

Reduction in percentage allocation of Performance Bonuses

The PSA received a circular that indicates that the Minister of Public Service and Administration has approved a decremental adjustment of the percentage that can be allocated from the remuneration budget for the payment of performance bonuses.

In terms of the Public Service Regulations, Regulation 73 (3), "The Minister shall from time to time determine a percentage of a departments remuneration budget that shall not be exceeded for the purpose of granting performance rewards." The Minister shall from time to time determine the maximum percentage performance rewards to be granted to an employee or categories of employees."

The approved incentive framework (2017), provides that the departments may not utilise more than 1.5% of their annual remuneration budget, for the purpose of resourcing departmental financial performance incentives schemes.

The PSA is of the view that the *attached* circular from the DPSA, amongst others, contravenes existing PSCBC resolutions and it referred the matter to the PSCBC for tabling as an agenda item.

The maximum percentages approved by the Minister for budgeted provisioning for performance rewards are as follows:

- Year 2018-19 1.5 % is the Maximum of the remuneration budget
- Year 2019-20 0.75 % is the Maximum of the remuneration budget
- Year 2020-21 0.5 % is the Maximum of the remuneration budget
- Year 2021-22 0% is the Maximum of the remuneration budget

Members will be informed of developments.

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