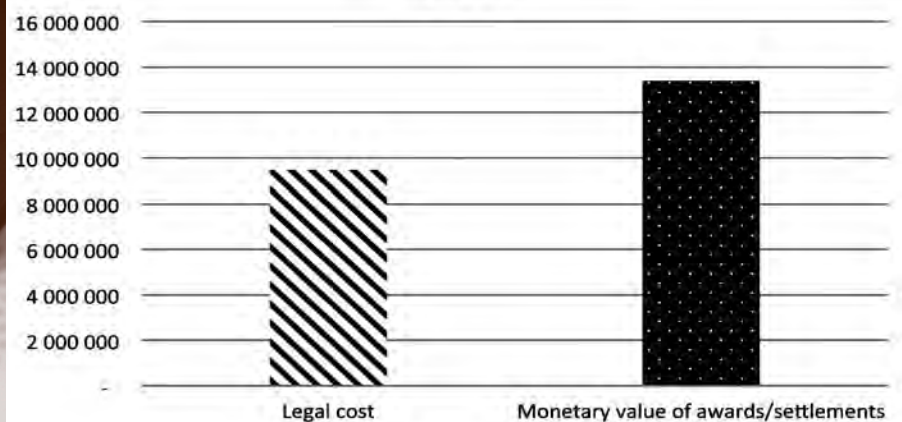


Figure 2



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 (ILC)

The PSA, as founding member of the 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 Policing 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), the Public Health and Social Development Sectoral Bargaining Council (PHSDSBC), the General Public Service Sectoral Bargaining Council (GPSSBC), and the Safety and Security Sectoral Bargaining Council (SSSBC).

Some of the more prominent developments in these Councils during the period under review are covered in this Report.

Public Service Coordinating Bargaining Council

Salary agreement and related Resolutions 2015/16

Following a protracted wage negotiations process during 2014/15, the PSA took the employer's final offer to members for them to provide a mandate on whether or not the PSA should sign the Agreement with a closing date of 15 May 2015. The response from members and their representative structures was very positive and members and structures can be congratulated for the manner in which everybody worked together to provide the PSA with a mandate on this Agreement. The fact that the mandate was provided after such a short notice period also speaks volumes to members' commitment.

The outcome of the mandate was overwhelmingly in favour of the PSA signing the Wage Agreement. More than 70% of the votes were in favour of the PSA signing the Agreement. The PSA consequently was in a position to give execution to members' mandate and sign the Agreement.

The unions representing the majority of the employees in the Public Service signed the Agreement, which made it binding on all public servants, and it was implemented retrospectively with effect from 1 April 2015.

Although not all our demands were met, the Agreement goes a long way towards improving salaries and medical-aid benefits of members over the three-year period.

The Wage Agreement is, in short, the following:

Salary adjustment

For the first year: 7%.

For the second year: Average Projected CPI + 1%.

For the third year: Average Projected CPI + 1%.

The above increase amounts to an overall real-wage increase of 4.2% over the three-year period. The adjustments take effect on 1 April of each year.

Whereas the initial wage agreement signed by all parties to Council contained certain claw-back clauses that protected employees against incorrect CPI projections, the unions representing the majority of employees in Council subsequently signed a further Agreement deleting the claw-back clauses. The PSA did not support the last-mentioned Agreement.

Family Responsibility Leave

The Agreement in respect of Family Responsibility Leave provides for leave of five days for parents of children with severe special needs.

Paternity Leave

Three working days' paternal leave are introduced additional to current leave provisions.

Medical Assistance

The employer has amended its contribution to the Government Employees Medical Scheme (GEMS) in line with labour's demand, which is an increase of 28.5% (medical inflation). The adjustment took place from 1 January 2015. Future adjustments will be in accordance with the Medical Price Index (MPI) for a particular year. This is also in line with labour's demand. The Agreement in respect of serving employees, who are members of GEMS, is consequently the following:

In respect of former employees, a new post-retirement medical assistance dispensation for all former employees on GEMS and those on open medical schemes is introduced from 1 January 2015.

Payment of 13th Cheque/Service Bonus

All employees have an opportunity to make a once-off election on the date of the payment of the Bonus. For employees who do not make an election, the current arrangement will continue. The employer will ensure that the transitional period of implementing the new dispensation does not adversely affect employees.

Recognition of Prior Learning

The Agreement recognises the principle of the recognition of prior learning (RPL) as contained in the SAQA National Policy and a policy for the Public Service will be developed.

Bursary Scheme

The Agreement recognises the challenges faced by employees in providing tertiary education for their children and undertakes to conduct an investigation into the feasibility of providing a bursary scheme for children of employees.

Danger Allowance

Following the mandate process and highlights made to members about the disadvantage of the draft agreement on danger allowance, the PSA did not receive any significant response from members on the draft agreement and consequently did not sign PSCBC Resolution 5/2015.

Government Employees Housing Scheme (GEHS)

The PSA, and other ILC parties, did not sign Resolution 7/2015 as it relates to the GEHS. The reasons for the rejection are as follows:

- Discrimination against new employees who do not own homes and who will not receive any housing allowance in cash.
- The withholding of the savings of employees who resign from the Public Service or who are dismissed.
- The lack of clarity on the position of serving employees who do not currently receive a housing allowance and become eligible to receive an allowance for renting a property.
- Discrimination against married employees who will be limited to one housing allowance under the Scheme.

Review of PSCBC Resolution 3/2010

In terms of the provisions of PSCBC Resolution 3/2010, parties agreed that negotiations with regard to the occupational-specific dispensations (OSD) had been finalised and fully implemented in line with the respective sectoral collective agreements. Since the various OSDs had been implemented, a number of issues had been raised by members, which include but are not limited to:

- The exclusion of deserving categories such as, amongst others, Veterinarians and Medical Physicists from participation in the OSD.
- Inconsistent application of the OSD, such as the various categories of legally-qualified professionals who do the same type of work but are placed on different salary levels.
- Review in terms of the PHSDSBC Resolution 3/2009 (OSD) for Medical Officers, Medical Specialists, Dentists, Dental Specialists, Pharmacologists, Pharmacists and Emergency Care Practitioners.

The PSA was of the view that PSCBC Resolution 3/2010 should be reviewed to address the mentioned omissions and disparities with regard to the relevant OSDs. It was therefore proposed that these issues be placed on the agenda of the PSCBC for discussion and to determine the way forward. Unfortunately, the unions representing the majority of the employees falling under the scope of the PSCBC did not support the PSA in its viewpoint as discussed above that PSCBC Resolution 3/2010 be reviewed to address all of the mentioned and other problems experienced in respect of the OSD.

This matter was not supported by the unions representing the majority of the employees falling under the scope of the PSCBC, which implies that they are satisfied with the *status quo*. The employer also maintained that the OSDs would not be discussed or considered as proposed by the PSA.

Protracted wage negotiations during the report period had a significant impact on the programmes and activities of the Sectoral Bargaining Councils.

Education Labour Relations Council

Publication of Personnel Administration Measures (PAM)

The PAM is a single document that contains all terms and conditions of employment of educators. Since 2003, it had not been amended and/or updated into a single publication that practitioners and educators could easily use as a source of reference. On an ongoing basis, collective agreements with a direct bearing on terms and conditions of employment of educators had been concluded in the ELRC and the PSCBC. These agreements needed to be incorporated into an updated PAM to constitute a single reference book containing the conditions of service of educators.

Thus, an updated PAM was officially published on 12 February 2016, through the *Government Notice 39684*.

The PAM comprises of nine Chapters, ranging from post provisioning and grading norms, workload and job description, appointments, transfer of educators in terms of operational requirements, post structure, salary- and qualification-related matters, allowances and other related matters, public examinations, awards and benefits, time off and secondment, grievance procedures, leave measure as well as general provisions.

The Council agreed that the PAM is to be updated on an ongoing basis. Currently, it needs an updated version, which is to include the PSCBC Resolution on annual salary adjustments for 2016/17.

Public Health and Social Development Sectoral Bargaining Council

Review of Collective Agreements

The following Collective Agreements were tabled for review during the report period:

- PHSDSBC Resolution 1/2001 on Establishment of Committees in the Council;
- PHSDSBC Resolution 7/2008 on Coordination of Caucuses;
- PHSDSBC Resolution 2/2007 on Operations of the Council Chambers;
- PHSDSBC Resolution 2 /2004 on Rural Allowance; and
- PHSDSBC Resolution 1/2009 on Occupational-Specific Dispensation for Social Service Profession and other Occupational Classes.

Resolutions 1/2001, 7/2008 and 2/2007 are purely administrative in nature. Their purpose is to ensure that the operations of the Council conform to its operational norms and standards, thus contributing towards good governance.

The Resolutions on Rural Allowances and OSD for Social Service Professions and other Occupational Classes were tabled by labour for review. At the end of the review period, the employer was not in a position to fully engage on these Resolutions. The review of the said Collective Agreements will continue during the next report period.

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

National Department of Health

Special Leave

The employer introduced a leave policy for consultation in the previous cycle, which included amendments to the special leave provisions. The PSA pointed out to the employer that special leave is a matter for negotiation and that the existing agreement remains applicable until it is replaced by a new agreement, which position was accepted. The employer subsequently introduced a draft agreement, which was dealt with during the report period up to the point where the PSA submitted its final position on certain issues. The employer was finalising its response to these issues following which the final draft agreement will be submitted to members for a mandate to accept or reject.

At the close of the report period the agreement had therefore not been concluded yet. Developments will be reported during the next report period.

Dress Code Policy

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

Labour had a number of problems with the document, such as the fact that it was presented as a policy and not a mere code that would serve as a guideline or framework to both managers and employees and the threat of disciplinary action in the case of a transgression. Members also insisted that the employer should meet employees "half-way" by considering some form of financial assistance since the new requirements would have financial implications. The employer was therefore cautioned that the policy had the potential to create conflict.

The employer subsequently introduced a slightly amended policy based on the inputs from labour. Labour again rejected the document. The employer eventually acceded to labour's position and the matter was removed.

Resettlement Policy

With regard to the Resettlement Policy and Guidelines, the PSA informed the employer that it is a matter for negotiation, rather than mere consultation, within the framework as provided for by PSCBC Resolution 3/1999.

Labour presented inputs on issues such as the cut-off distance for an employee to qualify for reimbursement of relocation costs. Initially the PSA requested that the qualifying cut-off distance should be 50 km and not 100 km. The PSA later requested that this be replaced with any movement across magisterial borders initiated by the employer that will entitle an employee to reimbursement of relocation costs. On transfer fees, the PSA is of the opinion that there are other expenses such as mortgage costs, attorney fees and inspection/certification fees involved when buying a house that the employer should also take into consideration. The PSA also requested the employer to increase the timeframe for occupying interim accommodation and storage of household goods to at least two months with a possible extension of another month, should circumstances necessitate. The employer's final position is still being awaited. The final draft agreement will be presented to members for a mandate in terms of the PSA's mandating process.

At the end of the report period negotiations on the document had therefore not been finalised yet.

Transfer of Port Health Services

PHSDSBC Resolution 2/2014 was signed to facilitate the transfer of employees performing Port Health Services in the Provincial Health Departments to the National Department of Health, following the amendment of the *National Health Act, 2003*. The relevant employees were transferred to the Department during the report period. The PSA placed the item on the agenda of the National Chamber to ensure that the Chamber fulfils its monitoring role on the implementation of the Resolution.

The employer was subsequently asked to submit a report on the implementation of the transfer and any challenges that occurred in the process. The employer undertook visits to all the ports of entry and numerous issues were identified and subsequently addressed. These include various types of allowances that were stopped or paid incorrectly, misuse of government transport, transport for night-shift workers, payment of performance incentives and notch progression, etc.

The item has been retained on the agenda to track progress. The aim is to eventually come up with a closing-out report on the matter to be presented to the PHSDSBC as the custodian of the Resolution. Labour has also been informed that the function might again be transferred when the envisaged Border Management Agency is established.

National Department of Social Development

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.

The mandating process was concluded during the report period and the policy was subsequently adopted and the item removed.

Special Leave

Special Leave is currently regulated by a Collective Agreement that was entered into in 2007. The employer tabled a revised document containing amendments to the current Agreement. The amendments are, in general, favourable to members. The PSA is still dealing with the revised Agreement. At the end of the report period negotiations on the document had therefore not been finalised yet.

Policy on Working Hours

The employer introduced some amendments to the existing policy. The policy was consulted during the report period and inputs were presented. Members were also provided with an opportunity to submit inputs but none were received. The policy will eventually be presented to members for a mandate. At the end of the reporting year consultations on the document had therefore not been finalised yet. Developments will be reported during the next report period.

General Public Service Sectoral Bargaining Council

Most of the 2015/16 period was spent in the PSCBC dealing with salary negotiations, hence negotiations in the GPSSBC were delayed. The GPSSBC also struggled to find time to address administrative matters that were compelling for the functioning of the Council.

The issues still outstanding on the agendas, amongst others, include the following:

Compensation for performing official duties during meal intervals

In terms of the provisions of clause 9.4 of PSCBC Resolution 1/2007 compensation for employees who are, owing to 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.

At the end of the report period, the employer was still unable to table a list of the occupational categories of employees to be considered for compensation for remaining on duty during meal intervals.

Draft Special Leave Agreement for Sector

Negotiations on the proposed special leave for the Sector are yet to resume and parties planned to negotiate during June/July 2016 to conclude an agreement.

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 of mutual interest such as subsistence and travel.

Discussions, however, took place regularly in Chambers (DBC) regarding matters that affected members' interests. Some of the more important issues dealt with in Chambers of the GPSSBC during the report period are the following:

Department of Water and Sanitation

(former Department of Water Affairs)

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 related to an employee's scope of work and that enhance the employee's performance and the service delivered by the employee.

The Resolution provides for the employer to define the qualifications that 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.

During the report period, the employer introduced a draft list, which was circulated to members for inputs. These inputs were submitted to the employer and incorporated. The PSA also submitted additional proposals relating to the position of Clerks, which were incorporated.

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/workers), on either project-based, standard or specialist contracts.



Owing to the unique working environment within which these employees operate, the relevant section of the Act allows for the Director-General (DG) to appoint such employees on provisions outside the *Public Service Act, 1994*, subject to consultation with the Department of Public Service and Administration (DPSA) on such conditions of employment.

Construction therefore has its own unique conditions of service, 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 has not been done since 2001 and the employer subsequently tabled a draft document. The review process has been ongoing for the last two report periods, involving numerous workshops where updated drafts were discussed and numerous communications issued to members, informing them of developments and requesting them to submit inputs. A limited response was, however, received from members.

At the close of the report period, the employer provided a final draft document to labour for one last opportunity to compare with previous inputs and submit a final position on issues, which was done. The document still contains a number of issues on which labour and the employer could not reach agreement.

At the close of the report period, the final draft had been referred to the DPSA after which it will be brought back to the Chamber to finalise the agreement.

Disestablishment of Construction and/or Outsourcing/Agentisation of functions

The PSA submitted an agenda item requesting clarity on all the rumours about the possible closure of the Construction Management Chief Directorate (CD) and/or the possible outsourcing of projects to outside service providers and the secondment of existing employees to such service providers.

The employer made it clear that currently there was no position or resolution in any of the governance structures of the Department regarding the closure of Construction Management. However, the currently ongoing restructuring reported on above and its outcome could affect the CD like all other components. The outcome of establishing a new Water Infrastructure Agency would determine the roles and future of the National Water Resource Infrastructure Branch and its structures, which include Construction.

A circular issued on this by the employer was subsequently forwarded to labour. The PSA also circulated it to members and invited them to submit any information or issues on this matter, failing which the matter would be removed from the agenda at the next DBC to be reintroduced should circumstances dictate this.

Independent Police Investigative Directorate

Implementation of GPSSBC Resolution 5/2014: Recognition of Improved qualifications in the Public Service

The Resolution provides for the employer to define the qualifications that 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.

Towards the close of the report period, the employer at last introduced a draft list, which was circulated to members for inputs. Inputs are submitted to the employer for consideration and incorporation as and when received.

Resettlement Policy

With regard to the Resettlement Policy, the PSA informed the employer that it is a matter for negotiation, rather than mere consultation within the framework as provided for by PSCBC Resolution 3/1999. Although the employer initially resisted this approach, it acceded to this after the General Secretary of Council attended a Chamber meeting and informed the employer accordingly.

Labour presented inputs on issues such as the cut-off distance for an employee to qualify for reimbursement of relocation costs. After a number of exchanges between labour and the employer, the matter was referred to members for a mandate to enter into a collective agreement and although a limited response was received, members supported the document. At the end of the report period the document had, however, not been finalised.

Department of Environmental Affairs

Sea-Going Allowance

During 2009 the employer entered into a Collective Agreement with Nehawu, as the majority union, for the payment of a flat-rate Sea-Going Allowance, inclusive of overtime payment, night-shift and standby allowances to all such employees. PSA members did not provide a mandate to sign. The Agreement contained a clause that indicated that it would be terminated on the signing of an OSD for the relevant Natural Scientists. 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 have been 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 that 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 within the same environment such as the Department of Agriculture, Forestry and Fisheries and Public Works. The submission of all required information to the DPSA was finalised in a previous report period already and even resubmitted. Additional information pertaining to the budget was also submitted during this report period, as requested by the DPSA.

At the close of this report period, approval by the Minister of Public Service and Administration (MPSA) as the sole custodian of allowances was, however, still pending.

Department of Cooperative Governance

Restructuring

During the report period labour was informed that a revised structure for the Department had been approved by the DPSA. Labour was also subsequently provided with a copy of the approved structure.

The names of Branches had changed, except in the case of Corporate Services and the National Disaster Management Centre (NDMC) but the functions remained the same. Employees affected by the structure were mostly on Senior Management Service (SMS) level (which falls outside the scope of the Chamber) and it was emphasised that implementation would be subject to consultation with each of the affected employees and that there would be no job losses.

