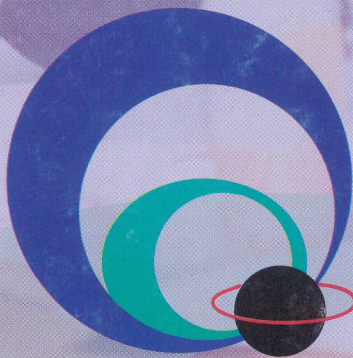




PSCBC

PUBLIC SERVICE CO-ORDINATING BARGAINING COUNCIL

Annual Report

2002

Annual Report of the
Public Service Co-ordinating
Bargaining Council
1 April 2001 - 31 March 2002



PUBLIC SERVICE CO-ORDINATING BARGAINING COUNCIL

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Overview

The Public Service Co-ordinating Bargaining Council (PSCBC) is established in terms of Section 35 and 36 of the Labour Relations Act, No 66 of 1995.

The PSCBC Constitution was registered on 13 October 1997.

The PSCBC may perform all functions of a bargaining council in respect of those matters that:

- (a) are regulated by uniform rules, norms and standards that apply across the public service; or
- (b) apply to terms and conditions that apply to two or more sectors; or
- (c) are assigned to the State as employer in respect of the public service that are not assigned to the State as employer in any sector.

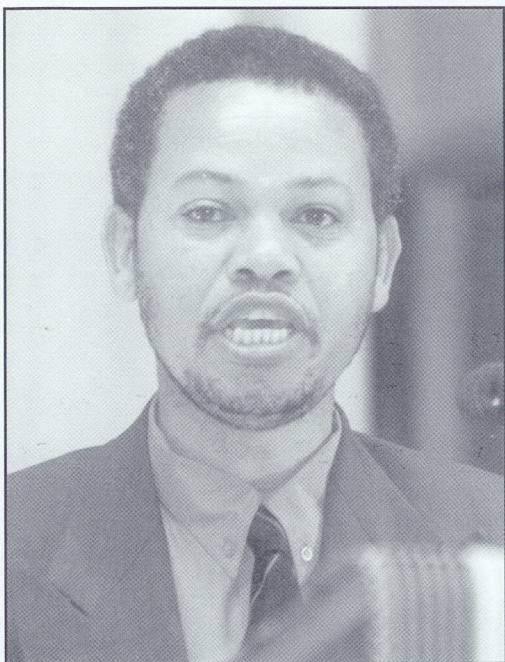
The LRA established the PSCBC to maintain sound labour relations in the public service. The Council provides a platform for the parties - the State as employer and the unions, representing approximately 1 million employees - to engage constructively over matters of mutual concern. Given the commitment and co-operation of the parties, the PSCBC forms a strategic vehicle to facilitate the restructuring and transformation of the public service.

This report gives an overview of the achievements of the PSCBC, from 1 April 2001 to 31 March 2002.

Objectives of Council

- (a) To generally enhance labour peace in the public service;
- (b) To promote a sound relationship between the State as employer and its employees;
- (c) In terms of the Act and the constitution, to negotiate and bargain collectively to reach agreement on matters of mutual interest to the employer and employees represented by admitted trade unions in the Council;
- (d) To provide mechanisms for the resolution of disputes between the employer and unions admitted to the Council, and perform dispute resolution functions between the employer and employees within the registered scope of the council, where the employer has the requisite authority to resolve such disputes;
- (e) To conclude, supervise and enforce collective agreements;
- (f) To comply with its duties and functions in terms of the Act and the Constitution; and
- (g) To consider and deal with such other matters as may affect the interest of the parties to the Council.

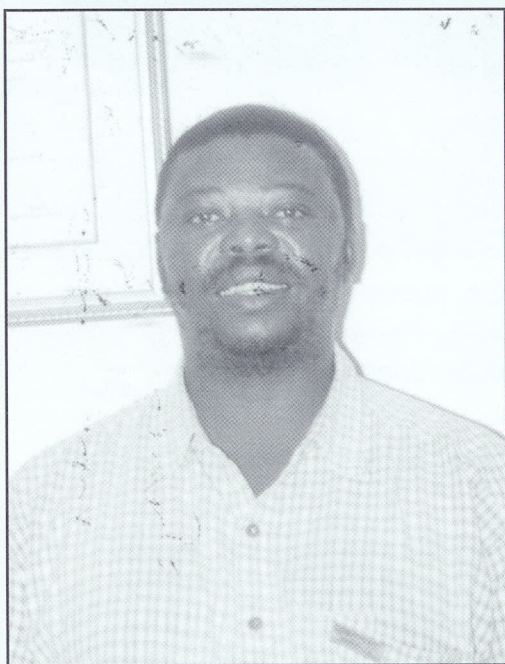
Committee Members



Chairperson • Edwin Molahlehi



**Vice Chairperson • Nkrumah Mazibuko
(Employer)**



**Vice Chairperson • Pule Rameetse
(Labour)**



Secretary • Shamira Huluman

Executive Committee Members

Employer Reps

- Paddy Padayachee-Education Sector
- Rajen Venkiah-Health and Welfare Sector
- Johan Griesel-Safety and Security Sector
- Manoko Nchwe-General Public Service Sector
- Khumbula Ndaba-General Public Service Sector

Labour Reps

- Henry Hendricks-Education Sector
- L Sotaka-Health and Welfare Sector
- Les Masenya-Safety and Security Sector
- Manie de Clercq-General Public Service Sector



Left to Right: Pule Rameetse, Manoko Nchwe, Henry Hendricks, Nkrumah Mazibuko, Rajen Venkiah, Les Masenya, Paddy Padayachee, Manie de Clercq, Shamira Huluman, Khumbula Ndaba, L Sotaka.

Council Members

Employer

- Manoko Nchwe
- Khumbula Ndaba
- Idyll Coetzee
- Johan van der Howen
- Kenny Govender
- B N Nkontwana
- Paddy Padayachee

Chief Negotiator
DPSA
DPSA
DPSA
DPSA
DPSA
Education

- Mncedisi Magwentshu DPSA
- Melissa Ntshikila DPSA
- Beryl Shirto DPSA
- Herman Brynard DPSA
- Nkrumah Mazibuko SAPS
- Johan Griesel SAPS
- Theresa Luyt SAPS
- Div Odendaal SAPS
- TK Mthombeni Correctional Services

• M Shaba	Education	• Mzimkulu Machemba	Eastern Cape
• Rajen Venkiah	Health and Welfare	• Weizmann Hamilton	Gauteng
• S Cleophas	Western Cape	• S Mokhothu	Defence
• A Clarke	Western Cape	• G du Plessis	Defence
• M Ndlovu	Kwa-Zulu Natal	• Rehana Ismail	Defence
• B Phophi	Limpopo	• M Laycock	Defence
• R Thurston	Free State	• J la Rouchelle	Defence
• Frieda Rieger	Mpumalanga	• Jannie Roos	Western Cape
• J Mavuso	Mpumalanga	• B Malwane	North West
• SE Kholwane	Mpumalanga		

Labour

• Mabakane Mangena	SADTU	• Khumbu Magudulela	NEHAWU
• Fikile Hugo	SADTU	• Henry Hendricks	NAPTOSA
• Douglas Maja	SADTU	• Enoch Rabotapi	NAPTOSA
• F Ndzimande	SADTU	• Darius Cornelissen	NAPTOSA
• Silva Pillay	SAPU	• M Mohesi	NAPTOSA
• Richard Monareng	SAPU	• J Mahlangu	NAPTOSA
• Thabiso Phetuka	SAPU	• Manie de Clercq	PSA
• Gloria Yeki	SAPU	• Arnold Mokgabodi	PSA
• Nathi Theledi	POPCRU	• Leon Gilbert	PSA
• Mankoto Lesufi	POPCRU	• Gavin Moultrie	HOSPERSA
• Michael Mabesele	POPCRU	• Pradesh Pillay	HOSPERSA
• Phillip Phayane	POPCRU	• Manfred Rothballer	HOSPERSA
• Vusi Dhangalala	POPCRU	• Daniel van Wyk	PAWUSA
• Success Mataitsane	NUPSAW	• Neville Petersen	PAWUSA
• M Mbube	NUPSAW	• Piet Delport	SAOU
• Ezra Mfingwana	NUPSAW	• J Pieterse	SAOU
• Monwabisi Jaxa	NEHAWU	• Pauline Legodi	DENOSA
• Pule Rameetse	NEHAWU	• Thembi Gumbi	DENOSA
• Thembekile Siko	NEHAWU	• Jabu Magagula	DENOSA
• Pam Harris	NEHAWU	• Thembi Mngomezulu	DENOSA
		• Ronnie Johnson	NPSWU



Council in session



Chairperson's Message

The PSCBC has entered its 6th year of operation on 13 October 2001. This annual report provides an overview of both the operational and financial activities of Council for the period 1 April 2001 to 31 March 2002. It was a great honor and privilege to have been elected for the third term of office at last year's Annual General Meeting in June 2001.

In the past year, the PSCBC has gone through many challenges, and without a doubt, we can pronounce it to be the toughest year we have experienced since establishment. Numerous meetings were spent in tough negotiations over improvements of conditions of service, and the restructuring and transformation of the public service. While former resulted in the landmark multi-term wage agreement concluded in October 2001 (Resolution 9 of 2001), negotiations in respect of the latter occupied 25 meetings during the period 16 October 2001 to 6 March 2002, at the conclusion of which a final resolution was tabled for signing. Of the 12 public service trade unions, only 5 unions, namely Nehawu, Denosa, Popcru, Sapu and Pawusa have signed the resolution, which does not yet enjoy the majority of support. (At the time of printing this report, the restructuring agreement was signed by majority of the parties).

Other significant resolutions signed over this period include Resolution 7 of 2001, which is the formal adoption of the Job Summit Framework Agreement as a resolution of Council. Council also entered into Resolution 8 of 2001, adopting both the policy and the training framework on HIV/AIDS. A summary of the major resolutions entered into during this period is covered later in this report. The parties are currently engaging in intense consultations and negotiations over critical issues, which, inter alia, include a new pay progression model for the public service, variations to the Basic Conditions of Employment Act and restructuring of benefits like medical aid, housing allowance and pension benefits. This busy year required the commitment, support, time and adequate resources of all the parties to council. It must be acknowledged that there is a marked improvement in the bargaining relationship between the parties to Council. However, I continue to encourage parties to engage with each other in a constructive and collaborative manner.

Dispute resolution management has proved to be a great challenge over the past year. Caseloads at PSCBC and its sectoral bargaining councils have increased by 34% as compared to the previous financial year. These councils have received a total of 3705 dispute referrals for the period under review.

This has proved to be challenging to sectoral bargaining councils to manage these caseloads with limited human resources. PSCBC has offered the necessary support, both the appointment of temporary staff in GPSSBC, and in the deployment of the PSCBC Dispute Resolution Manager to manage systems in that sector. The costs of dispute resolution have exceeded the projections of Council, where expenditure for all public service bargaining councils amounted to R8.4 million during the last financial year. This has forced the PSCBC to investigate the causes of the high costs. Weaknesses in the administrative systems, policies and procedures were identified and are currently under revision to improve the identified inefficiencies.

The Constitutional Amendments process, which includes amendments to the dispute resolution procedures and rules for conciliation and arbitration hearings, would definitely assist in the improvement of services provided, while simultaneously contributing to reducing costs. Council also needs to seriously consider implementing dispute prevention strategies in the public service to reduce caseloads and encourage a culture of internal conflict resolution at the closest point of origin. It is hoped that the soon-to-be-adopted grievance rules for the public service will kick start this process. Council is also encouraged to embark on joint labour relations training ventures to improve capacity and develop skills at all levels in the public service.

Having been in the levy agreement for five years, it has become necessary for council to consider the possible revision of the agreement. Over the last year, Council barely managed to fulfill its functions within the budget and was forced to utilize savings from previous years. In consultation with sectoral councils, Council is currently investigating the possibility of increasing the levy. Therefore, it is important for Council to embark on strategic budgeting and financial planning with the sectors.

A critical challenge facing Council is the monitoring of implementation of Council resolutions. Since the PSCBC is the most collective bargaining intensive council in the country, where resources and energies are spent on negotiation process, I believe that after 5 years of existence, a critical analysis of Council's performance regarding this function must be conducted. In this regard, the call for a performance audit by the parties is most welcome and fully supported. I also recommend that Council engage in a strategic planning session to map out a vision and mission, identifying key priorities for the next five years.

I have already alluded to the many challenges facing Council in the next year, and I am confident that with proper prioritisation, the parties, will address these challenges and find successful solutions for the identified problems.

The continued commitment and efforts of the Executive Committee and the Secretariat is commendable. I thank you for your sterling work and selfless dedication.

My gratitude is also extended to the two Vice-chairpersons, Pule Rameetse (Labour) and Nkrumah Mazibuko (employer) for their leadership, in my absence. I also thank all members of Council and other stakeholders who continue to support the efforts and work of the PSCBC.

Edwin Molahlehi

Secretary's Message

From its inception, the PSCBC Annual Report has been reflecting the operational activities of the Council, starting 1 May ending 30 June, with a financial report for the period 1 April to 31 March. This is the first report that breaks away from tradition, with both operational and financial reports now relating to the financial year ending 31 March 2002.

The PSCBC has spent the last three years laying the foundation for fulfilling its functions as a bargaining council in terms of the Labour Relations Act. It has been, and continues to remain a highly collective bargaining intensive council, with much of its resources and capacity spent on negotiations and consultative processes between its parties, namely the State as employer and the 12 public service unions.

Collective bargaining and consultative processes.

The following table indicates the number of meetings held from 1 April 2001 to 31 March 2002

Full Council meetings	9 x 2 days = 18 days
Special meetings	5
Task teams/ committee meetings	112
Restructuring and transformation negotiations	25
Workshops	4

Based on these meetings Council entered into 13 collective agreements during this period.

Some of the major resolutions signed are:

- Resolution 5 of 2001: Amendments to Resolution 7 of 2000 (improvements in the conditions of Service of Public Service Employees)
- Resolution 7 of 2001: Adoption of the Public Service Job Summit Framework agreement signed in Pietersburg on 31 January 2001
- Resolution 8 of 2001: Policy on HIV/AIDS and Training Framework on HIV/AIDS
- Resolution 9 of 2001: Agreement on Improvement in Conditions of Service of Public Service Employees for the period 2001/2002, 2002/2003 and 2003/2004 and other matters of mutual interest.
- Other resolutions include amendments to timeframes stipulated in resolutions regarding the completion of negotiations over restructuring and completion of task team work on restructuring of benefits.

A summary of these resolutions can be found on page 16.

Council has also established various task teams to support the bargaining process. These include the task teams on BCEA variations, the development of a pay progression model, and problems with the leave provisions in Resolution 7/2000. Resolution 7/2000 established numerous task teams to investigate and research the restructuring of benefits in the public service e.g. medical aid, pensions and housing and accommodation benefits. Council appointed independent facilitators to manage the work of these task teams. It was initially envisaged that these task teams will complete their investigations within a short period. However, the investigations undertaken included consultation and research into benefits of private sector organisations and other key stakeholders. It must also be noted that the parties also dedicated most of their time on both salary and restructuring negotiations, which hampered the work of some of the task teams due to limited resources of parties to attend various concurrent meetings. Parties are however urged to expedite the work of these task teams. The reports of task teams and committees can be located on pages 52-72

Sectoral bargaining councils

During May 2001, a critical workshop was held between the executive committees of PSCBC and sectoral bargaining councils to clarify the relationship between PSCBC and sectors in relation to dispute resolution functions, human resource management, finances and general provisioning. The agreed principles arising from the workshop have been processed into the constitutional amendments with the intention of structuring the role of PSCBC to co-ordinate sectoral bargaining councils (the workshop report can be located on page 83)

Sectoral councils have reported on the implementation of PSCBC framework agreements and on other activities of their respective councils on pages 39-51.

The Secretariats of the various councils continue to collaborate to ensure effective delivery of services to parties and public servants. The PSCBC organised a two-day joint strategic planning session in December 2001 at Ntundla Lodge in Pretoria. The secretariats of PSCBC and the sectoral councils developed a strategic business plan for 2001, prioritising the objectives of the secretariat in terms of the constitutions of the various bargaining councils. This included a follow-up on the team building exercise conducted in June 2001, which assisted in fostering a co-operative and supportive relationship between the various secretariats. The Secretaries and dispute resolution managers of the various councils meet on a regular basis to share experiences and propose improvements in administrative systems. PSCBC has also facilitated the training of sector staff on various courses and approved bursaries and study loans. A detailed report is attached on page 95.