Labour nevertheless asked for and was given the assurance with regard to permanent employees on levels 1 to 12 who fall within the scope of the Chamber that no employee would be prejudiced in any way by the changes in the structure reported above and no employees were additional to the establishment. Employees were migrated successfully to the new structure and labour was informed that SMS members who were displaced following a previous restructuring process were also taken care of. The matter was subsequently removed from the agenda.

Relocation of National Disaster Management Centre (NDMC) from Arcadia Offices to new offices in Centurion

The above component was relocated from Arcadia to new offices in Centurion without proper consultation taking place in the DBC. Affected members subsequently approached the PSA for assistance and the PSA tabled its concern at a special DBC. A Task Team was established to develop a transport agreement and to investigate other concerns that emanated from relocation, such as insufficient workspace. The task team, however, failed to resolve issues and the matter was therefore dealt with in the DBC itself. Eventually only two issues remained outstanding, namely the provision of transport to the new workplace and the insufficient workspace.

The employer initially approved that transport be provided from the head office in Arcadia to the NDMC in Centurion until the end of March 2015. Eventually only four employees remained without a solution and through the PSA's intervention a proposal was presented to the employer to share the cost of providing the transport on a 50/50 basis for a further period.

Department of Traditional Affairs

During the previous report period it was reported that the Department of Traditional Affairs was being structured as a new Department. However, the employer informed labour during this report period that the revised structure for this Department was still not finalised and requested that the item be removed from the agenda to be reintroduced once it was ready for consultation. The Department therefore also continues to rely 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.

Department of Home Affairs (DHA)

Proposed amendments to operational-hour arrangements for Civic Services and Front-Line Desk Offices

Following the employer introduction of new working hours, parties were involved in protracted discussions in an attempt to resolve the matter up until the point where the matter was set down for conciliation on 2 April 2015. At the conciliation meeting the employer raised a jurisdictional point *in limine* that it did not regard the matter as a matter of mutual interest and that members of the PSA could therefore not strike on the matter. Unfortunately, at that time, the Commissioner ruled in favour of the employer. The PSA referred the Commissioner's ruling to the Labour Court for review as it did not agree with the ruling. Judgement was delivered on 22 September 2015 whereby the Commissioner's jurisdictional ruling was set aside. The Judge, in fact, agreed with the PSA that working hours are matters of mutual interest on which members can strike if parties are not able to reach consensus. The Judgement directed the GPSSBC to set down the matter for conciliation by a Commissioner other than the previous Commissioner.

Following the Judgement, the DHA filed a notice of application for leave to appeal. Judgement in the application for leave to appeal was delivered on 15 March 2016. The DHA's application to appeal the Judgement was dismissed with cost and the Court consequently directed that the Council should set down the matter for conciliation by a Commissioner other than the previous Commissioner.

Failure to award 1.5% pay progression increases and performance bonuses for 2010/11-financial year

The matter relates to a failure by the DHA to award pay progression and performance bonuses for the 2010/11-financial year to qualifying employees. The employer was supposed to provide an implementation report but failed to do so. The PSA subsequently gave an instruction to its legal representatives to proceed with the matter in terms of section 77(3) of the *Basic Condition of Employment Act (BCEA)*. The DHA filed its statement of defence almost eleven months after the PSA filed its statement of claim. The DHA made an application for condonation of the late delivery in its statement of defence. A pre-trial was held on 10 February 2016 where the PSA requested that the DHA should bring a separate formal condonation application on notice and under oath with regard to its failure to deliver its statement of defence timeously in terms of the Rules of Court. The PSA's intention in requesting the DHA to file a formal condonation application was not to be obstructive but rather to avoid a further delay should the Court take issue with its failure to do so at trial. Without making a condonation application on notice and under oath, the Court may postpone the matter, requesting the respondents to do so.



On 16 February 2016 the respondents subsequently served an unsigned condonation application on the PSA. The PSA, as advised by its legal representatives, did not oppose the condonation application and abided by the Court's decision. Parties agreed to exchange information by the end of March 2016.

Department of Economic Development (EDD)

Contract employees at EDD

The PSA raised a concern with regard the 25 posts filled on a contract basis and demanded that all employees who are appointed on contract and who have been with the EDD for more than 12 months be appointed on a full-time basis in the approved, funded posts. The employer gave a brief presentation on the status of contract posts. It indicated that out of 25 contract employees, a total of nine contracts were secondments from different parastatals. Out of the nine, eight had left the Department as per term of contract and one was still with the Department. A total of five contract employees resigned owing to job opportunities outside the Department. One contract was extended by three years - the incumbent possesses scarce skills but because of his age, the Department could not appoint him on a permanent basis. A total of five contracts expired as per agreement and were not renewed. Another five contracts were converted to permanent positions. Two contracts were not converted into permanent positions, one was being converted and the other could not be converted as the incumbent did not have permanent residence.

Government Printing Works (GPW)

Smart ID Card Project

The PSA tabled the matter after the DHA rolled out the new Smart ID Card project (to be produced by the GPW). The PSA enquired from the employer how the project would impact on employees of the GPW. The employer indicated that the Smart ID would not have any negative impact on these employees and would rather create opportunities for them. The employer assured labour that no employees would lose their jobs as a result of Smart ID.

Job evaluation on E-Gazette posts

The PSA tabled the matter and requested the employer to conduct a job evaluation on all E-Gazette posts. The PSA indicated that the reason it brought the matter to the DBC was because concerns were raised by its members that after the E-Gazette system was implemented, most members realised that their work functions had expanded with more responsibilities and it therefore wanted to know when the job evaluation process would take place. The employer noted the request and indicated that the PSA's concerns were taken into consideration and that the process would start in January 2016. Upon completion of the job evaluation, labour would be invited to the job evaluation panel as observers.

Department of Rural Development and Land Reform

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 and requested to provide a mandate for adoption. The employer delayed adoption as the final draft reviewed policy was still being dealt with by management structures internally.

Agreement on Recognition of Improved Qualifications: Resolution 5/2014

The employer developed the list as required by the Resolution. The list was consulted and agreed to by parties. The employer promised to send it to the Director-General for approval and subsequently to the DPSA for concurrence.

Interim leave arrangements as a result of current drought crisis: Departmental Circular No 166 of 2015

The employer issued the mentioned Circular in November 2015, which was about interim leave arrangements as a result of the drought. The PSA raised a concern relating to non-consultation as the Circular was infringing on employees' right to leave. The PSA felt that the Circular could have been consulted. The PSA demanded that the Circular be withdrawn to enable proper consultation to take place. The employer was reluctant and parties reached a deadlock. The matter was referred for facilitation in terms of the Governance Rules of the Chambers. Facilitation was held and the employer maintained the position of not withdrawing the Circular. A dispute (mutual interest) was referred to the GPSSBC for conciliation. Developments will be reported during the next report period.

Office of the Presidency

Performance Management Development System (PMDS)

As reported during the previous report period, the PSA lodged an application to the Labour Court on the implementation of the PMDS for the 2009/10-financial year. The employer failed to make payments for pay progression and performance bonuses to members who qualified for the said financial year. The Court adjudicated on the matter and subsequently issued a Judgement that favours the PSA. The Presidency was ordered to review its decision of not paying performance bonuses to qualifying employees. This matter was re-introduced in the DBC to monitor compliance by the Presidency with the Court's Judgement. Employees who qualified for merit bonuses were paid, thus concluding the case.

Office of the Public Service Commission (OPSC)

Relocation to new building

The OPSC relocated to ABSA Towers as the previous building occupied posed health hazards. The move was consulted with labour to avoid prejudice on the side of employees.

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. The process was still being consulted by the DBC by the end of the report period.

National Department of Public Works

Turnaround Strategy/Restructuring

Since 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, the Committee held several meetings where information relating to the Turnaround Strategy was shared with labour. Amongst the information provided was the HR Plan, the Strategic Plan, the Migration Plan, the new structure of the Department, and a Property Management and Training Entity (PMTE).

The Committee rolled out two-day workshops, attended by either one or two shop stewards of respective unions, in each region. The employer funded the expenses incurred as the workshops were arranged to improve communication, get “buy-in” and ownership of the Turnaround Strategy and to make it successful. The information provided by the employer at the workshops was discussed by all union representatives who came from all the regional offices of the Department. The roadshows were held in all regional offices, except Mthatha and Head Office, which will follow. The Steering Committee will be holding other roadshows to present the structures of each regional office and respond to outstanding questions. The NFA was also amended to address challenges experienced during implementation and to provide for secondment of shop stewards (who are members) to the Steering Committee to perform duties of the Steering Committee and their respective unions.

Department of Communications (DoC)

Progress on reconfiguration of Department

The reconfiguration of the government was implemented following the Presidential announcement of the new Cabinet and Ministers in May 2014 and subsequent to the general elections. This led to configuration of the government and the new DoC was established. The DBC of the new DoC was resuscitated and the employer presented a list of policies to be reviewed. The policies were tabled in the special DBC and are under review.

Department of Labour

Transfer of Sheltered Employment Factories (SEF)

The decision to migrate the SEF to the Department of Labour came over a number of years after it became clear that the SEF was not sustainable and viable and that urgent intervention was necessary to secure its future and to open new trading opportunities. Part of the Business Case Model was to ensure that firm governance steps were taken and compliance to all relevant legislation was ensured.

The migration of SEF personnel to government did not come without challenges and the most salient issue was the pension contribution of employees. The contribution rate to their former pension fund differed from that of the Government Employees' Pension Fund (GEPF).

This is detrimental to employees. Since there was no progress with resolving this issue, the PSA previously demanded that a letter be written to the Minister for intervention, which the employer conceded to. Letters were subsequently submitted to the Ministers of Labour and the National Treasury to seek their intervention.

The employer reported that several meetings were convened with the Department of National Treasury (DNT) and the GEPF with the intention of amicably resolving these challenges. The employer disclosed that the DNT was considering various options in addressing the outstanding challenges. An opinion was raised that SEF employees were erroneously transferred to the GEPF. Thus, all possible options should be carefully considered prior to the implementation of any drastic steps. One of the options was to transfer SEF employees back to their former Temporary Pension Fund (TPF).

The PSA reiterated and warned the employer in no uncertain terms that members' rights and interests would be protected and defended at all costs. If the situation was untenable, urgent relief would be sought through legal processes at the PSA's disposal. The employer requested indulgence from the PSA to allow it an opportunity until 30 April 2016 to seek a solution. Thereafter a special DBC meeting would be convened to provide a progress report. The constant pressure exerted by the PSA forced the employer to take the action as reported.

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 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 of the report period.

Implementation: Grading levels for Clerks

The Minister for the Public Service and Administration's (MPSA) 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 5 and whether all Clerks on supervisory level were remunerated on at least level 7. All Clerks who met the criteria as per the Agreement and outcomes of the job evaluation were subsequently upgraded.

Public Administration Leadership Management and Academy (Palama)/National School of Government

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 members. It came to light that the employer could be embarking upon a unilateral process of restructuring. The PSA was monitoring the situation and 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 after a Presidential declaration. The PSA raised serious concerns with the manner in which the employer approached this matter without consulting 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 was embarked upon to protect the rights and interest of members throughout the process. A task team, consisting of all parties, was established to deal with all restructuring processes. The task team will also consider the concerns raised by labour. The employer informed the DBC that it is committed to the consultation process and the sharing of information with labour.

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 a new 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 the Department of Public Works to be checked.

As far as Regional Offices are concerned, some relocation could take place, which is to be consulted in the DBC.

During the report period, the PSA requested the employer to seek intervention from the DPW to fast-track the process. 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 the construction of the accommodation had commenced.

Department of Human Settlements

Turnaround Strategy

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/core objectives;
- Better align the structure to the Strategy to achieve the goals that had been set; and
- Promote efficient, economic and effective use of human resources 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 is an ongoing process that had not been finalised by the end of the period under review.

Regrading of Clerks

The PSA extensively engaged the employer on the implementation of the coordination process regarding the regrading of Clerks. All Clerks who met the criteria as per the Agreement and outcome of the job evaluation were upgraded.

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 equal opportunity to apply. This was subsequently agreed to.

Department of Correctional Services (DCS)

Second-Phase OSD

An arbitration award on 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 and 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 and the matter was heard on 4 March 2016. Judgement was reserved.

Overtime

GPSSBC Resolution 2/2009 provides for overtime payment in excess of 40 hours for "non-centre" 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 the 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.



The matter was set down at the Labour Court for 29 April 2015 and the Judgement was in favour of the PSA. The attorneys were instructed to proceed with the arbitration process to secure a date for the matter to be set down.

Re-alignment of post establishment to OSD

The PSA tabled this matter as the employer's current post establishment does not provide for certain posts as per the 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 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 the matter amicably. A facilitation meeting was held on 24 March 2014 and 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 has, however, been no movement on the matter as the employer was still dealing with its audit report, which will be provided to labour. With the current budgetary constraints, no additional funds are available for the expansion of the post establishment. By the end of the report period, the PSA was considering its options in terms of declaring a dispute.

Department of Agriculture, Fisheries and Forestry

Unconducive working environment

The PSA received numerous complaints from members in the Limpopo Province regarding the unfavourable working conditions at certain forestry 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
- Closure of camps

An inspection *in loco* was undertaken and the unconducive working environment was confirmed during the visits. An action plan is being awaited from the Department on how to amicably resolve these conditions. The employer requested to provide feedback in the new financial year.

The PSA furthermore requested that a circular be issued to explain how the employer envisaged remunerating all eligible employees for the camping allowance, which was stopped pending the outcome of the task team reports.

Department of Basic Education

Contract employees

At the insistence of the PSA, a number of contract workers who had been in service for extended periods were appointed permanently by the Department. The PSA was victorious in ensuring job security for the members involved.

Policies

The DBC is finalising a number of policies, including:

- Special Leave
- Resettlement Expenditure
- Claims for Subsistence and Travel and Overseas Trips
- Remunerative Work Outside the Public Service
- Appointment on Probation
- Appointment of Temporary Staff Members
- Recruitment and Selection
- Internship

Department of Defence

Restructuring: Durban Naval Dockyard

The Department, through its Defence Review, announced its intention to recommence work to create a proper home base for the SA Naval Patrol Squadron in Durban. The employer indicated that an upgrade, for what is currently operating as Naval Station Durban, was to ensue shortly.

The PSA enquired from the Department whether there was any intention to have a new structure for the Dockyard and whether interested members from other Naval Dockyards would be considered for transfers if the structure was to be expanded.

The employer could not provide answers. It requested that the PSA's concerns be submitted for further investigation by the Navy Headquarters. The intention of the PSA's enquiry is to address the anxiety of serving members who approached the PSA for more clarity. The employer requested the PSA to submit all concerns in writing for consultation with its principals.

Department of Military Veterans

Performance Assessments 2013/14 and 2014/15

After the PSA enquired about the non-payment of these bonuses, the employer indicated that it was facing a challenge as there was no human resources (HR) component to deal with the process. All assessment activities were allocated to the Director: HR, who also had other tasks. The employer acknowledged that the assessments for two financial years were outstanding. The employer furthermore indicated that the Department had approved overtime for staff to prepare files for the respective directorates. Thereafter, the assessments of individuals would be considered.



Members, through the Branch, mandated the PSA to declare a dispute. By the end of the report period, the matter was still being dealt with in conciliation.

Department of Arts and Culture

Recognition of improved qualifications in terms of GPSSBC Resolution 5/2014

The PSA raised a concern on the failure of the employer to table a draft agreement to have the intention of the PSCBC realised in improving service delivery. The employer responded that it was aware of the duty that had been placed on it by the relevant Resolution. The employer requested to be allowed to make a representation that would assist parties to be on the same level of understanding. Parties agreed, with the expectation that a draft agreement would be tabled for engagement and the identification of appropriate courses, which would enhance service delivery.

A draft list of qualifications was tabled during the previous DBC meeting. The DBC was still dealing with this issue by the end of the report period.

Department of Women

Review of HR Policies

The Department is branding its HR policies and will table all policies as soon as these are ready for review. There are presently twelve policies receiving attention.

The PSA condemned the employer's approach of amending the Supply Chain Policy as well as Cell Phone Policy without consultation. The employer undertook to investigate and provide feedback. Parties agreed to engage at bilateral meetings.

Department of International Relations and Cooperation

Policies

The employer tabled the following policies for discussion:

- Policy on Plagiarism
- Code of Conduct Regulating the Conduct of Course Facilitators
- Draft Records Management and Archives Policy
- Knowledge and Information Management Policy

Once the policies have been finalised by the Policy Task Team, these will be re-submitted to the DBC for finalisation. The PSA will at that stage approach members for inputs and mandates.

Small Business Development Department (SBDD)

Establishment of DBC

A DBC for the Department of SBDD was formerly launched in terms of GPSSBC Resolution 3/2004, as amended. Formerly, it resorted under the Department of Trade and Industry. The purpose of the DBC is to provide an environment conducive to expedite processes of negotiation, consultation, information sharing and deliberations.

Department of Trade and Industry

Human Resources (HR) Administration of Foreign Economic Representatives (FER) Recruitment Policy

The Department embarked on the recruitment of employees to be posted abroad. The advertisement, shortlisting and interviews processes were not effected in accordance with the approved Departmental Recruitment and Selection Policy.

PSA members contested the process, indicating that favouritism was rife in the Department.

The PSA demanded that the process be put on hold until it was aligned with the adopted policy of the Department. The employer nevertheless was adamant that it would continue with the process and a deadlock was reached.

The item was referred to the Council in terms of Clause 17 of the Governance Rules. The Administrator was to arrange a facilitation process in December 2015. The Chairperson reported that the other trade unions (not the PSA) withdrew the matter after consulting with the employer. The PSA raised an objection and a concern that it was not part of these discussions on the withdrawal of the dispute. The PSA insisted that its members still, to date, had challenges to be addressed. Thus, the Chairperson ruled that the Administrator would have to arrange a facilitation meeting for the PSA to finalise these outstanding issues. The date of the facilitation was being awaited by the end of the report period.

HR Policies

The following policies were approved and adopted by the Department: Bursary Policy; Standard Operating Procedure (SOP) for the Leave Policy; Sports and Recreation Policy; Policy on Drivers Licence; Supply Chain Management Policy; Retention Policy and Employee Health and Wellness Policy.

Movement of National Liquor Authority (NLA) to Trading Entity towards the end of 2016

The Department informed the DBC about the anticipated movement of the NLA to a trading entity towards the end of 2016. The business and engagement plans would be tabled for negotiation at DBC level. Ultimately, the employer is anticipating to have a transfer agreement being signed by parties to the DBC.

Department of Mineral Resources (DMR)

OSD for Environmentalists

Several DBC meetings took place during the report period. One of the most important issues that was discussed was the implementation of an OSD for Environmentalists in the DMR at the request of the PSA. Numerous consultations took place with a view to conclude on the matter but to no avail.

The PSA eventually lodged a dispute and the matter was referred to the GPSSBC for conciliation, which was set down for 26 May 2015. The dispute remained unresolved. The matter was then referred for arbitration with a set-down date of 18 March 2016. Parties then agreed to hold a pre-arbitration meeting and refer the matter for arbitration for a future date. A new date regarding this matter was being awaited.

Compliance with PSCBC Resolution 1/2012 (Upgrade of SR9/10 and 11/12)

The employer reported that adjustments had been made for everyone who qualified for the upgrading, except 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 also indicated that the re-evaluation process had to be put on hold pending the finalisation of the restructuring process, which was being embarked upon. However, for the line function the process was finalised. Developments will be reported in the next report period.

The following policies were tabled at DBC level for discussion:

- PMDS Policy
- Recruitment and Selection Policy
- Gender Policy
- Clothing Policy

National Treasury

Departmental Structure Review

The employer's structure review process is still on-going. During the Restructuring Review process the Government Technical Advisory Centre (GTAC), which was part of National Treasury was established as a government component. This was done through an act of Parliament. GTAC will still be reporting to the Ministry of Finance and will still fall under the DBC of National Treasury.

The following policies were dealt with:

- Health and Productivity Management Policy
- HIV and Aids and TB Management Policy
- Wellness Management Policy
- Personnel Security Policy
- Leave Policy

Government Pensions Administration Agency (GPAA)

GPAA Policies

The Policy Task Team was revived to deal with all the issues regarding policies. Various policies were tabled for discussions included, amongst others, the following:

- ICT Change Management Policy
- ICT Continuity Policy
- Telephone Usage Policy
- Performance Management and Development Policy
- Release and Deployment Management Policy
- Physical Security Policy
- Transport Policy

The policy consultation process is on-going as a number of policies are still outstanding for tabling for review.

National Department of Tourism

Parking allocation

The matter was deliberated at DBC level and the employer indicated that it was looking at parking space for employees who did not have parking. The Department was looking at negotiating with the management of Sunny Park. This matter was raised by labour based on several complaints from members who had to park in the street due to lack of parking facilities. Consultation is on-going.

Department of Higher Education and Training

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.

The list of qualifications was compiled and consulted with labour after which it was forwarded to the DPSA for concurrence. Feedback was being awaited from the DPSA.

PMDS 2013/14

The employer reported that the performance bonuses for 2013/14 were paid to employees who qualified and that the finalisation of the 2014/15 payment was underway.

The PSA raised a concern that the employer was not meeting the timeframes in terms of the policies, specifically the PMDS Policy. The employer was urged by the PSA to stick to the timeframes. The matter is being monitored by the PSA and further reporting will be done in the next report period.

Department of Transport

Possible restructuring

The employer indicated that the DG indicated an intent to investigate the possible re-organisation and/or realignment of divisions of the Department. Such an exercise did not exclude the possible restructuring of certain components of the Department. The rationale was to streamline functions to increase productivity of employees and divisions. The employer committed to consult with parties as soon as the Organisational Development investigation was finalised.

Clothing Allowance

It came to the attention of the PSA that the employer failed to pay a clothing allowance to qualifying employees. This is contrary to what the employer had been doing all these years, by effecting payment annually by the end of January. When the PSA raised this matter, the employer pleaded ignorance and undertook to investigate its failure to comply.

Sport and Recreation SA

Filling of vacant posts

The high vacancy rate in the Department was previously discussed with the employer. The employer undertook to implement a recruitment plan that would assist with the filling of vacant posts. The employer reported that new appointments were done on a monthly basis, more interviews were scheduled to take place and more appointments would follow.

Health and safety

The employer indicated that the concern raised by labour regarding the drinking water was taken up with Tshwane Municipality, which confirmed that the water was safe for consumption. The employer was requested to obtain written confirmation from the Municipality that the drinking water was indeed safe. The employer agreed but requested time to set up such a meeting and to obtain the written confirmation.

Department of Justice and Constitutional Development and National Prosecuting Authority

Translation of job categories to that of Clerical positions

The following job categories were identified by the PSA as positions where the employer was not utilising staff correctly and where they performed functions that were not in line with their job descriptions:

- Security Officers
- Typists
- Messengers
- Help Desk
- Receptionists
- Telecom Operators

The PSA, after discussions failed to resolve the issue, declared a dispute. The resulting facilitation process was concluded and the General Secretary (GS) of the GPSSBC advised parties. The GS clearly indicated to the employer that it first had to investigate the identified categories and determine the number of people who must be translated. Once the employer had obtained all the relevant information, it had to engage with labour to develop an action plan on how the implementation would take place.

Senior Family Advocates LP 9 translations: Arbitration

The PSA successfully arbitrated the dispute on behalf of Senior Family Advocates who raised a concern that their salaries were incorrectly translated in terms of the OSD Agreement. The arbitration award was in favour of the PSA and its members and indicated that their salaries must be translated to LP 9 with retrospective effect from 1 July 2007.

The employer took the arbitration award on review to the Labour Court. Parties were finalising their respective written heads of arguments that would be submitted to the Labour Court in due course.

Department of Science and Technology

Security

Various consultation sessions were held with Security personnel at the Department regarding the change in conditions of working overtime. It was agreed that all Security personnel working for the Department would, with effect from 1 September 2015, only work a straight day shift. Security personnel would, on a rotation basis, be used to attend to departmental events taking place throughout the year. A career movement structure would be implemented to ensure that Security personnel were able to progress in their career. This would start with two control room positions to be filled. The employer agreed that these two positions would only be filled by two existing Security personnel.

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 Revenue Service (Sars)

For the period under review, the Sars National Bargaining Forum (NBF) addressed and resolved a number of matters of mutual interest. The PSA has a vibrant, active negotiating team in the Forum, which consists mainly of Full-Time Shop Stewards, assisted by the PSA Administration.

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 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 and indicated 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 and to hopefully close the matter successfully.

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. Employees who passed the assessment were immediately translated to operational managers. Employees who failed the assessment had to undergo 12 to 18 months of training and, if successful, would 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 for affected employees.

National Health Laboratory Service (NHLS)

Wage agreement 2015

Collective bargaining and consultations in the NHLS for employees on the A to C salary bands are conducted under the auspices of the NHLS Bargaining and Labour Relations Forum (BLRF). Labour is represented in the BLRF by the HIP (Hospersa, ISA and the PSA) alliance in terms of a working-together arrangement and Nehawu.

During the report period, the annual wage negotiations deadlocked and a conciliation certificate was issued by the CCMA. Members took part in industrial action for two days. The outcome of the process was that a wage agreement was entered into providing for the following, with effect from 1 April 2015:

- 7% annual salary adjustment
- Increase in the maximum medical-aid subsidy to R2 285.50 (per month)
- Increase in the housing/living allowance to R1 200 (per month)
- Full implementation of the revised salary scales over a period of two financial years with 50% implementation in the financial year 2015/16 and the remaining 50% in the financial year 2016/17.

In addition, it was agreed that all outstanding issues would be deferred to the BLRF and that parties would conclude all outstanding matters within six months from the signing of the agreement (i.e. 17 August 2015). The remainder of the report period was spent on trying to reach agreement on outstanding issues and on the implementation of salary scales. The process was hampered by the resignation of key role players in HR and the replacement of the employer contingency in the BLRF with totally new representatives.

At the close of the report period, parties had managed to agree on the salary scale implementation process but actual implementation resulted in numerous problems, which the BLRF was still trying to mop up. No agreement could be reached on outstanding issues and labour included all these issues in the new wage demand for 2016. Developments will be reported in the next report period.

South African Social Security Agency (Sassa)

Draft Levy Agreement and Agency Fee Agreement

During the report period, the PSA tabled the matter and sponsored the draft documents for negotiation to conclude separate collective agreements.

The PSA indicated that since Sassa employees were transferred in terms of Resolution 1/2006 of the PHSDBC, previously known as Public Health and Welfare Social Bargaining Council, and that the life span of Resolution 1/2006 had expired, which required the SNBF to develop its own Levy and Agency Fee Agreement. The process on the two draft agreements was at the advanced stage and parties were finalising their mandating process by the end of the report period.

CCMA dispute: Essential Services

The PSA initially referred the matter to the CCMA Essential Service Committee (ESC) in terms of section 71(9) of the *Labour Relations Act (LRA)*, as amended, wherein the ESC was requested to review the current determination on the payment of social pensions one month after these fall due. The matter was set down on 2 December 2015. The PSA made a presentation and requested the Committee to review the current determination on social pension after one month after these fall due as the PSA was of the view that currently no occupation in Sassa was designated as an essential service. The PSA indicated that its contention was based on the fact that the payment of social grants had through the tender process been outsourced and was no longer rendered by employees of Sassa.

Following presentations by all parties, the chairperson indicated that the Committee would make its ruling after all parties had presented their heads of argument in writing to the ESC on whether employees on salary level 5 and 7 were included in the current designation.

The ESC issued a determination indicating that the current determination on the payment of social pensions did not include services rendered by Grant Administrators and Senior Grant Administrators. This can be regarded as a victory for the PSA.

State Information Technology Agency (Sita)

Salary negotiations

A collective agreement, reached after intensive salary negotiations, was signed on 14 July 2015. The wage increase to be implemented is as follows:

- Salary Levels A1 to C5: 7.5% across-the-board + 1.5 merit increase = 9%
- Salary Levels D1 to D5: 7% across-the-board + 2% merit increase = 9%

Consequently, the PSA was informed that Sita was not implementing the mentioned Agreement in respect of the payment of a merit increase to qualifying employees. The PSA declared a dispute and the matter was referred to the CCMA in November 2015 with a view to resolve the outstanding payment of the merit increases. The dispute was referred in terms of section 24 of the *LRA*. A date for conciliation was being awaited by the end of the report period.

South African Weather Service (SAWS)

Collective bargaining at the SAWS is regulated in terms of the Constitution of the SAWS Bargaining Forum.

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 in terms of the threshold as set out in the *BCEA*. This was not acceptable to PSA members and the matter was brought to the SAWS Bargaining Forum for negotiation.

Labour indicated that it regarded the employer's actions as unilateralism. Labour also indicated to the employer that the implementation had been premature as there was no agreement in terms of remuneration for the overtime worked by affected employees.

The PSA referred the dispute for conciliation. No agreement could be reached between parties and the matter was, by the end of the report period, in a process of private arbitration.

Salary negotiations

After vigorous negotiations and referring the matter to the CCMA, the employer agreed to grant members 6.8% across-the-board.

National Library of South Africa (NLSA)

Salary negotiations

After negotiations, the final agreement reached was a 7.5% salary increment across-the-board for the report period.

The review of NLSA policies is an on-going process.

Pan South African Language Board

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

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

Human Sciences Research Council

Negotiations were concluded with an Agreement of 7% plus a once-off payment of R4 500 across-the-board. Though the PSA intended to pursue the negotiations, members insisted to accept the offer.



Other items pending negotiations are:

- Filling of vacant posts,
- Contractual employment,
- Participation of the PSA in interview processes, and
- Closed-shop agreement/agency-fee agreement.

Group Branch Public Service Pensioners

The PSA is the only Union that serves the interests of Public Service pensioners by means of its Group Branch Public Service Pensioners. Membership of the Group Branch is governed in terms of section 14 of the *PSA Statute*.

National Management Committee

The National Management Committee comprises of Gideon Serfontein (Chairperson), Manie Lemmer (Vice-Chairperson), Buks Jordaan (Secretary), Daan Colesky, Hannes Botha, Louis Janse van Rensburg, Stan Davis, Eddie Trollip, Rita Bessenger, Rienie van Blerk and Dianne Kloka-Speight (co-opted).

Effective from 1 January 2017, all Chairpersons of the Regional Committees of the Group Branch will be members of the National Management Committee.

Annual General Members' Meeting

The 53rd Annual General Members' Meeting of the Group Branch was held on 22 October 2015. The meeting was attended by 107 members, some of whom were accompanied by friends. During the meeting, the newly-elected Secretary, Buks Jordaan, was introduced to members.

Dr Karel Prinsloo, Chief Executive Officer of the organisation Grey Power, was the guest speaker at the meeting. He highlighted, amongst others, the following aspects during his talk:

- The main contribution of Grey Power is to provide specialised information and guidance to retired persons.
- The organisation also publishes a magazine, which is very effective in providing information to its members.
- Regular seminars, workshops and information sessions on topical issues are also held as well as expos.
- It also responds to enquiries from members about housing, finances, life planning, etc.

Regional Group Branch Committees

Free State

For various reasons, this Committee dissolved in 2011. However, at the request of a number of Group Branch members, the Committee was re-established in February 2016. A new Regional Management Committee, comprising of the following members, was elected:

Jan Lambrechts (Chairperson), Pieter de Beer (Vice-Chairperson), Mulder Els and Daan Blignaut (additional members).

Cape Peninsular

A new Regional Management Committee was elected in February 2016 and is composed of Rob Moody (Chairperson), Brian Finlayson (Vice-Chairperson) and Basil May (Secretary).

Southern Cape and Waterberg

There were no changes in the management of these two Regional Committees during the report period.

Liaison with other organisations

Regular liaison with organisations such as Grey Power and the Council for the Aged took place during the report period on an on-going basis to bring about benefits for Group Branch members.

National Health Insurance (Coverage)

The Group Branch provided the PSA with comments on the *White Paper on National Health Insurance*.

Pension and post-retirement medical assistance

Over the past year, the Group Branch assisted numerous members to resolve their queries regarding pension matters and post-retirement medical assistance.

By the end of the report period, arrangements were underway to meet with the administration of the GEPPF to establish a nodal point or forum to deal more effectively with the enquiries, queries and complaints of Group Branch members regarding their pension and post-retirement medical assistance matters.

It was with great joy that the Group Branch learned in October 2015 that the medical-aid subsidy for retired public servants was adjusted after many years of negotiation.

In memoriam

The Group Branch pays tribute to Hennie Koekemoer, its former Chairperson, who passed away on 14 August 2015. Similarly, we remember and honour all our other members of the Group Branch who passed away during the report period.



Provincial service-delivery overview

Eastern Cape

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

In the Mthatha Provincial Office, operations were structured to ensure that costs were reduced without compromising service delivery. Financial expenditure was undertaken within the budget and in line with PSA policies. Equipment and resources were utilised responsibly.

The Mthatha Office hosted a very successful Workers' Day celebration and as well as an Inter-sectoral Meeting of high standard.

Successes in the protection and promotions of members' rights and interests were achieved thanks to constant engagement between PSA staff shop stewards who are able to identify challenges affecting members and bring these to the Office's attention. Although some cases were raised at short notice, the Office managed to offer support and representation.

Relations with most Departments in the Province improved drastically during the report period to the benefit of members.

The Provincial Office in Port Elizabeth continued to place emphasis on the finalisation of long-outstanding cases during the report period. The problem of employers not adhering to awards ordering them to pay employees monies that they are entitled to, remained to be relevant. In such cases, letters of demand were served on employers and where they failed to comply, the Courts were approached to compel payment. Where these actions failed to have the desired outcome, attachment orders were obtained and state property was removed. During the report period state property was removed from the Departments of Education and Health to be put on an auction. In total, the Provincial Office in Port Elizabeth recovered some R858 413 on behalf of members in this manner.

In the quest to take the PSA to the rural areas, the Provincial Office during the report period hosted the annual Inter-sectoral Meeting in Graaff Reinet. A very successful meeting took place with more than 100 members attending. Members also had the opportunity to communicate with PSA business partners.

The Provincial Office arranged three very successful meetings between the late PSA Director, Mr Ben Jacobs, and Provincial Chairpersons. Before the Annual General Meeting in 2015, a meeting was arranged to discuss proposed *Statute* amendments to ensure that mandates were provided to representatives of structures attending the Meeting.

Representatives of structures do not only serve on departmental structures but also in the Chambers of GPSSBC and PSCBC.

Workers' Day was celebrated in Port Elizabeth with a march through the streets of the city and members joining the celebrations. On Nurses' Day members at the Provincial Hospital in Port Elizabeth were treated with refreshments.

The Provincial Office held regular meetings with business partners during the report period, resulting in beneficial outcomes. Business partners often joined liaison staff at recruitment meetings to ensure visibility. *Sanlam*, *Old Mutual*, *Dignity* and *Metropolitan* were valuable contributors at the PSA's open days and special events.

Free State

The core function of the Union is to protect the rights and interests of members. The theme in all functional areas conducted by the Provincial Office in Bloemfontein during the report period was "Member First". Full-Time Shop Stewards and shop stewards played a vital role in increasing capacity to enhance service delivery in the Province. Thanks to the dedication and hard work of a core group of shop stewards, the Provincial Office had a high rate of success during the report period.