The PSCBC continued in the last year to support the sectors both financially and administratively. Sectors are continuing to experience a strain in terms of human resource capacity, especially in dispute resolution departments. The PSCBC Dispute Resolution Manager was deployed to the GPSSBC to address huge backlog of cases in their dispute resolution department. PSCBC also appointed temporary staff to assist in this sector. Global Edge Consulting (KPMG) conducted an organisational analysis and a job evaluation exercise and made recommendations to improve on the existing post structures. These recommendations were considered by the Joint Executive Committees, and were referred to a sub-committee to advise Council on the way forward. It is hoped that this will assist Councils in determining their optimum staffing levels to ensure effective and efficient service delivery to their clients.

Dispute Resolution

The PSCBC and sectoral councils received a total number of 3705 dispute referrals for the period under review. The caseload has increased by 940 cases as compared to the previous financial year. PSCBC spent a staggering R8.4 million on dispute resolution services, which exceeded the expectations and budget for this financial year. As a result of this huge cost, PSCBC agreed to hold a joint workshop with sectors to investigate mechanisms to streamline systems, and improve policies and procedures to reduce costs. The conciliation settlement rates vary amongst the councils, 59% at PSCBC, 31% at GPSSBC, 31% at PHWSBC, 24% at SSSBC (con-arb process) and 97% at ELRC. A total of 758 arbitration awards were rendered during the period under review. Of these, 119 were taken on review to the Labour court.

There is an urgent need for Council to shift its focus to dispute prevention mechanisms and capacity building initiatives. Joint employer-labour training ventures capacitating labour relations practitioners and shop stewards on resolution of grievances internally will contribute in lowering the number of disputes referred to the public service bargaining councils. The new grievance rules for the public service, which still requires adoption by Council, will also assist in this process.

Finances

The finances of the Council are managed by the Financial Department, with the assistance of the Financial Committee (FINCOM). This department has been successful in adventing the Financial Policy and Procedure Manual, which regulates the financial management system of the Council. Council has however in the last year experienced a huge strain on the budget, due to the escalating dispute resolution costs. The current budget clearly indicates that Council's income is insufficient to carry out its functions optimally. During the last few months of this financial year Council was forced to transfer funds from savings (which was earmarked for the purchase of a building) to pay for operational costs, including dispute resolution. Given this financial experience, it is apparent that the contribution of R1-00 per public service employee to the PSCBC be increased to sustain the PSCBC and the sectoral bargaining councils for the next five years. Fincom has made recommendations to increase the levy, which is still under consideration by Council. It is also important for Council to engage in strategic planning and strategic budgeting to plan financially for identified projects for the medium and long term. Although Council has received an opinion that it does not fall with the ambit of the Public Finance Management Act, Council has taken a decision to comply with the PFMA. In this regard it is important for Council to move away from operational budgeting year on year and engage in medium term strategic budgeting.

I take this opportunity to thank Fincom members and the finance department of PSCBC for their excellent job for the financial period 2001/2.

Communication

The PSCBC interactive website went live in January 2002. PSCBC is also assisting sectors to load their respective data onto the website. The website is linked to the websites of the Department of Public Service and Administration and the relevant trade unions admitted to Council. The PSCBC and Sectors have recently produced pamphlets and flyers on the services offered. It is intended to produce such pamphlets to cover the new constitutional amendments and the dispute resolution procedures to be distributed to every public servant in the country.

Conclusion

The PSCBC and its designated sectoral bargaining councils have come a long way since establishment. The infrastructure and foundations have been laid to run effective bargaining councils, meeting the objectives of the LRA. We have stumbled on the way, but have confronted problems and challenges head-on. With this spirit we are sure to succeed in the future.

I thank Council members for their commitment, leadership and dedication in making PSCBC the strongest and most effective bargaining council in the country.

My appreciation goes to the Executive Committee for their collective wisdom and direction in the day to day management of Council. My sincere gratitude is also extended to the Chairperson, Edwin Molahlehi who has been my principal mentor over the last few years. Thank you for the support and guidance. Similar sentiments are also extended to the Vice-Chairpersons, Nkrumah Mazibuko (employer) and Pule Rameetse (labour) for their selfless contributions to Council.

I thank our staff for their commitment and passion for the cause of maintaining labour peace in the public service.

Finally I am confident that a common vision for all the public service bargaining councils will pave the way for even greater achievements. Remember that our success lies in the unity and solidarity of all public service bargaining councils.

Shamira Huluman

PSCBC Organisation

Establishment of Council

During 1997 the founding parties of the central chamber (established in terms of the Public Service Labour Relations Act, 1994), the National Negotiating Forum (established in terms of the South African Police Regulations, 1995) and the Education Labour Relations Council (established in terms of the Education Labour Relations Act, 1993) negotiated a constitution for the PSCBC. The Commission for Mediation, Conciliation and Arbitration (CCMA) played a critical role in the establishment of the Council as required by Schedule 1 of the LRA (1995), and facilitated the process of negotiating the constitution for the PSCBC.

The PSCBC Constitution was registered on 13 October 1997.

Parties to Council

The PSCBC consists of equal representation of the employer and employee organisations. The employer represents 50 per cent of votes in Council and labour holds the other 50 per cent. An agreement must have support from the employer plus at least 51 per cent of the labour vote.

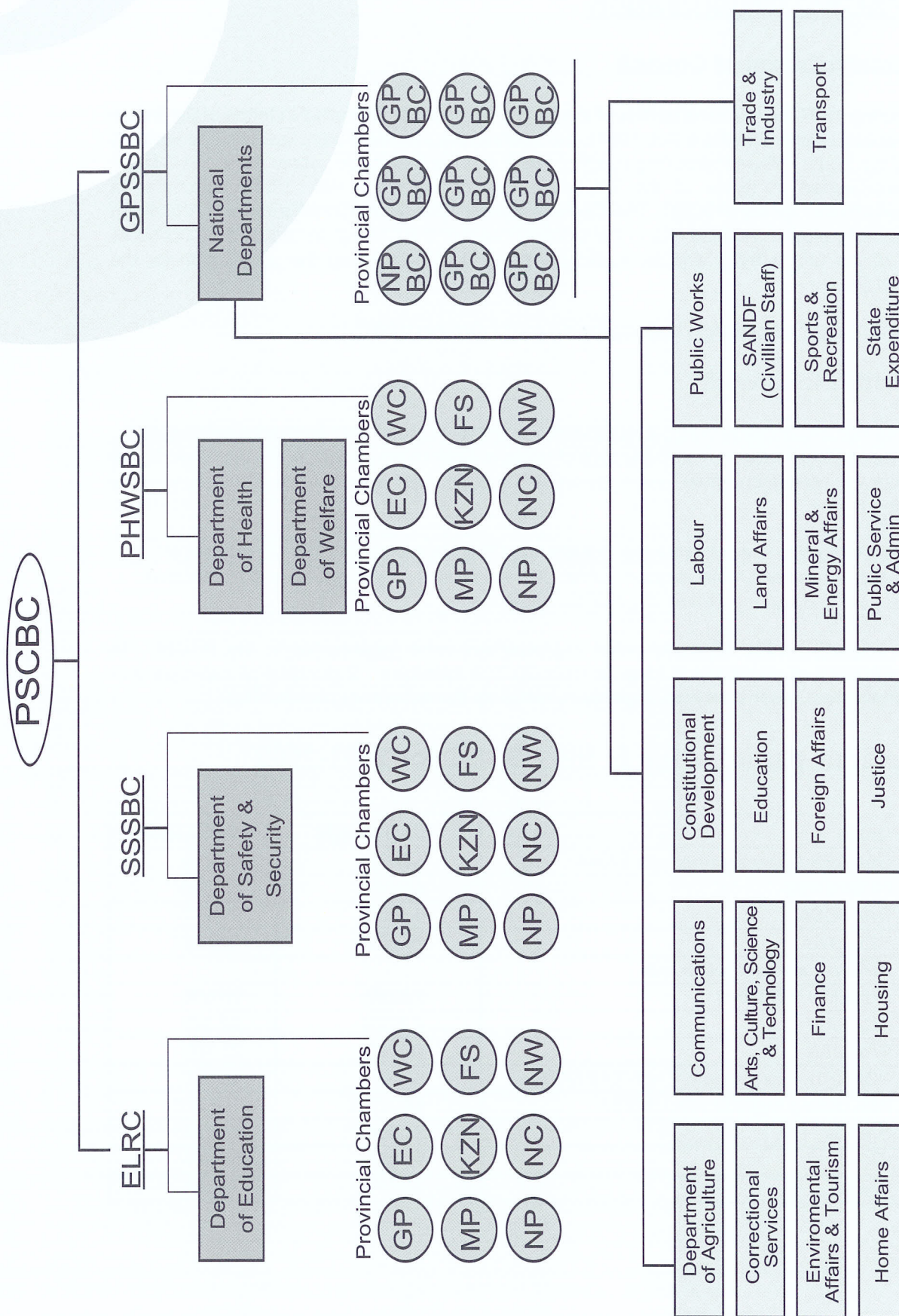
The employer's negotiations team includes the Chief Negotiator from the Department of Public Service and Administration (DPSA), the employer's chief negotiators in the sectoral councils and representatives of provincial departments.

During 2001-2002 12 trade union organisations were represented in the PSCBC. To participate, a union has to have at least 20 000 members - 2 per cent of public-service employees. Unions may act together to make up the necessary membership.

Labour participation in the PSCBC for 2001-2002

Union	Vote Weight	Membership
DENOSA acting together with SAMA	6.393%	65 039
HOSPERSA	4.938%	50 240
NAPTOSA	8.992%	91 471
NEHAWU	15.760%	160 327
NPSWU acting together with		
PUSEMO & SADNU	2.635%	26 806
NUPSAW	2.193%	22 309
PAWUSA	2.102%	21 380
POPCRU acting together with SASAWU	8.456%	86 022
PSA acting together with UNIPSA	19.270%	196 038
SADTU	21.090%	214 547
SAPU	5.797%	58 970
SAOU	2.374%	24 155

Collective Bargaining Structures in the Public Service



PSCBC Achievements

Resolutions of Council

The Council has engaged in constructive bargaining, having signed eleven (11) Resolutions in 2001 and (2) resolutions in 2002, during the period 1 April 2001 and 31 March 2002.

2001

- | | | |
|---------------|---|------------|
| Resolution 2 | Amendment to the Constitution: Domicilium Clause | 20/04/2001 |
| Resolution 3 | Dispute Resolution Procedures of Council | 4/06/2001 |
| Resolution 4 | The appointment of panel of conciliators and arbitrators (2001/2002) | 28/06/2001 |
| Resolution 5 | Amendments to Resolution 7 of 2000 (Improvement in the Conditions of Service of Public Service Employees for 2000/2001 Financial Year. | 27/07/2001 |
| Resolution 6 | Amendment to Resolution 7 of 2000 and Resolution 1 of 2001 (Time frames of Task Teams) | 27/07/2001 |
| Resolution 7 | Adoption of the Public Service Job Summit Framework agreement signed in Pietersburg on 31 January 2001 | 27/07/2001 |
| Resolution 8 | Policy on HIV/AIDS and HIV/AIDS Training Framework in terms of Resolution 7/2000 | 27/07/2001 |
| Resolution 9 | Agreement on Improvement in Conditions of Service of Public Service Employees for the period 2001/2002, 2002/2003 09/10/2001 and 2003/2004 and other matters of mutual interest | |
| Resolution 10 | Amendment to Resolution 9 of 2001 | 14/10/2001 |
| Resolution 11 | Amendment to PSCBC Constitution: Inclusion of Dispute Resolution Procedures of Council into Constitution | 23/11/2001 |
| Resolution 12 | Amendment to timeframes as stipulated in Resolutions 9 and 10 of 2001 | 12/12/2001 |

2002

- | | | |
|--------------|--|------------|
| Resolution 1 | Amendment to timeframes as stipulated in Resolution 12 of 2001 | 31/01/2002 |
| Resolution 2 | Amendment to Resolution 1 of 2001 regarding timeframes of Task Teams in Resolution 7 of 2000 | 28/02/2002 |

Summary of Major Resolutions: 1 April 2001 - 31 March 2002

Resolution 3 of 2001: Dispute Resolution Procedures of Council Signed on 4 June 2001

This resolution provided for disputes that arose between 26 May 1998 and 1 June 2000 (when PSCBC implemented its dispute resolution procedures), to be dealt with in terms of the dispute resolution procedures of Council.

This was as a result of the omission in Resolution 5 of 2000 (implementation of the dispute resolution procedures) to provide for transitional dispute resolution procedures for disputes that arose before 1 June 2000.

Resolution 5 of 2001: Amendments to Resolution 7 of 2000 (Improvement in the conditions of service of public service employees for 2000/2001 financial year) Signed on 27 July 2001

The purpose of this resolution was to consolidate Resolution 7 of 2000 and the conciliation agreement between the employer and Nehawu, Popcru and Nupsaw.

A few minor additions were made to Resolution 7 of 2000 and the resolution specifically tasked Sectoral Councils to urgently convene sectoral job summits flowing from the Presidential Jobs Summit. The purpose of the summits, as indicated in the resolution, would be to deliberate and agree on all matters related to the role, the size and future of the public service. This process has already commenced in the Education Sector (ELRC).

Resolution 7 of 2001: Adoption of the Public Service Job Summit Framework Agreement signed in Pietersburg on 31 January 2001. Signed on 27 July 2001.

Council adopted the Public Service Job Summit Framework Agreement signed in Pietersburg on 31 January 2001 as a resolution of council.

The Job Summit Framework agreement is attached for easy reference.

Resolution 8 of 2001: Policy on HIV/ AIDS and HIV/AIDS Training Framework in terms of Resolution 7/2000. Signed on 27 July 2001

Resolution 7 of 2000 provided for the development of a policy on HIV/AIDS for the Public Service. A task team, facilitated by Teboho Kekana of Wits Law Clinic, successfully developed a policy on HIV/ Aids for the Public Service and a HIV/AIDS Training Framework. In this resolution, parties agreed to adopt the two policy documents. These are attached for easy reference.

Resolution 9 of 2001: Agreement on Improvement in conditions of service of public service employees for the period 2001/2002, 2002/2003 and 2003/2004 and other matters of mutual interest. Signed on 9 October 2001.

Multi-term wage increases

This agreement provides for the annual wage increase for public servants for 2001/2002, 2002/2003 and 2003/2004 financial years.

The annual wage increases are summarised as follows:

1. Financial Year 2001/2002 effective 1 July 2001.

Salary Level	% increase
1	8%
2 & 3	7%
4 - 12	6.5%

2. Financial Year 2002/2003, implemented on 1 July 2002

CPI-X plus 0.5%
(CPI-X calculated year on year May 2001 to May 2002)

3. Financial Year 2003/2004, Implemented on 1 July 2003

CPI-X plus 1%
(CPI-X calculated year on year May 2002 to May 2003)

The agreement provided that negotiations would be re-opened if the threshold on CPI-X is lower than 4% or higher than 7.5% for the respective periods.

Pay Progression

- The agreement provided that the employer shall pay the R850-00 as an once off and final payment in terms of Resolution 7 of 2000. Resolution 10 of 2001 amended this clause, providing for the reopening of negotiations on this matter.
- The work on the new pay progression model was referred to the task team established by Council.
- The sectors shall align the PSCBC framework to their sectoral skills and competency requirements.
- The new sectoral dispensation shall be implemented on 1 April 2002
- The employer shall allocate 1% of the wage bill for increments effected in terms of the pay progression system.
- Payments in terms of the pay progression system shall be effected for the first time on 1 July 2002 and thereafter on 1 July each year.
- Pay progression benefits will be over and above the annual salary increases for those employees who qualify.

Acting Allowances

The agreement provided for the principle that an employee appointed in writing by the Executing Authority or his/ her delegated nominee be paid an acting allowance for acting in a post, provided that the post is vacant and funded and the period of appointment is longer than 6 weeks.

The agreement further provided that the policy on acting allowance and the compensation to be paid would be determined at sectoral level within one month of the signing of this agreement.

Scarce Skills

The agreement provided that PSCBC shall establish a task team to determine a framework to retain scarce skills by February 2002, and that sectors shall determine occupational classes that constitute scarce skills.

Medical Assistance for those excluded from the medical aid scheme

The medical aid task team was tasked to prioritise an agreement for submission to Council for negotiations on the provision of a compulsory basic health care package, which, among others, include the treatment of opportunist infections, in relation to HIV/AIDS to address the needs of employees who do not benefit from any medical assistance.

Restructuring and Transformation of the Public Service

The agreement provided for the creation of 20 000 posts in key service delivery sectors, namely: Education, General Public Service (Correctional Service and Justice), Health and Welfare and Safety and Security, amongst others.

Parties also agreed to convene a special PSCBC meeting, which shall remain in session for an uninterrupted period between 16 October 2001 and 12 December 2001 in order to conclude a collective agreement on restructuring. These timeframes were subsequently amended in Resolutions 12/2001 and 1/2002, where the period of uninterrupted negotiation was amended to 5 to 12 February 2002, in the latter resolution. It was further agreed that if an agreement on restructuring and transformation was not reached by this deadline, parties would resort to conciliation, arbitration, strike, or lock-out or any other option as provided in law.