Labour Relations Officers, Full-Time Shop Stewards and shop stewards assisted 983 members in disciplinary hearings with a 90% success rate. The success rate in arbitrations was more than 70%, with a monetary value of more than R5.3 million to PSA members. These successes include, amongst others, members who were reinstated after being dismissed. The Office also successfully declared disputes in cases where the employer did not comply with Resolutions, such as PSCBC Resolution 1/2007, dealing with the non-payment of overtime (SAPS and several Provincial Departments).

The following cases were prominent during the report period:

Free State Department of Health: Non-payment of PMDS for 2012/13

According to the PMDS Policy, as approved by the provincial executing authority in 2008, all staff must be assessed annually and if they qualify in terms of the Policy, they may be awarded pay progression and/or a cash bonus. The payment date of the two awards, is 1 July of each year. For the 2012/13-financial year, these payments should have been done on 1 July 2013. The PSA raised the non-payment in the DBC where the Department undertook to implement the payment. However, after several months, no implementation was done. After several letters were sent to the MEC, requesting urgent implementation, it was indicated that payment would be done in April 2014. Despite the MEC's assurance, payment was not effected and the matter was referred to the Labour Court in 2014 for adjudication. After the PSA filed its notice, the Department effected payment only of pay progression to members for 2012/13. On 8 March 2016 the Judge made an order that the Department should pay to the PSA members on salary levels 1 to 12 and identified as per annexure to our notice, their performance bonuses commensurate with their performance evaluation. Payment had to be done within 30 days after 8 March 2016. The Court's order is applicable to 7 645 PSA members with an estimated amount due to them for cash bonuses of some R16 616 822 million.

Free State Department of Health: Non-payment of overtime to Security Officers from 1 July 2007

Several PSA Security Officer members registered formal grievances on advice of the PSA regarding the incorrect application of the payment of overtime according to PSCBC Resolution 1/2007. The Department, at a very late stage, informed the members that they were correctly paid. The PSA then declared a dispute in terms of the interpretation/application of a collective agreement and requested the Commissioner to rule in the PSA's favour, based on the fact that some 1 000 members, stationed at various health institutions, performed overtime on a daily basis, 365 days per year, protecting the assets and employees of the employer. The arbitration award ordered the Department to comply with Resolution 1/2007 by paying (from 1 July 2007) all overtime authorised, qualified and worked by PSA members, within 30 days. The awards affects more than 1 800 Security Officers in the Department of Health to the amount of some R3.6 million.

Unfair suspension: Several Provincial Departments

Various Departments did not comply with the prescripts regarding suspensions by deviating in the following ways: Suspending members whilst investigations were already concluded and they were not in a position to interfere in the disciplinary process; where the 60-days timeframe was not adhered; and cases where the employer, without a *prima facie* case, merely suspended a member to "show we mean business". The PSA decided to declare disputes in all such instances and in almost all instances substantial compensation was awarded to PSA members.

This resulted in the employer reprimanding Departments to refrain from suspending merely for the sake of suspending an employee without sound reasons. Regarding the employer's reluctance to comply with PSCBC Resolution 14/2002 dealing with the handling of grievances, the PSA was again identified by the PSCBC and the DPSA as the Union with the most disputes relating to the employer's non-compliance. It was decided that a delegation of senior officials from the PSCBC and the DPSA would visit the Free State for a multi-lateral meeting to assist with the problem.

In respect of collective bargaining, the PSA focused on bread-and-butter matters affecting all members who base their service demands on the Union's collective bargaining power. Based on the PSA's success in attending to collective matters as raised by members and shop stewards, the PSA in the Free State has the majority membership in the PSCBC, the GPSSBC and the PHSDSBC. Special attention was given to obtaining mandates, thus ensuring that ownership of collective matters is vested in the general membership. Although there is still a long way to go, significant improvement on the participation of the overall membership can be reported for the report period.

To demonstrate the Union's commitment to collective bargaining, 95% of agenda items in the various bargaining chambers/forums were sponsored by the PSA. Some of the collective matters that received attention during the report period are highlighted below:

Condition of Government buildings

Owing to a sharp increase in complaints regarding poor working conditions, the PSA tabled this matter and provided a comprehensive report, which was serving before the PSCBC. In 28 cases, the PSA had to request the intervention of the Department of Labour to issue written notices for non-compliance with the *Occupational Health and Safety Act*. Litigation on a possible court application to force the Department of Labour to enforce the mentioned *Act* was under consideration by the end of the report period.

Non-implementation of benchmarks and coordination outcomes

Several benchmark outcomes were not implemented by the employer and this was tabled by the PSA for discussion. Despite financial constraints, all Departments, except the Departments of Health and Education, implemented the outcomes. In the last Chamber meeting, the employer reported that the implementation would cost the Department of Health around R40 million, whilst the Department of Education still had to provide feedback.

Review of job descriptions:

Public Service Regulation 1.2 Part 111

The PSA indicated that in terms of this Regulation, at least once every three years, an executing authority must review job descriptions and titles and, where necessary, redefine them to ensure that they remain appropriate and accurate. According to the PSA's investigation, none of the Departments are doing this. In practice, members are complaining that their job descriptions are outdated, etc.

The employer confirmed that it would comply and the DG issued an instruction letter to all HODs.

Reasonable accommodation of people with disabilities

Several Provincial Departments employ persons with disabilities. Unfortunately, in most instances, the employer created the impression of not caring for these employees and they are left on their own at the workplace where their work stations are not modified or work schedules are not adjusted to allow for medical appointments or no assistance with a driver to perform their duties, etc.

Based on this, the PSA tried to obtain copies of departmental policies on managing the needs of employees with disabilities on an individualised, case-management basis as prescribed in the handbook issued by the DPSA in October 2007. The matter was by the end of the report period being debated in a bilateral meeting with the employer to ensure the fair management of the needs of employees with disabilities.

Various events took place in the Province during the report period. Workers' Day, as per Branch/Committee decision, was celebrated in five regions, covering the entire Free State. PSA staff, Full-Time Shop Stewards, Full-Time Office Bearers, shop stewards and structures visited employees on duty on 1 May. The PSA also participated in the University of the Free State's "No Student Hungry Program" with wide publicity to the PSA. Nurses' Day events were incorporated in the Provincial Office's recruitment activities in the Health Sector.

Business partners played a major role during liaison activities, recruitment drives and other special projects during the report period.

The Provincial Office broadened the Free State fringe benefit offering to members in the Province to more than 75 local discount agreements where PSA members can benefit through their association with the Union.

Gauteng

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



In the Johannesburg area of the Province, the standards for turn-around times for responses and communication to members could be adhered to most of the time. In the Gauteng GPSSBC Chamber an agreement was reached on the Terms of Reference for the Departmental Standing Committees in Provincial Departments. These new Committees function as an extension of the Chamber and replace the old Labour Forums that previously existed in the Provincial general sector departments.

The PSA actively participated in several restructuring processes that took place in Gauteng Provincial Departments during the report period. Restructuring took place in Department of Infrastructure Development, Gauteng Treasury and the Gauteng Finance Department that was re named to e-Governance.

In the Gauteng Health Department, a Collective Agreement was reached and signed by all parties on the implementation of the PMDS (Incentive Bonus) for the 2014/15-financial year. The implementation of Health Sector bonus payments was done in December 2015 through the intervention of the PSA.

In the Gauteng Department of Social Development, an Agreement was reached on the PMDS (Incentive bonus) for the evaluation year 2014/15. The PSA did not sign the agreement, although it was the driving force behind the negotiation process, based on the lack of a majority mandate from members.

A Nurses' Day event was hosted at Chris Hani Baragwanath Hospital but attendance was disappointing because of other events that were arranged by the employer on the same day. In July 2015, PSA Day was celebrated at Johannesburg Prison with some 500 members attending the meeting, which concluded with a lunch sponsored by PSA business partner, *Metropolitan*.

The Inter-sectoral Meeting for the Gauteng Province took place in November 2015 and was well attended by Branch managements and shop stewards. The event, which was held in Hammanskraal, allowed ample time for shop stewards to network. The meeting also allowed for group discussions and questions on topics such as the grievance procedure and proposals for amendments to the *PSA Statute*. Various business partners of the PSA also attended the meeting and members were addressed by guest speakers from the PSA Head Office.

Meetings with the business partners also took place during the report period they also attended liaison visits and open days with liaison staff.

Regular administrative duties were performed by the Provincial Office, including financials, verifying assets, and monthly labour relations statistics.

In the Pretoria area of the Province, the Liaison component together with shop stewards and Full-Time Shop Stewards and Full-Time Office Bearers, assisted to identify issues that needed to be addressed to ensure the PSA's competitive advantage over competitors. The Provincial Office received a number of last-minute requests for representation as well as new members joining the PSA after already being charged. Such situations pose a challenge to ensure that timeous representation is ensured but the Liaison component is assisting to ensure that members are advised to ensure that such matters require immediate contact with the PSA. There were several cases of new members who resigned shortly after being assisted as they do not want to belong to the PSA for political reasons.

The Provincial Office in Pretoria was, during the report period, responsible for negotiations at the following institutions:

Agriseta

The PSA concluded a collective agreement on the increases of salaries for the 2015/16-financial year as follows:

Grades P9 to 14	8.5%
Grades P15 to 17	9%
Interns	8.5%

Sasseta

During negotiations on wage increases for the 2015/16-financial year, parties agreed to the following wage increase:

All other staff	7.5%
Practitioners and Assistant Manager	7%
Senior Practitioners	6%

South African Pharmacy Council

For the 2015/16-financial year, parties agreed a wage increase of 7% for non-SMS members.

MICT Seta

The PSA could not negotiate on salaries at the MICT Seta as the collective agreement was still outstanding and the bargaining chamber could not be established.

On an administrative level, financial expenditure by the Provincial Office was approved within the budget and in line with PSA policies.

Challenges in pursuit of effective corporate services were addressed to ensure efficient service delivery to members.



KwaZulu-Natal

Two Provincial Offices renders services to members in KwaZulu-Natal (KZN).

In the Durban area, a core group of shop stewards and Chairpersons constantly assisting the Office in all matters.

The 2015/16-period was a challenging for the PSA's Provincial Office in Pietermaritzburg owing to the rotation of staff that impacted on operations and service delivery. In total, five posts were vacated in 2015 of which four of were vacated during the report period. As a result, there were periods where the Office had to operate without a full staff complement but the Labour Relations Officers did their best with the assistance of the Senior Clerks to advise, assist and represent members. Besides assisting members on a day-to-day basis, staff and Full-Time Shop Stewards had to rise to the occasion in dealing with the unexpected, which included wild-cat strikes (usually initiated by other unions), dismissal of members owing to alleged participation in unprotected strike action, unfair treatment of members by supervisors, problems related to the non-payment of allowances and/or overtime, and restructuring of Departments without prior consultation.

The report period year saw the renewal of secondment of Zamani Nhlangulela as Full-Time Shop Steward: Public Health and Social Development Sectoral Bargaining Council for a third term. The term for Nkosinathi Thwala, Full-Time Shop Steward: General Public Service Sectoral Bargaining Council expired on 31 July 2015. Mxolisi Nyandu, as a Full-Time Office Bearer for Correctional Services, began serving his third year of his four-year term of secondment. A second Full-Time Office Bearer for Correctional Services, Nkosenye Ndlovu, commenced a four-year period of secondment with effect from 7 September 2015. The three Full-Time Shop Stewards played an active role in increasing and maintaining the membership in their area of jurisdiction in the Province. They also played an active role in contributing to the maintenance of service delivery and in representing members predominantly in bilaterals, grievances, conciliation boards, arbitration hearings and disciplinary hearings.

The two PSA Provincial Managers remained Chairpersons of the KZN Public Service Coordinating Bargaining Chamber and the KZN General Public Service Sectoral Bargaining Chamber. The PSA actively contributed in submitting the majority of agenda items and issues were robustly engaged with the employer in the Chambers for the GPSSBC and the PHSDSBC. The KZN Public Service Coordinating Bargaining Chamber (PSCBC), or CCPKZNP as it is known, started functioning again following a workshop on 13 and 14 October 2015 where parties re-committed themselves to the efficient functioning of the Chamber.

Chairpersons of Branches and Committees received regular updates and were in some instances, with the assistance of shop stewards, requested to assist with obtaining mandates, where necessary, during salary negotiations, the GPSSBC levy increase, etc.

Staff members' skills were also enhanced in respect of, amongst others, case law updates, the Juta Labour Law Seminar and other workshops.

The Pietermaritzburg Provincial Office undertook three successful visible interventions during the report period. Workers' Day was celebrated at the Provincial Hospital in Estcourt with staff and Full-Time Shop Stewards also in attendance. Guests were entertained in various ways and were also updated on salary negotiations.

A representative from *Maxi Group Schemes* explained the benefits of the Scheme to members. The event was concluded with lunch.

The two Provincial Offices were instrumental in organising the inaugural Inter-sectoral Meeting for KwaZulu-Natal on 31 March 2016 in Durban. All Branch and Committee members resorting under the two Offices were invited to attend. The event was formally opened by PSA Director, Sboniso Ndlovu, before delegates were addressed by various speakers, including PSA General Manager, Danny Adonis, and PSA President, Adv Rashied Daniels, who congratulated the meeting on the progress made by the PSA over the past number of years. PSA business partner, *Metropolitan Group Schemes*, actively participated in proceedings. Working groups identified various issues to be addressed by the Union before the event closed with lunch.

The Pietermaritzburg Provincial Office interacted with business partners *Old Mutual*, *Maxi Group Schemes*, *Dignity Funeral Schemes* and *Metropolitan* during the report period and there is great appreciation for their ongoing support of the Union and its members in the Province.

The two Provincial Offices achieved their objective of engaging with Provincial Chairpersons of Branches and Committees twice during the report period where matters of mutual interest were discussed.

Limpopo

It is a strategic objective of the PSA to protect the rights and promote the interests of members. The PSA Provincial Office in Limpopo strives to execute this objective to the best of its ability with the available resources.

The Office's three Labour Relations Officers, with the assistance of Senior Clerks and a few dedicated shop stewards, attended to enquiries and complaints of individual members. These requests come in the form of telephone calls, e-mails, faxes and walk-in visitors. It often happens that a formal grievance has to be lodged and subsequently followed by disputes being declared to get matters resolved or finalised. During the report period, 52 grievance meetings, 57 conciliations, 42 arbitrations and 88 disciplinary hearings were attended to by the Office on behalf of members.

The total value of settlement agreements amounted to some R1 227 968 being paid to members.

The PSA was active in the Limpopo Chambers of the PSCBC, GPSSBC and PHSDSBC. Each Labour Relations Officer is responsible for a Chamber and Chairpersons of structures are invited to attend the meetings. The PSA is the majority Union in the GPSSBC.

A few of the prominent matters that were dealt with by the Office during the report period are highlighted.

24-Hour service at clinics

The PSA, together with other unions, strongly objected to the introduction of a 24-hour service at clinics as infrastructure at most clinics is poor and there is a shortage of nursing staff to render a 24-hour service. Security is also poor and, in some instances, almost non-existent. The PSA was clear that until these matters are resolved, it cannot agree to the introduction of the 24-hour service.

Accommodation: Allied Health Professionals

The PSA emphasised that most Allied Health Professionals do not have accommodation at the respective hospitals where they are stationed. It appeared that there is no policy or criteria for the allocation of accommodation. By the end of the report period, the employer was drafting a policy as a result of the persistent pressure by the PSA.

Unilateral changes to terms and conditions of employment contract: Agricultural Scientists - Department of Agriculture

With the re-introduction of tuition at Agriculture Colleges Agricultural Scientists were compelled to lecture students, which is not in line with their job description. They were not consulted and simply issued with letters to revert to lecturing. The matter was amicably resolved through the intervention of the PSA.

The key activities related to the administration in the Provincial Office during the report period included prompt and correct payment of claims and arranging meetings for structures. The meetings were all well organised with the corporate services being rendered by the Provincial Office being of a high standard.

Mpumalanga

The PSA Provincial Office in Mpumalanga strengthened the Union's profile in the Province during the report period by successfully challenging workplace injustices in all its forms.

Active participation of member structures and the utilisation of shop stewards and other members played a vital role in increasing and enhancing service delivery in the Province, specifically in protecting members' rights and related matters.

The Provincial Office attended all Bargaining Chamber meetings and actively participated by sponsoring agenda items and making material inputs during discussions.

The PSA, for example, successfully forced the employer at the PHS-DSBC to implement the payment of uniform allowance for Nurses as per letter from the National Department. The PSA also challenged the Department of Agriculture, Forestry and Fisheries for not issuing protective clothing (PPE) to employees in all camps. Members were working under hazardous conditions without any protective clothing and the PSA was successful in forcing the employer to issue the PPE to members.

Labour Relations Officers and shop stewards during the report period assisted more than 300 members in disciplinary hearings, conciliations and arbitrations with a 75% success rate and associated monetary value of more than R1.5 million to PSA members. These successes included, amongst others, members who were appointed to act in higher positions and not being remunerated for this, as well as outstanding PMDS payments.

Northern Cape

A decrease in complaints by members regarding service from the PSA in the Northern Cape is testament to the ongoing success of the Union in the Province, based on adherence to norms and standards.

Advanced training in labour relations was rolled out before the end of 2015 and alleviated pressure as shop stewards were enabled to effectively deal with grievances at their respective workplaces. The involvement of shop stewards in the Chambers for the GPSSBC and the PHSDSBC ensured that the PSA actively participated in the Bargaining Chambers in the Province during the report period.

Various successes were also achieved for individual members during the report period, of which a few are highlighted in this Report.