The agreement also specified that the negotiations shall be based on the principles contained in Resolution 7/2001 (Job Summit agreement), specifically in relation to the section "procedures and processes to govern the transformation and restructuring process at departmental, sectoral and central PSCBC level".

The agreement also stipulated that departments and sectors shall continue with all the processes contained in Resolution 7/2001, except for those issues that require an agreement.

Resolution 11 of 2001: Amendment to PSCBC Constitution: Inclusion of the Dispute Resolution Procedures of Council into the Constitution Signed 23 November 2001

The purpose of this resolution was to include the Dispute Resolution Procedures of Council (Resolution 3/1998) in the Constitution as required in Section 30 of the LRA (1995).



Council in session

Resolution 7 of 2001: Adoption of Job Summit Framework Agreement

The parties to the Public Service Job Summit held at the University of the North, from 29 to 31 January 2001, hereby declare and commit themselves to the implementation of the principles and objectives as set out in the attached framework agreement.

Preamble

The parties to the Public Service Job Summit meet at a time in the history of our country when the challenge of managing a transformation process in the public service is upon each of us. It is a time when the parties face the twin challenge of transforming the public service to improve the reach, depth, efficiency and quality of social service delivery, whilst at the same time improving the conditions of service, quality and sustainability of jobs for employees of the public service.

The parties acknowledge that they share a common commitment to a broader interest of serving the South African nation. Accordingly, the parties record their commitment to respect in words and deeds, one another, and to live by the spirit and letter of this agreement which shall govern the objectives, principles and procedures for the management of the transformation process.

The parties share the view that the primary objective of economic policy is to promote growth and development in order to create jobs, sustainable employment, and alleviate poverty and reduce inequality. These basic objectives are set out in the RDP. Whilst the parties acknowledge that GEAR is a matter of deep contention, in preparing for the Public Service Jobs Summit the focus has been on how to go forward to reach consensus on the transformation process, rather than seeking to persuade each other to endorse GEAR.

In so doing the parties are at one in understanding that the realisation of the strategic objectives of economic policy requires that the leadership is able to carry out a wide range of structural reforms in both the economic and social dimensions of our economy, which includes the Public Service. These reforms need to be guided by the following four pillars of a job creation programme in the Public Service as adopted by the Presidential Jobs Summit:

1. Job creation in the sectors of the public service
2. Labour market and HRD for job creation
3. Special employment programmes
4. Job creation in the integrated provincial projects

A. Framework Agreement for the Transformation and Restructuring of the Public Service

Objectives of the Transformation of the Public Service

The parties to the PSCBC agree on the following objectives to guide the transformation and restructuring of the public service:

1. Forge a development orientation, ensuring that public services are delivered in support of development goals, including alleviating poverty, creating employment, and sustainable livelihoods by such measures as the provision of a social wage through expanding infrastructure, housing, social services and social security, especially in working class communities. Ensure that the restructuring and developmental process bring about greater equality in wealth, skills, economic power, quality jobs and sustainable growth.

2. Effective delivery of public service, ensuring that the necessary services are delivered to communities. Efficient public administration and maximum utilisation of resources. Accelerate the delivery of services in accordance with the principles of public administration espoused in the Constitution and the Batho Pele policy.
3. Advancing the establishment of participatory systems throughout the state and making public service more accountable to elected government and the public. Transparency, of the decision-making process, administrative practice and reasonable disclosure of assets of public officials, including the right of recourse of citizens to protection against unfair administrative practices.
4. Create a patriotic public service culture committed to ethical public administration, adherence to the rule of law and code of conduct and promoting effective mechanisms to reserve and prevent corruption and maladministration.
5. Advance representativity of race and gender in the make-up of the public service and the way in which decisions reflect the views and aspirations of women and PDI's as well as representative of all stakeholders.
6. A Public Service that is integrated, accessible and appropriate high quality administrative systems and delivered through effective utilisation of information technology.
7. Accountable, for the process, output and outcome of public administration, as well as the provision of information necessary for citizens to evaluate the efficiency and effectiveness of public services.
8. Building a united, national country through a multi-faceted program that eradicates racialism, tribalism and xenophobia and mobilises communities around common goals of social and economic transformation to eradicate poverty and inequality.
9. Intensify the reconstruction and development programmes to promote urban renewal and integrated rural development, effective service delivery and access to social welfare, health, education and all other government services, conditions for the promotion of job creation and growth.

Principles Underpinning the Transformation and Restructuring Process

The parties agree that the transformation and restructuring of the Public Service must seek to:

- a) Protect and create quality employment within the public service.
- b) Support the key objectives of transformation of the state.
- c) Improve delivery of services to the community, enhancing productivity and performance of the public service to meet the national objectives.
- d) Be conducted in a joint, open and consultative way amongst all stakeholders.
- e) Support all parties rights to have information to assess the impact of transformation.
- f) Ensure that the redeployment of personnel will take place in terms of the frame work to be negotiated in the PSCBC.
- g) Ensure that the public service remains the provider of services that constitute the social wage, in order to meet the needs of the poor and provide a foundation for development.
- h) Promote good governance values amongst public servants and in this way build the morale of public service workers.
- i) Actively search for ways to enhance existing services and assets to increase the capacity of the state to provide these services.
- j) Lead in advancing representivity and equity in the public service in terms of race and gender.
- k) Improve the skills base of the public service and in this regard ensure that the public service remains a primary source for such training.
- l) Support less hierarchical, more skilled management and supervision in the public service.
- m) Enhance greater equity in distribution of incomes and wealth.

Framework for Improving Participation in the Budgetary Processes

To generate an informed understanding of budgetary possibilities and constraints; the employer undertakes to promote:

- a. The use of existing structures and processes, to engage on the budget, including Nedlac.
- b. Full and open discussion of proposals that will affect employees through a process to be agreed in the PSCBC.
- c. Reporting on actual expenditure through the agreed process in the PSCBC.
- d. A budgeting process that is more sensitive to employment, linked to a development strategy, and taking into reality the need to expand the public service in order to meet the social needs.
- e. Scheduling that PSCBC bargaining takes place at a time in the MTEF cycle where it can impact on the drafting of budget.
- f. Budgeting for restructuring costs itself.
- g. Allow departments to define the appropriate mix of personnel and other costs.

Procedures and Processes to Govern the Transformation and Restructuring Process at Department, Sectoral and Central PSCBC Level

In order to manage the transformation and restructuring process in a way that builds the trust relationship between the parties and ensures maximum co-operation and buy-in from employees and managers, the parties agree to the following procedures to govern the transformation and restructuring process at PSCBC level (see attached flowchart):

1. A collective agreement will be developed and concluded at the level of the PSCBC which shall provide a framework within which the process of transformation and restructuring takes place.
2. This framework agreement should provide for, amongst other issues:
 - a) The procedure to be followed;
 - b) The establishment of structures to facilitate the process;
 - c) The constructive participation of both the employee and employer parties;
 - d) Dispute resolution mechanisms; and
 - e) Monitoring, co-ordination and reporting.
3. Implementation of the framework agreement occurs at the level of departments. Each department must establish departmental task teams consisting of both employer and employee parties. These task teams will:
 - a) Receive strategic plans and comment thereon;
 - b) Monitor and facilitate the redeployment of employees within departments; and
 - c) Deal with disputes emanating from the transformation/restructuring process in the department.
4. Departments will be responsible for the development of strategic plans, inclusive of human resource plans. Norms and standards need to be taken into consideration in the development of strategic plans. There should be constructive engagement between parties on these plans and in the process of implementation.
5. Inter-department or sectoral committees be established consisting of both employer and employee parties at the provincial and national levels to:
 - a) Monitor and facilitate the redeployment of employees between departments; and
 - b) Deal with disputes emanating from the transformation/restructuring process.
6. The PSCBC, through its structures, shall assist in the process of implementation, including:
 - a) Monitoring and co-ordinating;
 - b) Advise and guidance;
 - c) Capacity development, if necessary; and
 - d) Dispute resolution.

B. Framework Agreement on Labour Relations Policy

1. Aims

- The transformation and development of the Public Service;
- An effective labour relations framework and collective bargaining system for the Public Service; and
- Improving service delivery by improving performance and productivity.

In order to achieve these aims the parties agree to a framework of principles in the following areas:

- Collective bargaining framework;
- A negotiations protocol; and
- The improvement of performance and productivity in the Public Service.

2. Principles

Labour Relations Policy in the Public Service is premised on utilising the human resources so as to give effect to the common goal of quality service delivery to all spheres of the population.

Labour relations policy should, inter-alia, be aimed at managing the creation and retention of jobs in the public service and throughout the economy.

Labour relations policies should further be aimed at:

- Creating an environment that encourages and supports rising levels of productivity, good morale and a strong public service ethos.
- Establishing systems and structures for negotiations that balance the need for decentralisation where appropriate and the need for centralisation to maintain national norms and standards.
- Encouraging consultations and negotiations through the establishment of appropriate structures particularly in relation to change management, service delivery improvements, career pathing and grading, skills development and assessment, working conditions and the work environment as well as labour relations.
- Ensuring consistent and fair implementation of the disciplinary and incapacity codes.

3. Negotiations Protocol

Parties to the PSCBC agree to negotiate in good faith at all times and commit themselves to:

- Adhering to and implementing agreements reached; and
- Developing a set of guidelines for communications during the negotiations process.

The provisions of the PSCBC's Constitution in respect of the manner in which parties are to interact and the manner in which collective agreements are dealt with and implemented must be strictly followed.

The PSCBC is to establish a training program aimed at assisting parties to engage in effective and efficient bargaining.

The parties to the PSCBC shall ensure the free flow of information to enable parties to make informed inputs and decisions.

The parties reiterate their commitment to completing negotiations timeously and to adhere to the negotiation timeframes agreed to at the PSCBC.

The sectoral councils shall determine areas requiring joint research and make funding available for this purpose.

The parties agree to discuss, at PSCBC level, the desirability or otherwise of entering into multi-term agreements.

4. Collective Bargaining Framework

It is acknowledged that bargaining currently takes place at central and sectoral level. Transverse issues including salaries and conditions of service are bargained at central level, while sector specific issues are negotiated at sector level.

It is recorded that salary and general conditions of service shall continue to be bargained at central level. Conditions of service pertaining to a specific sector shall be dealt with at sectoral level.

A joint task team shall be established to determine the exact jurisdiction and scope of the current central and sectoral councils in order to clarify whether it is necessary to expand or reduce a council's scope in respect of personnel and issues falling within its jurisdiction.

It is acknowledged that minimum service agreements for designated essential services must be tabled in the relevant sectors as soon as possible.

5. Performance and Productivity

It is acknowledged that a programme is needed to develop and enhance performance and productivity in the public service. The aim should be to create a workforce that is able to deliver quality service.

It is recognised that various factors impact on performance and productivity. This includes systems of work organization, the capacity of management as well as the use of appropriate technology.

The key measures to improve productivity are included in the Batho Pele programme, the main components of which are:

- Adequate measures to evaluate whether an institution is meeting its objectives and that those objectives accord with national norms and standards;
- Well defined mechanisms to ensure feedback on performance and productivity within an institution, this includes engaging with employees; and
- An evaluation of job requirements.

Current mechanisms that are aimed at measuring performance and productivity should be re-evaluated.

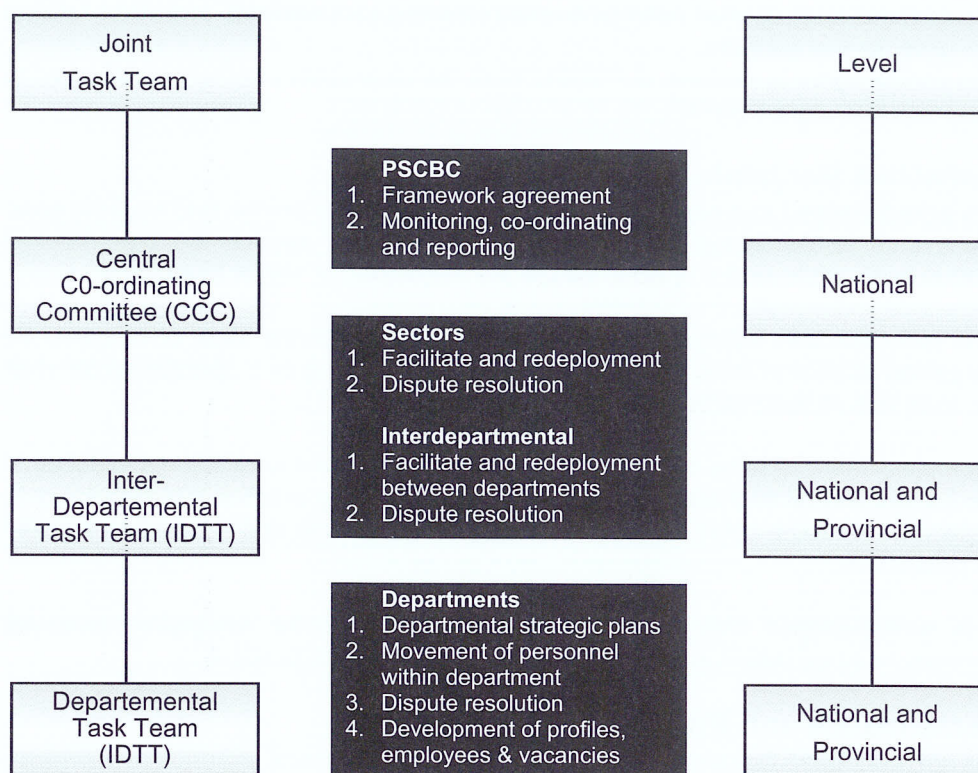
It is recognised that performance and productivity can be improved through the:

- Skilling and reskilling of personnel;
- The establishment of training centres;
- Career pathing that takes account of performance and competency; and
- Effective work organisation.

Poor performance of individual employees based on incapacity shall be dealt with in accordance with the provisions of the Public Service incapacity code or any other code that may be applicable to employees in a particular sector.

A joint task team is to be established to investigate the suggested means and processes for achieving improved performance and productivity.





C. Framework Agreement in Respect of Socio-economic Policies for the Public Service

Introduction

At the broadest level the Public Service Job Summit process should give realisation to the strategic objectives of a socio-economic policy.

Objectives

The objectives of the exercise should be guided by:

- To protect jobs;
- To improve the quality and efficiency of service delivery;
- To create jobs in the short and medium term;
- To improve the quality of employment; and
- To initiate the process of developing a socio-economic policy for the Public Service.

Principles

Should be based on the following principles:

- Access to all relevant information in all sectors within the Public Service;
- Accountability and transparency;
- Commitment to elimination of unemployment and poverty;
- An assessment of necessary skills and social needs for effective service delivery in each sector in the Public Service; and
- Commitment from government to support sectors which can support and expand employment.

Parties to the Public Service Job Summit Note:

1. Transformation

The Constitutional obligation to transform the Public Service to ensure the delivery of quality service in accordance with the mandate of a better life for all.

The process to be guided by the following values:

- a. A high standard of professional ethics;
- b. Efficient, economic and effective use of resources;
- c. A development orientation to public administration and management;
- d. Provision of services which are fair, equitable, accessible and without bias;
- e. Accountability and transparency; and
- f. Good human resource management practices to maximise human potential.

2. Job Creation, Unemployment and Poverty

Job creation is a high priority of government and labour. One of the primary objectives of government's economic policy is to promote growth and development in order to create jobs, sustain employment, alleviate poverty and reduce inequality.

Unemployment and poverty is at an unacceptable level in South Africa. The hardship, pain and suffering of those unemployed and in poverty are an indictment on our society.

Government, and the Public Service in particular, is the single largest employer in the country. Any transformation exercise that negatively impacts on job security will have a ripple effect on a number of communities, especially small rural communities.

Some communities and many families depend solely on persons employed within the Public Service or directly linked to the activities of the Public Service.

3. Labour Practices

The parties further note:

- In terms of existing research, there is an uneven distribution of human resources to effectively and efficiently meet service delivery objectives;
- The lack of appropriately skilled and competent workers and the uneven distribution of skills and competencies between communities; and
- The legislative framework with regard to skills development, affirmative action, employment equity and representivity is in place.

4. Housing and Medical Aid

Less than 40% of public servants participate in home owners allowance and medical aid assistance as a benefit.

The agreement of the PSCBC to establish task teams to investigate these employment conditions.

5. HIV/AIDS

The HIV/AIDS pandemic will have an extensive impact on the delivery of quality services by the Public Service. This will have a ripple effect on the community at large.

The agreement of the PSCBC to establish a task team to investigate and develop proposals for consideration.