Grievances, disciplinary hearings, conciliations and arbitrations

A senior employee at the Northern Cape Provincial Treasury lodged a formal grievance, which the employer failed to address. The grievance pertained to the correction of his salary-level upgrade from level 11 to level 12 in terms of Resolution 1/2012. The matter was referred to the PSCBC in terms of the interpretation/application of Collective Agreement 1/2012. The employer upgraded the member's salary to level 12 with retrospective effect before the scheduling of conciliation and the case was withdrawn.

A member at the Department of Justice was charged with fraud and dishonesty. Two sittings of the hearing took place and through the PSA's representation of a number of points *in limine*, the charges were withdrawn.

A member at the Department of Water and Sanitation was appointed as an Artisan in 2011 on salary level 9 but the salary level was only adjusted to reflect promotion on 1 July 2012. The matter was referred for arbitration in February 2016. The Department agreed to upgrade the member's salary level backdated for the period 1 July 2011 to 30 June 2012 with overtime payments and bonuses for that period.

At the National Department of Public Works, a member was granted a bursary for part-time studies for a Master's Degree in Business Administration. She completed her course and thus complied with the bursary requirements. The member lodged a formal grievance relating to a fee payable for language editing that she required the employer to repay as this was covered by the bursary contract. The matter was referred to the GPSSBC as an unfair labour practice related to benefits. The employer was ordered to pay the member the amount incurred, with interest.

The PSA assisted a member at the Department of Social Development who, after eight years, received a settlement regarding his unfair labour practice dispute related to promotion. In an initial arbitration the award was not in favour of the member and was taken on review. The Labour Court referred the matter to arbitration and again the PSA assisted the member who was eventually awarded compensation of some R795 000.

A matter emanating from 2011 in the DCS regarding a centre-based transfer, was successfully dealt with through arbitration. The award in favour of the PSA member stated that R961 000 be paid to him in correct translation to the centre-based position and that he be translated retrospectively from non-centre based to centre-based from 2011.

The Provincial Office was, during the report period, assisted by a Full-Time Office Bearer, Eugene Louw, based in Kimberley, and functioning from the Provincial Office. He was responsible for problem solving in the Departments of Health and Social Development. He was also actively involved in recruitment and representing members in disciplinary hearings, conciliations and arbitrations. He participated in the PHSDSBC in the Province and handled problems emanating from GPSSBC Departments. He furthermore organised structure meetings and communicated with structures in this regard.

The Northern Cape had three Full-Time Shop Stewards during the report period. In John Taolo Gaetsewe District, Stafford Slambert from the GPSSBC, assisted with many disciplinary hearings and was also involved in liaison activities. The second Full-Time Shop Steward was based in ZF Mgcawu District. Henry Visagie, from the PHSDSBC, was released from the EMS and offered assistance in attending to members' issues. The third Full-Time Shop Steward was Rienest Brand from the GPSSBC, based in the Pixley ka Seme District, where he assisted with cases and liaison activities.

The PSA's business partners were very helpful to endeavours in the Province during the report period. *Dignity*, *Metropolitan*, *Old Mutual* and *Capitec Bank* attended structure meetings and supplied members with promotional material and valuable information, including an update on new tax regulations.

The Northern Cape is the biggest Province in the Country. With Kimberley as the center, the furthest points are Alexander Bay, in the North, and Noupoot, in the South - some 1 200 km apart. Despite this, all sectors in the Province must be served. It is more cost effective for the Union to utilise its Full-Time Shop Stewards to assist Labour Relations Officers with cases in rural and other areas of the Province. This also contributes to effective communication with members and structures and to convey members' concerns at Chamber meetings.

The PSA stands proud in the Northern Cape where it continues with excellent service delivery to members.

North West

PSA service delivery in North West 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 also improved drastically. Complaints from members decreased, thanks to the commitment of staff, shop stewards and Full-Time Shop Stewards.

The Provincial Office, however, still faces a challenge in that not all shop stewards are willing to assist members. The Office, however, holds an accurate database of shop stewards to ensure effective communication.

The Office's labour relations staff, Full-Time Shop Stewards and some other shop stewards did a sterling job during the report period by winning the majority of cases and disputes.

The Provincial Office also managed to deal with majority of backlog cases during the report period and the few remaining cases showed good progress.

Priority was given to members who reported that they had been charged or who were aggrieved. In terms of awards and settlement awards in favour of members, the PSA during the report period ensured more than R8 million in monetary value for members in the Province.

During the report period, a Labour Court ruling was received in a case where a member was dismissed in 2008 and on arbitration in 2009 she was supposed to be reinstated but the Department took this on review. In March 2016 a Judge pronounced that the member must be reinstated to her position with all benefits, including interests. When the member was dismissed she was employed as a Chief Executive Officer of one of the Provincial Hospitals in North West. On 26 April 2016 she reported back for duty and during that period she was summoned to various meetings where HODs and MECs apologised to her. The monetary value due to the member amounted to a substantial amount.

The Provincial Office's Labour Relations Clerks were mentored to deal with members' queries. They also handled some conciliations when the need arose. This assisted the Office greatly with enhancing service delivery.

The Union's work in the Province is conducted working under challenging circumstances with a marked increase in disciplinary action against members by various Provincial and National Departments.

As far as collective bargaining in the Province is concerned, the PSA did well during the report period, despite challenges at the local PSCBC, known as the CCNWP. The main stumbling block was non-attendance of meetings by various stakeholders.

Structures were encouraged to sponsor agenda points for the various Provincial Chambers. PSA Provincial Chairpersons of Branches were actively involved in Chamber meetings. An encouraging improvement in terms of mandating processes was noted during the report period. The PSA managed to finalise a deal with the North West Development Corporation, where employees will in future receive a 50%-medical subsidy with *Bonitas*. This benefit did not exist in the past.

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 and Mma-bana Arts and Culture. In both entities, the PSA managed to correct past salary disparities.

The PSA in North West contributed meaningfully in all Provincial Chambers. The PSA also tackled the issue of upgrade of Clerks in line with the DPSA determination. The Administrator of the GPSSBC went so far as to voice his appreciation for the role played by the PSA in North West Chambers. The PSA furthermore maintained its majority status at the GPSSBC and experienced meaningful growth in the PHSDSBC Sector. Rival unions are offended by the PSA's positive growth and are even questioning the authenticity of the statistics.

The PSA Provincial Office in North West continued to render work of high standard in all aspects of the Union's service to members during the report period.

Western Cape

The core theme for the Western Cape Provincial Office during the past year was "RAP", meaning that the PSA (inclusive of the PSA Administration, Office Bearers and structures) focused on being "Responsible, Active and Present" in interactions with members during the year.

Service remained the centre of the PSA's offering to members and prospective members. This service included the following cases:

Arbitrations	68
<i>(TIL, OSD and unfair dismissals were the top-three disputes)</i>	
Conciliations	68
<i>(TIL, OSD and unfair dismissals were the top-three disputes)</i>	
Disciplinary hearings	42
Grievances	48
Collective bargaining meetings	80
<i>(including workplace forums, task teams, Exco and Chamber meetings)</i>	

The Provincial Office also brought five new matters before Court during the year, with another six being ongoing by the end of the report period.

Officials and office bearers travelled 34 349 km to be of assistance to PSA members across the Province.

The relationship with business partners remained sound. Their role and function at workplace and structure meetings always added value to such events.

Communication with members

Communication with members remains an important function that drives the business of the Union on a daily basis. Improvements are constantly made to accommodate the diverse needs of members.

The major development during the report period related to the introduction of the Union's use of social media platforms. A PSA Facebook page (<https://www.facebook.com/public.servants.association>) was created and is live for members to engage with their Union and each other. The page has already proven to be an essential tool that members use to address their concerns. A growing number of enquiries from members are received via Facebook. Members have also been appreciative of the channel as a tool to disseminate information by the Union.

YouTube is another channel that was introduced by the PSA during the report period. The PSA uses this method to share videos of PSA events and important messages. The combination of visual and audio offers and effective means for members to relate to the information.

The latest addition in this sphere is Instagram. Members can now follow the PSA at *psa_of_sa* on Instagram, to experience the PSA story through images. The use of these social media channels also assists the PSA to increase its online-media presence.

These new communication channels, which can all be accessed via the PSA's website (www.psa.co.za), give support to the existing PSA magazine, *Informus*, and the website, which have been an integral part of the Union's communication with members for many years.

The PSA magazine is published four times per year and provides members with detailed articles and a wide range of information. The magazine furthermore supports the Union's recruitment initiatives by means of popular member-on-member recruitment competitions. Based on prolonged instability at the South African Post Office, the magazine was during the report period distributed to members by means of personal distribution by PSA staff and shop stewards, and electronic options. Members can subscribe to receive a link to an electronic copy by submitting a request to PSAmag@psa.co.za.

News related to specific workplaces is shared with members by means of the PSA's electronic newsletter, *Informus*. The high frequency of this newsletter saw more than 300 editions being published and distributed during the report period.

The PSA magazine and *Informus* are also published on the PSA website for members' convenience. The website offers a concise overview of the Union's offering and serves as an effective tool to attract potential members. In pursuit of improving service delivery, the website also offers members an opportunity to rate the service rendered by PSA Provincial Offices. A new addition to the website during the report period is the publication *PSA explains*, which provides information on various matters of importance to members. During the report period, 69 784 unique visitors were recorded for the site. The PSA mobile site (m.psa.co.za) is a convenient, compact version of the PSA website for members who want to access information on the move using their cell phones.

Cell-phone communication with members was also used by the PSA during the report period as an effective and targeted intervention. Some 40 such messages were distributed to thousands of recipients during the report period.

Media statements are used by the PSA to disseminate messages or take a public stand on pertinent labour matters as well as social issues affecting workers. During the report period, 18 media statements were issued.

Various topical flyers, posters and the popular PSA diary were produced during the report period in support of the Union's activities across the Country. Updated training manuals were also produced in support of the Union's ongoing empowerment of its member structures.

In further service to members, the electronic help desk provides an alternative channel to lodge enquiries to the PSA. Members can submit enquiries via email to ask@psa.co.za or access the facility via the PSA website. A total of 2 360 such enquiries were routed during the report period.

Brand promotion was supported by the hosting of a popular interactive display at the 17th Ilera World Congress in Cape Town in September 2015, which was attended by delegates from around the world. A brand awareness campaign in the form of bus advertising was also undertaken during the report period in Gauteng and KwaZulu-Natal.

Internal communication in the PSA is regarded as an important aspect of ensuring healthy relations in the workplace. In support of this goal, the PSA's internal newsletter, *Intravox*, was issued seven times during the report period.

Communication is key in any organisation and the PSA will continue to enhance on its existing offerings to ensure a quality service to 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, a new national fringe benefit was negotiated with **Dignity** in June 2015, offering a funeral support and assistance benefit for existing policyholders.

The **PSA Short-term Insurance Scheme** has 5 675 members. The facility is insured by *Guard Risk* and administrated by *Alexander Forbes* with effect 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, Optivest, Zisekele**, and **Sanlam**.

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

Legal services are provided by **Community Legal Clinic**.

Emergency rescue services with the **Automobile Association (AA)** are provided at a 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 members (licence, registration cost, delivery cost, pre-delivery inspection cost and number plates).

Old Mutual Finance provides consolidations and unsecured personal 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. **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 201 000 policyholders are making use of the various schemes.

The **SA National Parks** contract was terminated 30 November 2015. Members can, however, still qualify for 10% discount through the **PSA Mahala Loyalty Program**.

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 dependants or next of kin can approach the PSA (within six months of the death) for financial assistance with funeral costs. This R2 500 grant is awarded on an *ex-gratia* basis, subject to available funds. By the end of the report period, a total of 788 claims, to the value of R1 966 100 had been paid. This represent 189 less funeral claims 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, for example, to assist members in labour matters, or when attending official PSA meetings, comprehensive insurance cover on death or permanent disability.



MEMBERSHIP GROWTH AND RETENTION

The PSA’s reputation is built upon the experiences of those members who have needed the Union’s assistance in the past.

Many people join the PSA because of the Union’s reputation of being a professional organisation. Other individuals join the Union based on the fear that one day something will go wrong at work and they will need the help of a PSA representative.

The PSA’s reputation is, however, built upon the experiences of those members who have needed the Union’s assistance in the past. The Union’s ability to recruit and retain members is influenced by its performance when representing members with exceptional quality of outcome to retain this long-standing reputation. With the right approach, this translates in both retention and new potential recruits. The PSA’s focus for the report period was taking control of the shop floor and tackling the root cause of members’ discomfort.

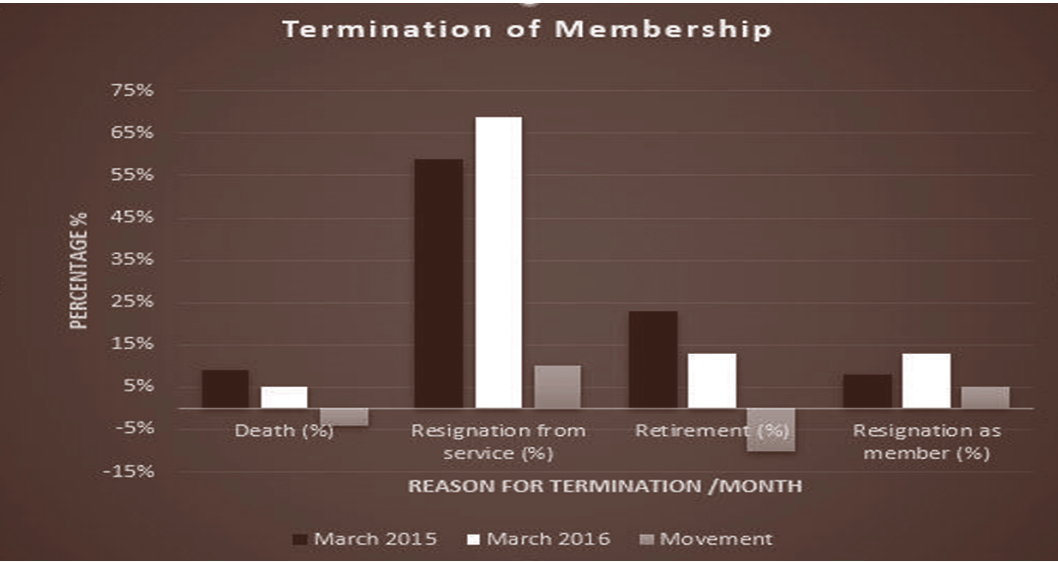
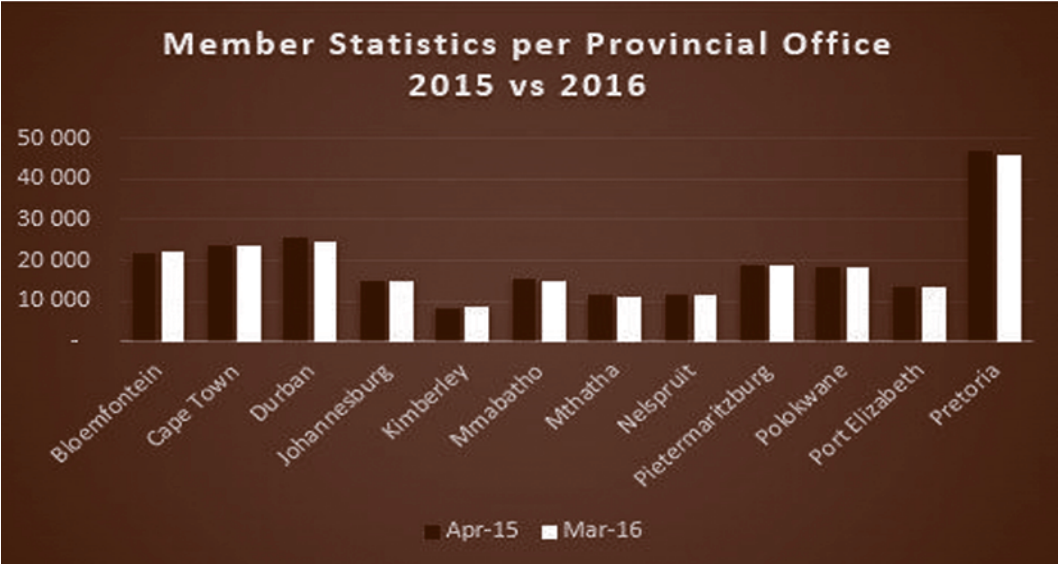
The strong economic downturn, a moratorium on the filling of vacant posts and pension reforms, which were badly articulated - especially by the media - spiraled fear in the Public Service, resulting in a sizeable number of public servants resigning from the Public Service. This scare did not leave the PSA unaffected. Though the PSA has year-on-year proved resilient to negative factors affecting the growth in membership and retention, the Union recruited and retained a large part of its market share by means of enhanced strategies and innovations.

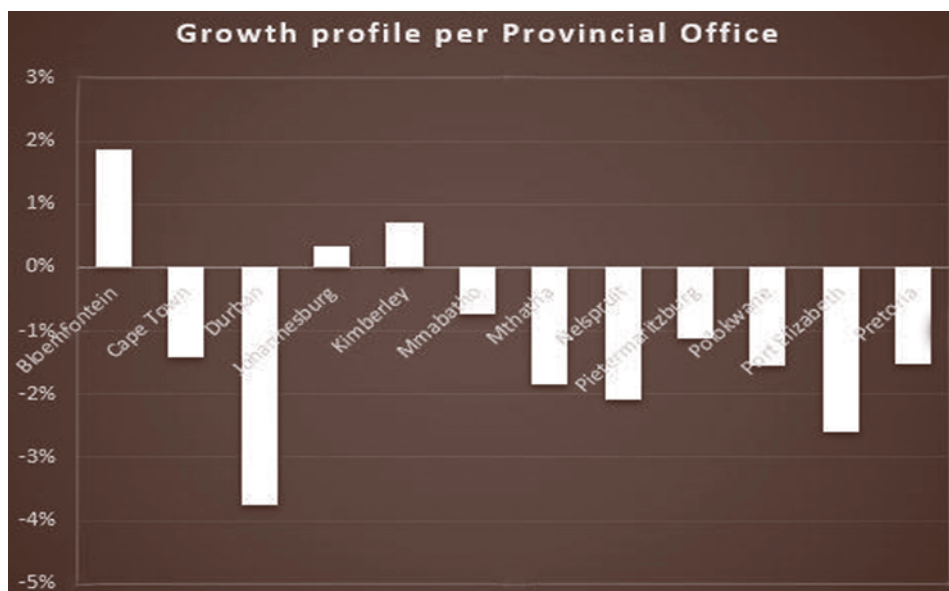
The report period was a challenging year but the ever-committed liaison staff and shop stewards, have stood their ground to subvert negative outcomes. The Union has again demonstrated the PSA’s value proposition to be superior to that of competitors. The PSA’s strong footing on financial discipline has paid off without compromising the number one “CHOICE” service to members.