Therefore resolve:

1. Transformation

The transformation process, as a constitutional obligation, seeks to create a unitary democratic state geared towards the delivery of quality service. The following principles should guide the process:

- a. Improving and extending services to all people in the most effective manner;
- b. Utilising resources, both human and material, at the optimal level;
- c. Ensuring that public servants are appropriately deployed and employed in accordance with appropriate skills and competencies;
- d. Providing appropriate training and development in keeping with the needs of the country in order to meet optimum service delivery levels;
- e. The creation of opportunities and resourcing of individuals to meet the challenge of economic empowerment;
- f. Ensuring that all avenues are explored for quality employment within the Public Service and other spheres of government;
- g. Developing and implementing a viable social plan to meet short term as well as long term needs;
- h. Best practices on staffing arrangements;
- i. Affirmative Action and representivity; and
- j. Fair and just treatment of employees affected by the process of restructuring.

2. Job Creation, Unemployment and Poverty

The Public Service plays two roles in maintaining and expanding employment:

- a. Ultimately it gives effect to government policy. By extension, public servants largely determine the role of the state in restructuring South African society and the economy.
- b. The Public Service in South Africa contributes about a quarter of all formal employment, so decisions on its size and composition influence national employment levels.

Public Service Employment should reflect the National Development Strategy.

While national policies determine the basic structure of the Public Service, choices on technology, work organisation and skills also affect the size of these sectors/departments. Extreme care and caution should be taken in making these choices in order to minimise the negative impact on individual employees, their families and the community at large.

The transformation of sectors should encompass redeployment and employment opportunities. Development requires that the basic services both meet the needs of historically underserved areas and ensure more suitable services. Serving communities equally may lead to less employment in some institutions and more in others thus the need to redeploy between regions and functions.

In implementing restructuring strategies, including redeployment and job creation, local implications must be taken into account through a local consultative process in order to assist in sustaining and maintaining the well-being of affected communities.

The transformation process must be undertaken in a manner that promotes a reduction in unemployment levels and contribute to the eradication of poverty.

3. Labour Practices

Public Service labour practices should be constructed in a manner to promote skills aimed at enhancing and extending service delivery to previously underserved areas. A clear strategy should be adopted, in line with current legislation, to develop skills, provide in-service training and meet representivity targets in order to develop the public service

in its pursuance of its constitutional obligation to create a unitary State, delivering quality services to all its citizens which reflects the composition of the South African community as a whole.

4. Housing and Medical Aid

The task teams established by the PSCBC need to continue investigating what mechanisms need to be put in place to broaden participation by public servants in all benefits with specific reference to home owners allowance and medical aid assistance. This should be done with the view to improving the living standards of employees and dependants.

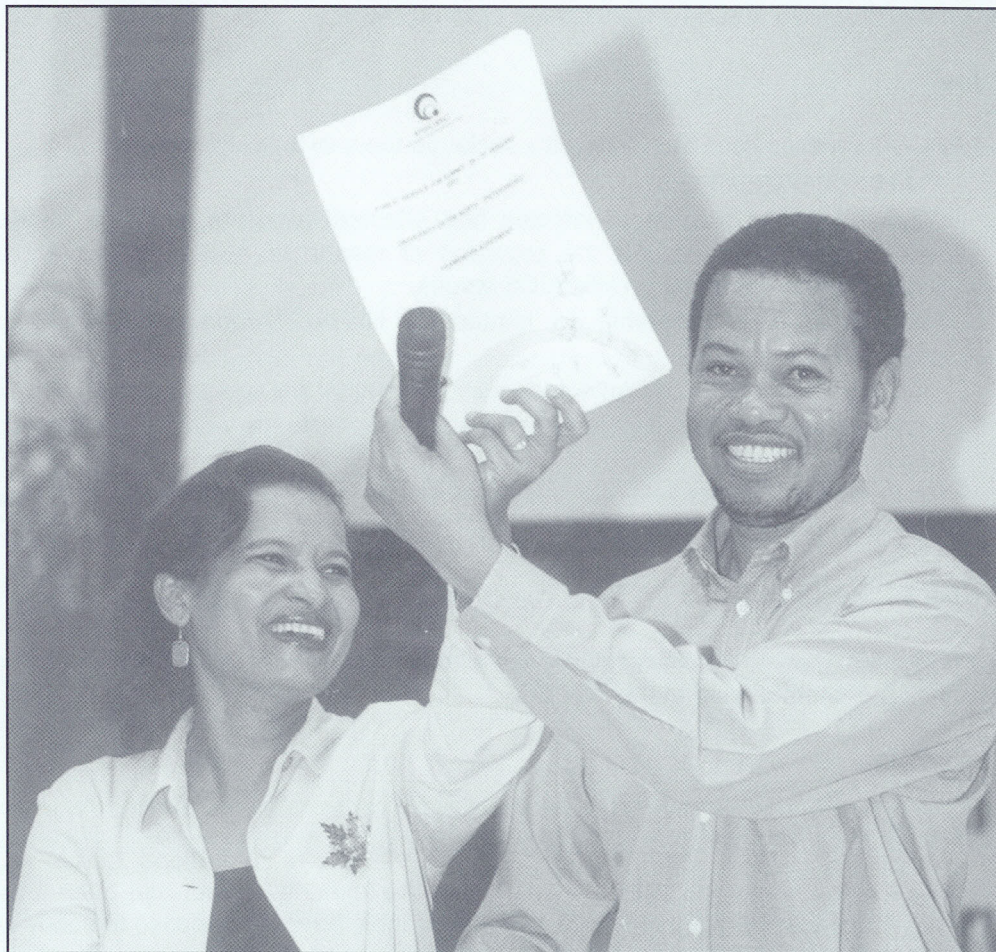
5. HIV/AIDS

The task team established by the PSCBC needs to continue developing an appropriate plan to deal with the impact of the HIV/AIDS pandemic on the public service.

6. Processes

Parties to the Job Summit further agree to the following processes:

- a. Conclude discussions on the Public Service socio-economic policy in 2001.
- b. Develop sector strategies within sectoral councils for job creation within the Public Service.
- c. To make use of all available research of the Employer and Employee parties in the implementation of the objectives of the Public Service Job Summit.



Resolution 8 of 2001 Policy on HIV/AIDS

1. Preamble

The Public Service Co-ordinating Bargaining Council (PSCBC) acknowledges the seriousness of the HIV/AIDS epidemic and that there is still no cure. HIV knows no social, gender or racial boundaries but it is accepted that socio-economic circumstances do influence disease patterns and that it thrives in environments of poverty, violence and crimes such as rape. Transmission is exacerbated by disparities in resources, patterns of labour migration and people's mobility. Women are particularly vulnerable to infection due to economic and gender imbalances and certain cultural practices. The spread of HIV/AIDS does not preclude the sexual abuse (sodomy) of men.

The PSCBC seeks to eliminate the social stigma and discrimination based on Ignorance and prejudice of members who openly declare their HIV status and practices such as pre-employment HIV testing and dismissal for being HIV-positive or AIDS ill.

It seeks to minimise economic and developmental consequences which impact negatively on service delivery, productivity and costs, employee benefits, workplace morale and health.

2. Mission

The PSCBC commits itself to support the provision of resources and leadership to implement HIV/AIDS and STD's workplace programmes.

Vision

The PSCBC commits itself to mobilise it's social partners to actively engage in:

- Prevention programmes;
- Counselling and support to infected and affected members and their families where possible to support the provision of means to speed up delivery on educating our members on HIV/AIDS issues;
- Resources and leadership to implement HIV/AIDS and STD workplace programmes;
- The creation of a non-discriminatory environment that will ensure the ability to deal with HIV/AIDS in a sensitive and humane manner within the working environment; and
- Protection of confidentiality for members whose HIV status is known and those who voluntary test and disclose.

3. Scope of Application

This policy will apply to all official signatories within the ambit of the PSCBC and as per Constitution of membership of the PSCBC.

4. Definitions

What is HIV?

HIV stands for HUMAN IMMUNODEFICIENCY VIRUS. It is a blood borne virus transmitted amongst human beings. HIV attacks the immune system and once it has rendered it incompetent, a person could develop variable illnesses because the body will be too weak to defend itself.

What is AIDS?

ACQUIRED IMMUNE DEFICIENCY SYNDROME. (AIDS) is a condition when the body's defense system is deficient and various life-threatening infections occur. These life-threatening infections are called opportunistic infections or diseases.

Stages of HIV

There are six stages in the progression of HIV. The first stage is the initial Infection with HIV.

The WINDOW PERIOD. This is the stage where a person is already infected with HIV but the antibodies that determine the presence of HIV have not formulated.

SEROCONVERSION. This is when the status of a person changes from HIV negative to becoming HIV positive. Although the person may not be ill, they can infect others.