The following statistics provide view of the activities for the period under review:

Points visited	15 947
Members addressed	138 024
Non-members addressed:	33 348
Meetings attended (i.e. Branches)	301
Training sessions (for shop stewards)	202
Distance travelled (km)	480 173
Members recruited	21 050

It must further be noted that the PSA experienced a steep increase in cases where employers cancelled employees’ PSA membership without following correct procedures.





Provincial overview

Eastern Cape

During the report period, the Provincial Office in Mthatha managed to closely meet its recruitment target. Recruitment drives and open days were held regularly as recruitment is the pulse of the PSA. This was done to enhance visibility and improve service delivery. The successes were achieved with the involvement of all stakeholders, including business partners who ease the Union's task.

The Provincial Office in Port Elizabeth participated in all the national drives during the report period. The involvement of PSA structures and shop stewards in these recruitment drives was an essential element to enable PSA Liaison Officers to recruit new members and retain enrolled members. Marketing material, especially the PSA's popular diary, assisted with the PSA's visibility and encouraged non-members to attend PSA meetings and events during which they could be recruited.

Free State

Recruitment through service delivery and the optimal utilisation of all shop stewards and business partners paid off to contribute to the success of recruiting members in the Free State in a very competitive market during the report period. The low percentage of members who resigned from the PSA in the Province is a clear sign that the PSA in the Province is providing a value-adding service to members.

The recruitment goal of the report period of increasing the Province's membership with 1 000 new members was reached, despite strong efforts from Cosatu unions to neutralise the PSA with the back-up of certain executive authorities and heads of Department.

For the third consecutive year, the PSA in the Free State was the Union representing the majority of public servants in the Province.

The success in the growth target was reached through the Office's normal liaison activities, including liaison tours and two recruitment drives, as well as broadening the Free State fringe benefit list for members and year-end Inter-sectoral Members' Meetings, which contributed positively to recruitment and the maintenance of loyalty of existing members.

Distribution of information to members as well as non-members is always a priority.

Various events also contributed to the Provincial Office's growth success, including Workers' Day, Nurses' Day and Mandela Day, which were utilised to participate in different programmes in all regions of the Province. The PSA Social Responsibility Day has proven to contribute to improved recruitment, enhance visibility and the retention of members. These recruitment drives will continue to add to the Union's strength in times to come.



Gauteng

The PSA Provincial Office in Johannesburg during the report period appointed a new Liaison Officer who had to undergo training. The individual recruitment target per Liaison Officer was unfortunately not always reached, although one Liaison Officer was amongst the top-five recruiters on a national level.

In an effort to support recruitment, informal training with shop stewards on how to recruit new members is done continuously.

For the Provincial Office in Pretoria, recruitment is an ongoing activity and team members assist each other to ensure that exponential growth is achieved. Recruitment drives were regularly held and assisted with the visibility of the PSA in the various workplaces. Business partners contributed to the success of open days and recruitment drives. No Workers' Day event was hosted in the Province during the report period, based on a decision by Chairpersons. An Inter-sectoral Meeting was held together with the Johannesburg Office and was successful. A Committee was established by the Chairpersons in Gauteng to ensure that arrangements were done according to the expectation of Branches.

Norms and standards in dealing with members' issues were adhered to and where required, corrective measures were implemented.

KwaZulu-Natal

The Provincial Office in Durban's recruitment results are attributed mainly to the excellent work by PSA Liaison Officers. In early 2010, it was determined that recruitment alone would not hold the Union in good stead and an overall improvement in the functioning of the Provincial Office was decided upon. During the previous financial year, the Liaison Officers met their recruitment norms but did not excel to the extent hoped for. It is for this reason that the way in which liaison tours were conducted was changed to ensure that shop stewards would conduct meetings whilst Liaison Officers guide and monitor. This approach bore fruits in the sense that the capacity of shop stewards improved tremendously.



The challenges previously experienced were addressed to ensure that recruitment is now a combined responsibility for all PSA structures and the Provincial Office.

In the Pietermaritzburg area of the Province, 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 national PSA recruiters speaks of the dedication and passion they have for their work of expanding and maintaining the membership of the PSA. A close working relationship with Full-Time Shop Stewards and shop stewards contributed to the success.

The Office was also involved in the two national recruitment drives. The Pietermaritzburg Provincial Office finished in the third position in DCS recruitment drive, which took place between in August and September 2015 and finished in the eleventh position in the GPSSBC recruitment drive, which took place in September and October 2015. This can probably be ascribed to the fact that the PSA is the majority union in the KZN GPSSBC Chamber, which limits the scope of recruitment.

Limpopo

During the report period, the PSA sustained its recruitment objectives in the Province thanks to cooperation between the Liaison Officers and committed shop stewards.

A total of 10 102 members were addressed during organised visits to workplaces. Six tours were undertaken into the rural sub-districts of the Province. Although costly, these visits are appreciated by members and contribute much to the retention of members.

A recruitment drive in the Health Sector and participation in a Nurses' Day event in Polokwane contributed to the PSA's growth in the Health Sector.

Mpumalanga

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

Northern Cape

The report period is regarded as a successful time in terms of recruitment in the Northern Cape with the Provincial Office exceeding the annual target. Recruitment was also conducted on a diligent basis by shop stewards.

Recruitment in the Province exceeded weekly norms and participation in the two major national recruitment drives in the GPSSBC and DCS ensured greater visibility for the Union and contributed to the retention of existing members.

North West

During the report period the Liaison Officers of the Provincial Office, together with some committed shop stewards and Full-Time Office Bearers, sustained recruitment efforts.

The Provincial Office organised a successful Nurses' Day event in Potchefstroom as well as open-day events in Taung, Swartruggens, Mafikeng and Potchefstroom. These events boosted visibility and the recruitment of new members. Liaison Officers, shop stewards, Full-Time Office Bearers and dedicated shop stewards contributed greatly to visibility, recruitment and retention of members and the Province recorded a reasonable positive growth for the report period.

The Province sadly recorded a high volume of deaths of PSA members during the report period with eight members passing away per month on average.

Full-Time Shop Stewards and other shop stewards contributed strongly with assisting members with grievances and representation during disciplinary hearings and grievances - without their assistance the Provincial Office would not have been able to assist members effectively as, in some instances, numerous cases had to be dealt with on the same day.

The Provincial Office enhanced the Union's visibility throughout the Province by organising many mass meetings. A more interactive approach was also adopted with Liaison Officers and Labour Relations Officers meeting on a regular basis to discuss the latest developments in the labour field, thus also supporting effective communication with members.

The Provincial Office obtained two additional Full-Time Office Bearers during the report period. One was released by the DCS in September 2015 and the other by Social Development in March 2016. These Full-Time Office Bearers play a vital role in the recruitment and retention of members and are hands on with representing members with disciplinary hearings and grievances.

During the report period, the PSA in North West continued to be more visible in the SA Police Service and, as a result, more members were recruited in this Sector.

The Provincial Office also organised various successful events during the report period at Taung Provincial Hospital, Job Shimankane Provincial Hospital in Rustenburg and Thlabile Health Center with the assistance of elected leaders and staff.

Western Cape

Despite many challenges experienced during the report period, the Provincial Office in Cape Town realised a slight growth, despite not reaching the target it set for itself. This is, however, an issue that the Western Cape member structures and Provincial Office are committed to rectify.

As part of the Office's theme to be "Present" in the workplace, various visibility activities were conducted throughout the Province. These included PSA open days, recruitment Drives and tours. During the report period, the Western Cape liaison team travelled 160 162 km to 4 752 visiting points, to see 29 688 members and non-members and recruited more than 2 000 new members in the process.



STRUCTURE EMPOWERMENT

Active and efficient member structures represent a key aspect of the PSA's success with Branch managements and shop stewards forming 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

All structures resorting under the PSA's Provincial Office in Mthatha Office were trained. A survey was conducted where shop stewards indicated their field of interest, thus endeavouring to minimise wasteful expenditure by training a person in a field that he or she is not interested in. All newly-elected shop stewards will undergo training in terms of their duties and responsibilities in the new financial year.

Under the jurisdiction of the Provincial Office in Port Elizabeth, the two Provincial Sectoral Branches and seven Provincial Committee of the National Departments, including parastatals, as well as three Provincial Committees of Provincial Departments in the Eastern Cape, were active and functioned well during the report period. All of these structures conducted their prescribed meetings for the period and also received training in May 2015 in respect of the *PSA Statute*.

Free State

Recognition of the fact that PSA structures are the Union's face in the workplace, is strongly upheld in the Free State. To enhance structures' visibility, functioning and participation in PSA activities, the PSA Provincial Office already in 2012, 2014 and first quarter 2015 provided a platform to empower structures during training sessions, which were enforced and strengthened in training sessions held during the report period.

Some structures, however, still only function as "post offices" to channel members' complaints to the Provincial Office without trying to deal with the complaint at the first level. A total of six training sessions, where topics such as "How to interview a member who has a problem" and "Discipline in the Public Service", were conducted throughout the Free State with structures and shop stewards as target groups. In addition to this in-house training, 113 shop stewards also attended the one-day courses offered by the CCMA in various towns in the Free State.

During the report period, six very successful Inter-sectoral Members' Meetings were held in Qwa-Qwa, Sasolburg, Kroonstad, Bethlehem, Welkom and Bloemfontein, which were well organised and attended by more than 9 000 members.

Gauteng

The PSA Provincial Office in Johannesburg undertook the following training sessions during the report period:

- Induction course
- Grievance procedure
- Disciplinary hearing process
- Negotiation skills

The three Sectoral Branches each conducted three Branch meetings as per the *PSA Statute*. The Sarswu Provincial Committee South also conducted the required three meetings during the report period. The election process for the confirmation/election of shop stewards commenced and was nearing finalisation by the end of the report period. The Branch Committee elections are scheduled to take place in the new financial year after the conclusion of shop steward elections. The Provincial Office ensured that its shop steward database was updated regularly.

In the Pretoria area of the Province, some Departmental Branches submitted requests for the establishment of National Branches, e.g. Rural Development and Land Reform as well as Statistics South Africa. The challenge is that some of these Departments have a presence in Provinces but not enough to form provincial structures. This makes the coordination of matters that affect all employees in the Department, irrespective of the Province, a challenge - especially when the Chairperson is also only elected from one Province (e.g. Pretoria).



Currently, the Chairperson at Head Office level addresses matters and coordinates these but the manner in which the Chairperson is elected remains problematic.

The Provincial Office during the report period confirmed the establishment of Branches such as Sita and also where Departments split to recognise both Branches such as the Departments of Defence and Military Veterans.

The Provincial Office and its structures commenced with the election of Committees and Branch managements. Challenges were experienced with poor attendance of members at mass meetings to conclude on the process more speedily. This resulted in a number of postponed meetings. Annual Members' Meetings were held at the smaller Departments to attract members to meetings for election purposes.

Training of shop stewards is an ongoing process. Requests were received from structures that training should be accredited. The Office focused on induction training and accredited training was identified as a key priority at national level. More than 36 newly-elected shop stewards were trained during the report period.

The Office experienced decrease in the utilisation and empowerment of shop stewards during the representation of members during the report period. Shop stewards were mainly engaged to assist with grievances. In an effort to ensure that the set operational objectives were met, the Office reviewed its case management system and started to utilise shop stewards again to empower structures and bring services closer to members.

KwaZulu-Natal

In the PSA Provincial Office in Durban, the integration of the Full-Time Shop Stewards into the Office environment was achieved. Full-Time Shop Stewards now function with minimal supervision and with enthusiasm to endorse the brand of the PSA.

As it has become a standard working practice in the Provincial Office to allow shop stewards to accompany Labour Relations Officers to every disciplinary hearing, the success rate of representation increased dramatically during the report period.

Quarterly meetings were held with Chairpersons and Committee members to obtain wider feedback and greater participation.

The proper implementation of the mandating process was a challenge during the report period. In view of this, compliance to the mandating process will in future be a standing item on the agenda of all structure meetings.

The Pietermaritzburg Provincial Office conducted two training interventions for shop stewards. A basic shop steward training course was conducted in Dundee in August 2015 and a second basic shop steward training course was conducted at the Provincial Office for the greater Pietermaritzburg area at the end of March 2016.

The majority of Branches and Committees functioned well and had their regular meetings to discuss matters of importance.

The Chairpersons of the Committees played a pivotal role in insuring that agenda items were discussed before a decision was taken on the way forward.

During the report period, the Provincial Office said farewell to the Chairperson of the KZN SAPS Committee, Ms Nozipho Zikhali who resigned from this position as she was going on maternity leave and, whilst she indicated that she would remain a PSA member, she thought it best to hand over the reigns. Mr Thanda Tundzi, the Vice-Chairperson, was subsequently elected as Chairperson for the remaining term of office.

Limpopo

During the period under review, the following training was conducted by the Provincial Office:

- Three-day training session for twelve shop stewards dealing with disciplinary hearings.
- One training session for management members of Branches and Provincial Committees dealing with the *PSA Statute*, their role and functions.
- Ten training sessions for shop stewards in districts dealing with the *PSA Statute*, the grievance procedure and basic labour relations.

The PSA, during the report period, participated in a talk show on *Thobela FM* on Saturdays where education-related matters were discussed. The feedback on this intervention was very positive and made the PSA a well-known Union with the listeners. The Chairperson of the ELRC Branch represented the PSA on this show.

A very successful Inter-sectoral Members' Meeting was hosted in Polokwane in December 2015. A total of 475 members attended the event together with representatives from the PSA Head Office, PSA business partners, *Metropolitan* and *Dignity Funeral Schemes*, as well as the PSA Vice-President.



Mpumalanga

Capacity building was conducted for all four Districts of the Province during the report period. A total of 25 sessions were held in Gert Sibande, 50 in Nkangala and 100 in Bushbuckridge, including the Ehlanzeni District.

The Provincial Office also capacitated the Chairpersons of all structures and Full-Time Shop Stewards in respect of disciplinary hearings and how to handle grievances. When Labour Relations Officers are attending to disciplinary hearings and other related matters, they ensure that they take shop stewards along with them for developmental purposes.

Northern Cape

The three structure meetings that were held during the report period ensured that the Province's shop stewards were kept up to date and in November 2015 an Inter-sectoral Meeting was hosted. The Provincial Office for the first time partnered with *Capitec* for meetings, which was well accepted, and with the pledge of increased participation to broaden the business partnership with the PSA.

Training sessions in respect of collective bargaining were held in various towns in the Province, including Calvinia, De Aar, Kuruman, Springbok and Upington. The shop stewards were eager to attend these interventions to be equipped with knowledge and have the opportunity to be exposed to day-to-day labour relations issues.

North West

The Provincial Office in its 2015/16 operational plan prioritised the finalisation of the election of structures, which were previously not active. This included ensuring that training of these structures was given preference.

The SAPS structure, for example, was in existence but was not functioning optimally. This matter was addressed and, by the end of the report period, the SAPS structure was running well under the guidance of a newly-elected leadership.

Training was also conducted for structures during the report period. The GPSSBC Branch underwent training in June 2015 where the services of the CCMA were utilised.

A total of nine PSA shop stewards were trained in respect of amendments to the *LRA*. A basic shop steward training course was presented for 18 shop stewards in Mmabatho. These shop stewards are now actively assisting the Provincial Office with members' cases, grievances and disputes. At the same time, the statistics related to assistance of members by shop stewards improved drastically.

The Provincial Office furthermore concluded the training of Branches and Committees in respect of their important roles within structures. In this regard, the stance was adopted to include the issues of recruitment and growth as standing agenda items for all structure meetings. It was further adopted that collective bargaining should also form part of the standing agenda items for Branches and Committees. The importance of mandating processes and the sponsoring of agenda items for Chambers were also emphasised with structures.

This Provincial Office organised a very successful Inter-sectoral Meeting on 17 and 18 March 2016 in Klerksdorp. The event was attended by Provincial Chairpersons, Secretaries and Deputy Chairpersons of all Branches, Committees and parastatal institutions as well as various representatives from the PSA Head Office, Office staff and Full-Time Shop Stewards. The event included a gala dinner on the first day, where structures were acknowledged for various outstanding achievements. PSA business partners, *Old Mutual*, *Metropolitan* and *Sanlam Sky*, were also present at the event.

In the final instance, Committees and Branches conducted and finalised elections during the report period in line with the *PSA Statute*.

Western Cape

The PSA Provincial Office attended to 51 structure meetings during the report period with the highlight being the very successful Inter-sectoral Meeting during the last quarter of the year. The cohesion amongst members of structures and amongst PSA structures themselves was enhanced with joint meetings being held over two days at venues out of town.

A total of twelve training sessions were presented by the Provincial Office, i.e. eight to structure managements and four training sessions for shop stewards.



SOCIAL RESPONSIBILITY

The PSA is mindful of the needs of its members and communities and therefore continues to undertake projects aimed at their social upliftment.

National projects

Early Childhood Development

The PSA has over the past number of year supported Early Childhood Development (ECD) Centres in cooperation with the National Development Agency (NDA) and the Department of Social Development. ECDs are managed by the Department of Social Development with the NDA in a campaign to create solid foundations for development and lifelong learning for young learners in poor communities.

In the latest interventions the PSA on 8 December 2015 presented Boretse Learning Centre at Gamorona Village, 75 km from Kuruman in the Northern Cape, with a classroom in support of effective teaching and learning, a food garden to address learners' nutritional needs, and playground equipment in support of their physical development.

A similar donation was made to Masakhane Learning Centre in Clanwilliam in the Western Cape on 4 March 2016.

Food gardens

The PSA has since 2008 established twelve food gardens at schools to promote community development and social upliftment by addressing food security and contributing to self-development and employment. An evaluation was conducted by PSA Provincial Offices to establish the gardens' current status and to determine possible additional interventions.

Follow-up visits were conducted at the gardens and emerging needs for support for these gardens to continue to benefit the communities were identified. In Mthatha, Nganganya Primary School required a water tank, which was installed during the report period. In KwaZulu-Natal, HS Ebrahim Secondary School in Pietermaritzburg was provided with one-day training, seeds and garden tools. A water tank was also donated for watering the expanded garden. The needs of other gardens were still receiving attention by the end of the report period.

In the latest project, the PSA established a food garden at Bo'one Disability Centre in Kurman in the Northern Cape at the beginning of March 2016. The Food Gardens Foundation, an organisation offering specialised training in the establishment and maintenance of food gardens, provided training to 70 young men and women of the Centre, staff and community members.

School libraries

The PSA sponsored a structure to serve as a new library to Moedwil Combined School, located on a farm in Swartruggens, near Rustenburg in North West. The donation included books, with the kind cooperation of *Rutland Books*, to render support to teaching and learning and to provide access to information to learners and the community.

Preparations for the project were concluded during the report period, with the formal handover to the School and the community by the PSA General Manager, Danny Adonis, and PSA Vice-Chairperson, Annetjie Rencken, scheduled for 8 April 2016.

A similar donation was made to Buntingville School in the Mthatha area of the Eastern Cape.

School jerseys

The PSA annually supports learners by donating school jerseys before the onset of winter. PSA Provincial Offices nominated schools to benefit from this intervention that resulted in 3 980 school jerseys being distributed to needy learners in the Mthatha area of the Eastern Cape, Western Cape, Northern Cape, the Durban area of KwaZulu-Natal, Limpopo, North West and the Free State during the report period.

Stiglingh Memorial Bursary

The PSA annually awards study bursaries to students engaged in studies in Medicine and Natural Sciences from funds allocated for this purpose by the late JH Stiglingh, a member of the PSA and Secretary of the then Administrative Section.

During the report period an amount of R32 500 was approved and awarded to five qualifying students with each student receiving R6 500.



PSA study assistance towards a teaching qualification

The PSA, with effect from 2015, annually renders study assistance to students studying towards a teaching qualification with a registered college or university in South Africa. Students can apply for these awards of R5 000 each from the second year of study. After the selection process, based on approved guidelines, two applications were approved for the report period, having submitted correct, completed application forms by the closing date.

Donations to charity organisations

The PSA annually makes awards to above-average needy organisations nominated by PSA member structures. *PSA Circular No 10/2015* was issued to PSA Chairpersons and Secretaries of Branches and Committees, calling for motivated nominations by structures to be submitted.

Three organisations subsequently received a donation of R10 000 each, i.e. Residentia Waterberg, in Nylstroom in Limpopo (housing 65 frail pensioners) – nominated by the Group Branch Public Service Pensioners: Limpopo; *Residensia Ons Huis* (a home for 88 frail pensioners without families) – nominated by the Group Branch Public Service Pensioners: Gauteng; and Lucky Lucy Foundation (a non-profit, pro-life, pro-quality of life organisation that works to relieve the plight of severely neglected and abused township and street animals) – nominated by the Western Province Blood Transfusion Services in the Western Cape.

Mandela Day

The PSA Head Office staff honoured Mandela Day by visiting TLC Lodge, a home for mothers of children suffering from cancer who are admitted to Steve Biko Academic Hospital in Pretoria.

On Mandela Day, the children were, amongst others, treated with gifts from PSA staff. PSA staff also learned more about cancer and gained an understanding of how the illness affects children.

Other projects

A donation of a jungle gym and mattresses for children were made to Morning Star Day Care Centre in Beiruit, north of Pretoria.

During the hand-over event of school fencing at Momosala Secondary School in Limpopo during the previous report period, the School's principal informed the PSA of a pressing need for a computer for use by Grade 12 learners. The PSA took heed of the call and the computer was handed over by the PSA's Provincial Manager in Limpopo in June 2015.

The Mayor of Tshwane Municipality awarded premises to the Tshwane School of Music Centre in Eersterust, east of Pretoria, to be used for music training for children to assist in constructively occupying children in the area and keeping them from being involved in criminal activities. The Centre accommodates children between the age of seven and 18 years. The PSA assisted the Centre with the donation of a security system for the building to the value of R26 780.

In August 2015, the PSA hosted a Women's Day Celebration. Sculptures by a local self-empowered artist from Hammanskraal were purchased and offered as prizes at the event. The sculptures of the faces of prominent South Africans are made from newspapers and soap and dried in the sun. The artist was further assisted by the PSA with a donation of a mini oven, valued at R1 099, to enable him to speed up the drying time of the sculptures.

The PSA donated an embroidery machine in further support to Tetta Women Primary Cooperative in KaNyamazane in Mpumalanga. The Cooperative was supported by the PSA to grow and expand its business in 2013 by donating sewing machines and fabric to produce school uniforms. The Cooperative now supplies a number of schools in the area with quality uniforms at an affordable price.

Another Cooperative near Marabastad in Pretoria was approached to produce 600 beaded lapel pins depicting the South African flag. The pins were distributed to delegates visiting the PSA's stall at the 2015 Ilera Conference in Cape Town.

Various computer screens and printers no longer in use by the PSA were donated to centres in need of such equipment. A number of these items were also donated to Irene Homes, an organisation that provides residential and day-care support and skills training for mentally-disabled people with the aim of improved self-awareness, self-growth and job creation. The items are sold in the Home's charity shop, which is one of its main sources of income.

PSA Provincial Offices also undertook various social responsibility interventions during the report period.



Provincial projects

Eastern Cape

The Provincial Office in Mthatha donated jerseys to learners of two schools in the area of which one is a special school for disabled and mentally-challenged children (*also see national report*).

On Mandela Day the Office's from their own funds contributed to an old-age home by bringing gifts to the residents and also assisting with the cleaning of the home's yard.

The Office was also involved in the donation of a library to Buntingville School in May 2015 (*also see national report*).

The Provincial Office in Port Elizabeth shifted its attention to the rural areas of the Province to show to members that the Union also cares for rural communities. The Office was involved in a school jersey project in Aberdeen (*also see national report*) and also donated a water tank to a school in Aberdeen to assist with its community vegetable garden. The garden produces food for learners of the school as well as for the broader community.

The Office was furthermore involved in the donation of a classroom and playground equipment for pre-school learners in a township in Port Elizabeth as part of a national project.

Free State

The Provincial Office utilised Mandela Day to participate in various programmes in all regions of the Free State. The contributions of soup and bread were donated by staff and sponsors.

The Office's projects were aligned to the national theme of focusing on children and suitable projects, in the form of donating school jerseys to three needy schools as well as donating school uniforms and sport equipment to a needy school, were undertaken.

The Office also arranged a PSA Charity Golf Day, which was a huge success. The event was supported with various donations from companies without any PSA funding being involved. The proceeds were donated to a project to purchase a drone in support of safeguarding rhinos in the Free State against poaching - the PSA being the first Union to do so, which was well received by the media.

Gauteng

The Provincial Office in Pretoria contributed towards the national project of donation of school jerseys to needy learners.

Mandela Day was not celebrated during the report period as a group project but was rather dealt with by means of individual activities and participation by staff.

KwaZulu-Natal

The Provincial Office in Durban's social responsibility activities during the report period centred around Mandela Day initiatives and the national jersey project.

Structures are continually invited, although with limited success, to submit plans and proposal for social responsibility projects that will not only assist members but also the community at large.

The Provincial Office in Pietermaritzburg supported Mandela Day when staff, Full-Time Shop Stewards and PSA Director, Sboniso Ndlovu, armed with gloves and garbage bags, assembled on the banks of the Duzi River at the Camps Drift Bridge to dedicate their time and effort to cleaning the area.

A few years ago the PSA was instrumental in establishing a food garden at HS Ebrahim School in Pietermaritzburg. The status of the project was evaluated on two occasions and during the last evaluation, the School was provided with an opportunity to indicate what further assistance the PSA could render for the garden. The need for further training and a water tank was identified. In November 2015 the PSA and the Food Gardens Foundation provided the School with the requested training to sustain and develop the food garden. The Chief Executive Officer of the Food Gardens Foundation, Hilda Pheto, together with the PSA shop steward, Loveness Ndlovu, the Principal, Ruby Naidoo, and teachers of the School assisted the learners to put into practice what they learnt by planting various varieties of vegetables. At the conclusion of the three-day training intervention all learners and teachers received certificates of attendance from the Food Gardens Foundation.

Following the training intervention, a water tank was purchased by the PSA and installed so that the food garden can in future benefit from rain water harvested from the roof of a nearby building.

Limpopo

The request for school jerseys for needy children in the Province increased over the past year. The PSA, in response, managed to donate approximately 260 jerseys to learners at Mamosala, Matatibeng, Tshikambe, Lulekani, Westernburg and Tshivhambe Schools.



On Mandela Day, PSA staff together with a local legal practice donated cutlery and groceries to the value of R4 000 to Leseding Centre for Disabled Children in Jane Furse.

Mpumalanga

The Provincial Office, together with structures, was able to demonstrate the values of the Organisation as being a caring Union and showed kindness by identifying four needy schools in deep-rural areas of the Province where meaningful contributions through the donation of school jerseys were made.

An embroidery machine was donated to Tetta Women Cooperative and the training of the ladies to operate the machine was facilitated by the Provincial Office to enable them to increase production of school uniforms for local schools.

Northern Cape

The PSA in the Northern Cape views social responsibility interventions as important activities. Various projects were undertaken during the report period.

School jerseys were donated in Kuruman to learners of Ga-Masepe Primary School and Ga-Kotsane Intermediary School.

In December 2015, the PSA showed its support of young learners of Boresetse Learning Centre at Gamorona Village, 75 km from Kuruman in the Northern Cape. The Union's donation included a classroom in support of effective teaching and learning, as well as playground equipment in support of their physical development.

The Provincial Office's staff celebrated Mandela Day with the residents of Gasca Old Age Home in Galeshewe and assisted by cleaning the Home and handing out gifts.

North West

The Provincial Office was actively involved in social responsibility interventions in the Province during the report period with such initiatives being elevated to a higher level.

The highlight on the calendar was the donation of a library and books to Moedwil Combined School near Rustenburg (*also see national report*). PSA General Manager, Danny Adonis, delivered a powerful message by stating: "No matter what background, you have the power to plot life ahead of you. When you become successful in life you must always look back and assist needy people." The PSA's support of the School moved all those present, including an official from the Department of Education who indicated that the Department was extremely grateful for the support and would ensure that the library was always kept in a good condition. She further indicated that she grew up within the ranks of another union but that the PSA's actions were making her to reconsider her stance. She said: "PSA, I am moved." The School's Principal, in his vote of thanks, committed to ensuring that learners from both the Primary and Secondary School would benefit from the library on an alternative basis.

The Provincial Office also donated 215 school jerseys to learners of Re-Itshokile Combined School at Piet Plessis, 275 km from Mmabatho. Teachers, learners, support staff and community members were present to receive the PSA's gift to learners. There was great happiness as learners and their parents received the new jerseys. The learners removed their worn-out jerseys and proudly replaced these with brand new ones. The School's Principal thanked the PSA for helping needy children at the right time and indicated that it was the first time in the School's history that learners received such a much-needed gift. The Principal further encouraged the learners to attend classes more regularly now because they would be warm.

During the report period the Provincial Office presented two students from North West University with grants from the PSA's Stiglingh Memorial Bursary (*also see national report*).

Western Cape

The PSA in the Western Cape participated in four social responsibility projects in partnership with PSA Head Office and business partners. At St Luke Primary School in the Southern Cape, 340 school jerseys were handed to children from a very poor rural community.

The Barefoot Day initiative saw PSA members from the Department of Water Affairs and Sanitation and PSA officials partnering with PEP Stores to provide water-resistant shoes and socks to orphaned toddlers from a crèche in a township outside Cape Town to face the cold and wet Western Cape winter.

Mandela Day was celebrated with the PSA Western Cape Sectoral Branch for PHSDSBC and staff preparing soup and bread for residents of an extremely dilapidated squatter camp on the outskirts of Athlone.

Another project involved the sponsoring of a class room for Masekhane Educational Centre in Clanwilliam (*also see national report*), representing the sixth intervention of this nature by the PSA for vulnerable communities throughout South Africa.

The Provincial Office furthermore rendered financial support to various individual members who suffered unexpected hardship and bread need as a result of disasters or incidents beyond their control during the report period.



PSA EMPLOYMENT PROFILE

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

During the report period, covering 1 April 2015 to 31 March 2016, the PSA's overall workforce profile reflected an increase of 0.91% from 89.37% as at 31 March 2015 to 90.28% at the end of the period under review in respect of employees from designated groups. Employees from the non-designated group decreased from 10.63% (27) at the end of March 2015 to 9.72% (24) at the end of the report period.

The PSA's representivity statuses in the respective occupational levels as at 31 March 2016 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%	63.64% (14)	36.36% (8)
Junior Management	92%	92.13% (164)	7.87% (14)
Semi-skilled	93%	100% (35)	0% (0)
Unskilled	93%	100% (7)	0% (0)

Terminations for the said period constituted 76.92% (10) from the designated groups of which 23.08% (3) were white females. The non-designated group constituted 23.08% (3) of the terminations.

The PSA is committed to and has been working aggressively towards a transformed workplace as is reflected by the figures provided. The slower progress made with transformation in the senior- and middle-management levels may be attributed to the lower turnover in these levels in the PSA.

The PSA's current EETPP will come to an end on 30 April 2017 and the PSA's Employment Equity and Skills Development Forum (EESDF) was, by the end of the report period, reviewing the current plan.

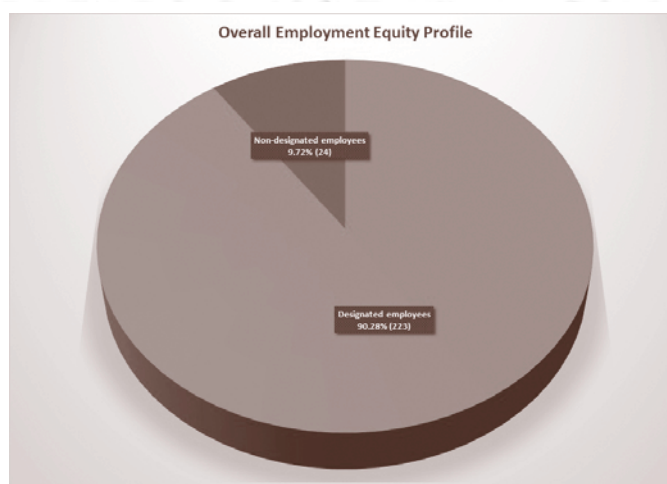
The revised EE Plan will commence on 1 May 2017.

PSA WORKFORCE PROFILE AS ON 31 MARCH 2016

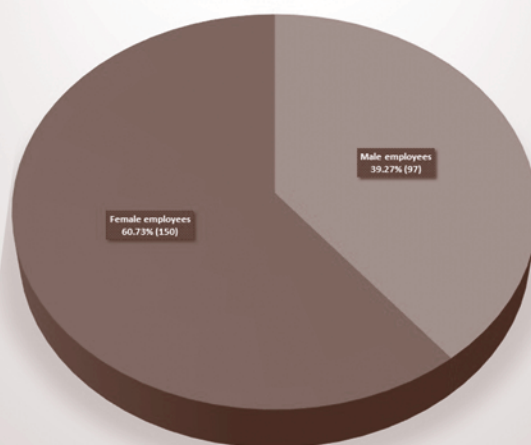
Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	1	0	0	1	0	0	0	0	0	0	2
Senior management	0	1	0	1	0	0	0	1	0	0	3
Professionally qualified and experienced specialists and mid-management	5	1	1	8	2	1	0	4	0	0	22
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	46	6	5	14	60	12	5	30	0	0	178
Semi-skilled and discretionary decision making	5	0	0	0	20	4	0	6	0	0	35
Unskilled and defined decision making	2	0	0	0	5	0	0	0	0	0	7
TOTAL PERMANENT	59	8	6	24	87	17	5	41	0	0	247

At the end of the report period, 39.27% (97) of the PSA's workforce consisted of male employees, whilst 60.73% (150) of its workforce constituted female employees. The Economically Active Population of South Africa consists of 54.80% males and 45.20% females.

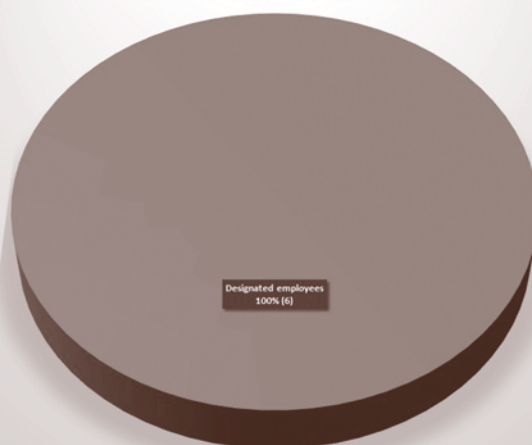
Since 31 March 2015 until the end of the period under review, 100% (6) of employees recruited by the PSA came from the designated groups and 0% (0) from the non-designated group. Hundred percent (100%) (9) of employees promoted from within the PSA came from the designated groups.



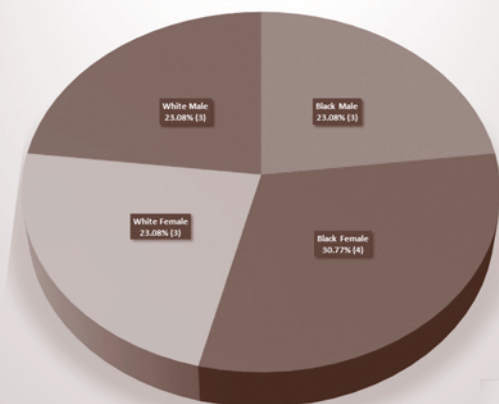
Employment Equity Profile: Gender



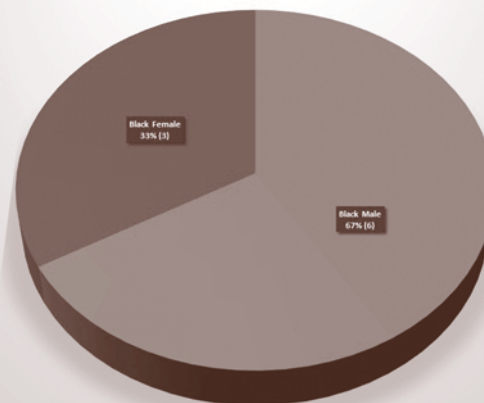
Employment Equity Profile: Recruitment



Employment Equity Profile: Terminations



Employment Equity Profile: Promotions



ENVIRONMENTAL FOOTPRINT

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 to achieve sustainable development of South Africa's mineral resources.

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 Highway. 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 to achieve sustainable development of South Africa's mineral resources.

The PSA affirms the Union's 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 consultant 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 consultant 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.

In line with the above, *Aurecon* performs various functions associated with environmental protection such as monthly 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.



SOCIAL AND ETHICAL CONDUCT

PSA employees are expected to adhere to the highest standards of business ethics. The PSA Code of Ethics is intended to raise ethical awareness, act as a guide to employees and assist in assuring stakeholders of the integrity of the PSA.

It was reported in the previous *PSA Annual Report* that a PSA Code of Ethics was being compiled. This Code was approved by the Board on 26 November 2015 and was distributed to all PSA employees for their information and attention. The 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). It recognises the ethical obligations of each stakeholder and the importance of a relationship of honesty, transparency and fairness.

The Code applies 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.

A PSA Ethics Hotline was also established, which is administered by *KPMG* on behalf of the PSA. The aim of the Hotline is to enhance an honest work ethic, while it provides employees with a method to bring any unethical business practices to the attention of management.

The Hotline is specifically designed for PSA staff only and serves as an independent platform between management and employees. It was also established to create capacity to the already-existing "whistle blowing" policy of the PSA. The PSA Hotline operates 24 hours a day, seven days a week - including public holidays.

By the end of the report period, one complaint had been received and was under investigation.

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 interest 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 are 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. The PSA's Auditors for the past four financial years have been *PricewaterhouseCoopers Inc. PricewaterhouseCoopers* have issued an unqualified audit opinion regarding the financial affairs of the PSA for the year ending 31 March 2016.

The consolidated net profit of the PSA is R17 272 694 comparing to a net loss in the prior year of R11 220 538. It should be noted that R10.5m of the R17m profit relate to once-off matters during this financial year. There was a saving in salary cost amounting to R5 871 312 due to vacancies in key position; as well as an accounting adjustment at year-end for the legal fee provision of R4 680 014.

The summarised financial performance of the different business divisions of the PSA are indicated under item 2 on page 7 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 2016, 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 2015 to an *operating profit* in the current year amounting to R13 224 835. The turn-around in the financial situation is a result of the dedication and commitment towards financial sustainability from Board of Directors as well as the Management.

In the previous *Integrated Annual Report (2014/15)* the Board reported on possible overcharging of the PSA by a service provider. It has since been established that overcharging did indeed occur and the Board subsequently instituted disciplinary action and instructed further investigation into IT procurement processes/transactions. The matter pertaining to the claiming back of the money was still pending in the High Court by the end of the report period on 31 March 2016.

The audited detailed Financial Statements of the PSA for the year ended 31 March 2016 are fully set out from page 43 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, 2016

These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act, 71 of 2008.
Issued 26 July, 2016

Public Servants Association of South Africa NPC

(Registration number 1942/015415/08)

Trading as PSA

Annual Financial Statements for the year ended 31 March, 2016

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Trade Union
Directors	Adv R Daniels (President) Mr P Snyman (Chairperson) Mrs AC Rencken (Vice-Chairperson) Miss OM Lefifi Mr AD McAnda 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 IP Fredericks
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, 2016

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

26 July, 2016

Public Servants Association of South Africa NPC

(Registration number 1942/015415/08)

Trading as PSA

Annual Financial Statements for the year ended 31 March, 2016

Audit and Risk Committee Report

This report is provided by the Audit and Risk Committee appointed in respect of the 2016 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	Termination date
Mr RD Moody	24 October 2012	3 out of 3	15 March 2016
Miss OM Leifi	24 October 2012	3 out of 3	
Mr P Snyman	25 August 2010	3 out of 3	
Mr MA Maepa	30 October 2013	3 out of 3	15 March 2016
Ms AC Renchen	15 March 2016	0 out of 3	
Mr AD Mc Anda	15 March 2016	0 out of 3	

The committee is satisfied that the members have the required knowledge and experience as set out in Section 94(5) of the Companies Act, 71 of 2008 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, 71 of 2008 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 3 scheduled meetings during 2016 and the members of the committee attended the meetings as indicated above.

3. External auditor

The annual general meeting has appointed PricewaterhouseCoopers Inc. as the independent auditor and Nezira Ayob as the designated partner, who is a registered independent auditor, for the 2016 audit.

The audit committee satisfied itself through enquiry that the external auditors are independent as defined by the Companies Act, 71 of 2008 and as per the standards stipulated by the auditing profession. Requisite assurance was sought and provided by the Companies Act, 71 of 2008 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, 2016

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



OM Lefifi

Chairperson 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, 2016

Directors' Responsibilities and Approval

The directors are required in terms of the Companies Act, 71 of 2008 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 the basis of accounting described in note 1. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with the basis of accounting described in note 1 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.

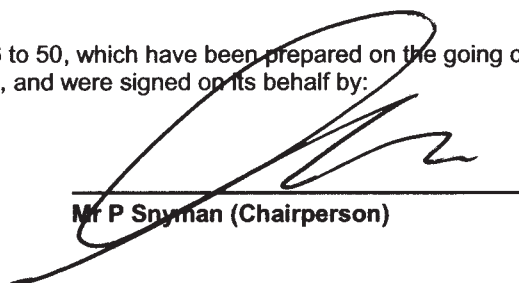
The directors have reviewed the company's cash flow forecast for the year to 31 March, 2017 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

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 26 July 2016, and were signed on its behalf by:



Adv R Daniels (President)



Mr P Snyman (Chairperson)



Mrs AC Rencken (Vice-Chairperson)

Public Servants Association of South Africa NPC

(Registration number 1942/015415/08)

Trading as PSA

Annual Financial Statements for the year ended 31 March, 2016

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, 2016.

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 Entity specific basis of preparation and the requirements of the Companies Act, 71 of 2008. 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 on the next page:

Public Servants Association of South Africa NPC

(Registration number 1942/015415/08)

Trading as PSA

Annual Financial Statements for the year ended 31 March, 2016

Directors' Report

2016	Membership	Holiday resort accommodation	Sand	Cell Captive	Total
Reconciliation of net income/(loss)					
Income	259,515,465	708,848	993,281	50,925,065	312,142,659
Cost of sales	(165,713)	-	(31,245)	(2,877,732)	(3,074,690)
Other income	3,039,739	43,735	-	2,066,841	5,150,315
Employee costs	(156,684,804)	(1,071,603)	(641,168)	-	(158,397,575)
Other expenses	(89,907,694)	(736,643)	(107,076)	(47,526,596)	(138,278,009)
Property revaluation	(270,006)	-	-	-	(270,006)
	15,526,987	(1,055,663)	213,792	2,587,578	17,272,694
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)
2016	Membership	Holiday resort accommodation	Sand	Cell Captive	Total
Reconciliation of net assets/liabilities					
Assets	96,156,311	3,632,008	113,155	30,132,387	130,033,861
Liabilities	(12,569,829)	(9,491)	(886,792)	(11,940,896)	(25,407,008)
	83,586,482	3,622,517	(773,637)	18,191,491	104,626,853
2015	Membership	Holiday resort accommodation	Sand	Cell Captive	Total
Reconciliation of net assets/liabilities					
Assets	69,210,754	3,773,984	110,179	45,892,257	118,987,174
Liabilities	(15,715,066)	(15,367)	(884,245)	(15,288,344)	(31,903,021)
	53,495,688	3,758,617	(774,066)	30,603,913	87,084,153

Public Servants Association of South Africa NPC

(Registration number 1942/015415/08)

Trading as PSA

Annual Financial Statements for the year ended 31 March, 2016

Directors' Report

3. Reconciliation of 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	8,820,770	6,686,448
Swedish AIDS education fund reserve	37,420	37,420
Stiglingh reserve	551,939	542,534
Insurance reserve	5,709,320	5,709,320
Sand rehabilitation reserve	3,500,000	3,500,000
Revaluation reserve	11,228,500	11,498,506
Mark-to-market reserve	7,084,326	6,017,165
Cell Captive insurance contract reserve	18,191,491	32,603,914
Investment in PSA	15,000,000	-
	78,123,766	74,595,307

General reserves excluding the cell captive insurance contract are represented by the liquidity of the retained income and is tabled below:

Cash and cash equivalents (Excluding Cell Captive)	17,095,576	12,533,907
Other assets (Non cash assets)	9,407,511	(45,061)
	26,503,087	12,488,846

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	
Adv R Daniels (President)	President	Non-executive Independent	Appointed 21 September, 2015
Dr CV Dyantyi (President)	President	Non-executive Independent	Term ended 21 September, 2015
Mr MA Maepa (Vice-President)	Vice-President	Non-executive Independent	Term ended 15 March, 2016
Mr P Snyman (Chairperson)	Chairperson	Non-executive Independent	
Mrs AC Rencken (Vice-Chairperson)	Vice-Chairperson	Non-executive Independent	
Mr B Jacobs	Other	Non-executive Independent	Deceased 03 February, 2016
Miss OM Lefifi	Other	Non-executive Independent	
Mr AD McAnda	Other	Non-executive Independent	
Mr RD Moody	Other	Non-executive Independent	Term ended 15 March, 2016
Mr NS Ndlovu	Other	Non-executive Independent	
Mrs GF Masinga	Other	Non-executive Independent	

There are currently three vacancies on the Board of Directors.

The current General Manager, Mr DZ Adonis, retired on 30 June 2016. Mr IP Fredericks was appointed by the Board of Directors as acting General Manager from 1 July 2016.

Public Servants Association of South Africa NPC

(Registration number 1942/015415/08)

Trading as PSA

Annual Financial Statements for the year ended 31 March, 2016

Directors' Report

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.

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 2016.

10. Secretary

The company secretary is Mr IP Fredericks.

11. Date of authorisation for issue of financial statements

The annual financial statements have been authorised for issue by the directors on 26 July, 2016. 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 52, which comprise the statement of financial position as at 31 March 2016, 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 Inc., 32 Ida Street, Menlo Park 0081, P O Box 35296, Menlo Park 0102, South Africa
T: +27 (0) 12 429 0000, F: +27 (0) 12 429 0100, www.pwc.co.za*

Chief Executive Officer: T D Shango
Management Committee: S N Madikane, J S Masondo, P J Mothibe, C Richardson, F Tonelli, C Volschenk
The Company's principal place of business is at 2 Eglin Road, Sunninghill where a list of directors' names is available for inspection.
Reg. no. 1998/012055/21, VAT reg.no. 4950174882



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 2016, 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 2016, 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

5 August 2016

Public Servants Association of South Africa NPC

(Registration number 1942/015415/08)

Trading as PSA

Annual Financial Statements for the year ended 31 March, 2016

Statement of Financial Position as at 31 March, 2016

	Note(s)	2016 R	2015 R
Non-Current Assets			
Property, plant and equipment	4	35,142,299	36,356,270
Intangible assets	5	1,818,940	1,214,129
Investments	6	40,791,895	21,152,797
Motor Vehicle Loans	7	8,443,321	7,995,461
		86,196,455	66,718,657
Current Assets			
Inventories	8	1,168,603	900,066
Cell captive insurance contract	11	18,191,491	30,603,914
Trade and other receivables	9	5,066,393	5,725,049
Investments	6	544,480	536,880
Motor Vehicle Loans	7	1,744,372	1,958,370
Study Loans		26,491	10,331
Cash and cash equivalents	10	17,095,576	12,533,907
		43,837,406	52,268,517
Total Assets		130,033,861	118,987,174
Equity and Liabilities			
Equity			
Reserves		78,123,766	74,595,307
Retained income		26,503,087	12,488,846
		104,626,853	87,084,153
Liabilities			
Non-Current Liabilities			
Finance lease liabilities	12	-	191,771
Retirement benefit obligation	14	3,930,000	3,930,000
Provisions	13	886,792	884,245
		4,816,792	5,006,016
Current Liabilities			
Finance lease liabilities	12	153,820	767,083
Trade and other payables	16	18,071,928	19,085,440
Retirement benefit obligation	14	132,000	132,000
Provisions	13	2,232,468	6,912,482
		20,590,216	26,897,005
Total Liabilities		25,407,008	31,903,021
Total Equity and Liabilities		130,033,861	118,987,174

Public Servants Association of South Africa NPC

(Registration number 1942/015415/08)

Trading as PSA

Annual Financial Statements for the year ended 31 March, 2016

Statement of Profit or Loss and Other Comprehensive Income

	Note(s)	2016 R	2015 R
Revenue	22	261,217,594	246,334,027
Cost of sales		(165,713)	(197,790)
Gross profit		261,051,881	246,136,237
Other income	23	1,412,983	825,982
Operating expenses	24	(249,240,029)	(265,605,588)
Operating profit/ (loss)		13,224,835	(18,643,369)
Investment revenue	25	1,670,491	1,758,401
Finance costs	26	(1,016,769)	(1,028,488)
Profit / (loss) for the year		13,878,557	(17,913,456)
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Gains and losses on property revaluation		(270,006)	(161,143)
Items that may be reclassified to profit or loss:			
Exchange differences on translating foreign operations		9,405	5,656
Available-for-sale financial assets adjustments		1,067,161	1,510,367
Cell Captive insurance contract		2,587,577	5,338,038
Total items that may be reclassified to profit or loss		3,664,143	6,854,061
Other comprehensive income for the year	28	3,394,137	6,692,918
Total comprehensive income / (loss) for the year		17,272,694	(11,220,538)

Public Servants Association of South Africa NPC

(Registration number 1942/015415/08)

Trading as PSA

Annual Financial Statements for the year ended 31 March, 2016

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, 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 01 April, 2015	542,534		11,498,506		38,621,079		23,933,188		74,595,307		12,488,846		87,084,153	
Profit for the year	-		-		-		-		-		13,878,557		13,878,557	
Total comprehensive income for the year	-		-		-		-		-		13,878,557		13,878,557	
Market-to-market adjustment	-		-		134,322		-		134,322		135,684		270,006	
Other Comprehensive Income	9,405		(270,006)		3,654,738		-		3,394,137		-		3,394,137	
Total comprehensive income for the year	9,405		(270,006)		3,789,060		-		3,528,459		135,684		3,664,143	
Balance at 31 March, 2016	551,939		11,228,500		42,410,139		23,933,188		78,123,766		26,503,087		104,626,853	
Note(s)	18&28		19&28		21&28		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, 2016

Statement of Cash Flows

	Note(s)	2016 R	2015 R
Cash flows from operating activities			
Cash receipts from members and customers		262,854,983	244,472,773
Cash paid to suppliers and employees		(253,255,792)	(248,964,400)
Cash generated (used in) from operations	29	9,599,191	(4,491,627)
Interest income		1,670,491	1,758,401
Finance costs		(1,016,769)	(1,028,488)
Net cash from operating activities		10,252,913	(3,761,714)
Cash flows from investing activities			
Purchase of property, plant and equipment	4	(2,860,104)	(6,060,837)
Sale of property, plant and equipment	4	(8,316)	511,930
Purchase of other intangible assets	5	(785,213)	-
Movement Cell Captive insurance contract		2,587,577	5,338,038
Encashment from Zurich		-	5,948,094
Investment in Guardrisk		-	(3,948,094)
Cell Captive funds invested by PSA		15,000,000	-
Movement in financial assets		(18,579,537)	2,390,095
Motor vehicle loans granted		(6,105,301)	(6,740,762)
Motor vehicle loans repaid		5,871,439	5,101,502
Study loan repaid		53,581	70,286
Study loan granted		(69,741)	(59,781)
Net cash from investing activities		(4,895,615)	2,550,471
Cash flows from financing activities			
Movement in funds (capitalised)		9,405	5,655
Finance lease payments		(805,034)	(1,004,428)
Net cash from financing activities		(795,629)	(998,773)
Total cash movement for the year		4,561,669	(2,210,016)
Cash at the beginning of the year		12,533,907	14,743,923
Total cash at end of the year	10	17,095,576	12,533,907