The ASYMPTOMATIC stage is when a person has been diagnosed HIV positive but shows no signs of illness. As in the previous stage, the person can infect others.

The fifth stage is AIDS RELATED COMPLEX (ARC) sometimes called the SYMPTOMATIC stage. It is a stage when a person develops certain symptoms that are persistent but takes longer to cure.

The sixth and last stage is AIDS. It is when a person's body is full of HIV and the immune system is deficient. A person with AIDS will develop several illnesses that are difficult to control or cure, which may finally be the cause of death. Life expectancy depends on the availability of treatment.

Modes of Transmission

HIV can be transmitted from one person to another through the following means:

- Unprotected sex;
- During pregnancy or through the birth canal during birth;
- Exposure to contaminated blood; or
- Exposure to other body fluids and breastfeeding.

5. Wellness Management Programmes

The PSCBC acknowledges that it is cost effective to establish HIV health management programmes in a work environment. HIV care and treatment should be made a priority. Treatment means better access to HIV testing and counselling, providing medicines for opportunistic infections caused by HIV, encouraging openness and treating HIV/AIDS as a Human rights issue. Wellness management is a useful concept to use in relation to HIV/AIDS and STD, as it clearly highlights the need and importance of keeping a person with HIV healthy. Therefore PSCBC will encourage the establishment of HIV/AIDS wellness management programmes to provide the following:

Care

- Ongoing HIV/AIDS training and information sharing by trained professional personnel on sexuality, sexually transmitted diseases, information on treatment and their relation to HIV infection.
- Prevention awareness on an ongoing process that includes a condom distribution programme.
- Counselling at three levels; psychological, spiritual and emotional counselling for employers/employees who are infected or affected.
- Group therapy counselling.
- Provision of resources/information on anti-retroviral medicines, opportunistic infections and prophylaxis for post-occupational exposure or rape.

- Unlinked voluntary testing and counselling.
- Encouragement to test and disclose with protected confidentiality.

Support

A successful and effective HIV/AIDS programme depends on a collaborative action that involves partnership. The partnership must include non-governmental (NGOs) and community based organisations (CBOs). Support should include: bereavement counselling extended to family where possible; active role-playing in HIV/AIDS education for the infected/affected; and support for those who want to openly live with HIV (disclosure).

Employee Benefits

Principle of non-discrimination in relation to all employee benefits including:

- Disability benefits;
- Group life assurance;
- Spouse and children death and funeral benefits;
- Health benefits (chronic and health management group) medical aid
- Pension and provident funds; and
- Occupational and injury compensation.

6. Legal Framework

Relevant Labour Legislation:

Constitution

The Constitution gives all employees the right to “fair labour practices”. Furthermore, the equality clause states that everyone is entitled to equality and freedom from unfair discrimination.

Labour Relations Act (LRA) 66 of 1995

The LRA regulates the relationship between employer and employees. It prohibits unfair discrimination and protects employees against arbitrary dismissals.

Unfair discriminatory practices of the following grounds are outlawed by the LRA: If an employer acts unfairly in promoting, demoting, providing training opportunities or supplying benefits to employee, if discipline is arbitrary or if they fail to refuse to reinstate or re-employ in terms of an agreement. This Act protects employees from being dismissed simply because they are HIV positive and from being discriminated against with regard to employee benefits, staff training and other work-related opportunities.

Basic Conditions of Employment 75 of 1997

This Act sets out the minimum employment standards to which every employee is entitled. It therefore sets out, amongst others, maximum working hours and the minimum number of days of sick leave every employee is entitled to.

Compensation of Occupational, Injuries and Disease Act 130 of 1993

This Act provides compensation for employees who are injured in the “course and scope” of their employment. Should an employee be exposed to HIV during occupational accidents then:

- An accident report should be completed and handed to the supervisor.
- The employee should be tested for HIV to determine the his/her baseline status.
- Any other person who has been involved in the accident should be tested with his/her informed consent.
- If the employee was negative at the time of accident, he/she should be retested at three and six months periods after the accident.

- If he/she sero-converts during this period, an application for compensation may be made.

Employment Equity Act 55 of 1998

Prohibition of unfair discrimination.

The provisions of chapter 2 of the Act prohibit unfair discrimination either directly or indirectly on a wide range of the following grounds:

Race, gender, sex, pregnancy, marital status, family responsibility, ethnic or social origin, colour, sexual orientation, age, disability, religion, HIV status, conscience, belief, political opinion, culture, language and birth. Medical testing is not allowed unless it is an inherent requirement of the job, while no psychological testing or other assessments can be done unless such tests are validated and not biased. In addition, HIV testing can only be carried out if authorised by the Labour Court.

Occupational Health and Safety

Act 85 of 1993

This Act requires employers, as far as is reasonably practicable, to create a safe working environment. In an HIV/AIDS context, this can mean that employers must ensure that universal precautions are adhered to at all times, and that every person is treated as a potential HIV carrier.

Universal precautions must also be adhered to when responding to an occupational accident. Furthermore, employers should ensure that proper equipment needed to protect staff against infection and appropriate training in the use of universal precautions is provided.

However, this section will be referred for redrafting as per Resolution 7 of 2000.

Employee's right to confidentiality

Every employee has a common law right to privacy. This means that an employee does not have a legal duty to inform their employer of their HIV status, nor may a healthcare worker reveal their HIV status to their employer without their consent. Should an employee voluntarily divulge their HIV status to management, it cannot be used against them, or be prejudiced or divulged without the employee's consent.

National Policy on testing as Gazetted by Minister of Health. Gazette No 20710

The Code of Good Practice

The Code of Good Practice deals with some of the key aspects of dismissals for reasons related to conduct and capacity. It is intentionally general. Each case is unique, and departures from the norms established by this Code may be justified in proper circumstances. This Act emphasises the primacy of collective agreements. It is not intended as a substitute for disciplinary codes and procedures where these are the subject of collective agreements, or the outcome of joint decision-making by an employer and a workplace forum. The key principle in this code is that the employers and employees should treat one another with mutual respect. A premium is placed on both employment justice and the efficient operation of business. While employees should be protected from arbitrary action, employers are entitled to satisfactory conduct and work performance from their employees.

Implementation, Monitoring and Evaluation

As per Resolution 7 of 2000 and as amended.

Appendix

Code of Good Practice

Glossary

HIV: Human Immunodeficiency Virus

AIDS Acquired Immune Deficiency Syndrome: Acquired a condition which is not inherited

AIDS Related Complex: a term used to describe some of the signs and symptoms that a person with HIV may experience

Antibody: a protein substance produced by the immune system in response to a pathogen

Antiretroviral: a drug that acts against retroviruses such as HIV

Antiviral: A drug that acts against viruses

Asymptomatic: a condition when a person with HIV shows no signs of illness

AZT: abbreviated chemical name of anti-HIV drug zidovudine (trade name Retrovir)

HIV antibody test: a blood test that looks for the presence of antibodies to HIV. A positive test result means that antibodies have been detected, and that the person has HIV infection.

A negative result means that antibodies have not been detected.

Immunocompetent: someone whose immune system is working normally

Immune system: the body's system for fighting infection and eradicating tumor cells.

There are two parts: humoral and cell-mediated immunity.

Immune deficiency: breakdown or inability of certain parts of the immune system to function, thus making a person susceptible to certain diseases which they would not ordinarily develop

Immunosuppression: reduced function of the immune system

Immunosuppressive: something that reduces the immune system's responses

Infectious: able to communicate disease by infection

Lymphadenopathy syndrome: a chronic enlargement of lymph nodes (glands) often associated with HIV infection

Latency: a period of time in which an organism is in the body but not producing any ill effects

Lymph glands/nodes: special areas in the body where lymphocytes and other important cells in the immune system are found. They swell up in response to infection

Myopathy: muscle wastage or disease

OI - Opportunistic Infections: Specific infections which are not harmful to people with healthy immune systems but do cause disease in people with damaged immunity

Primary infection: a time when an individual has just become infected by HIV and the immune system is starting to respond

Prophylaxis: taking a drug to delay or prevent an illness developing

Retrovirus: a class of viruses, which copy genetic material using RNA as a template to make DNA, an essential step in the life-cycle of HIV

Seroconversion: time at which a person's antibody status changes from negative to positive

Symptomatic: having symptoms

Syndrome: a group of symptoms and diseases that together are characteristic of a specific condition

Viral load: the amount of virus in the blood

Virus: a microscopic germ which cannot reproduce itself outside the living cell of the organism that it infects. Viruses can divert cells from their normal functions and thus damage or destroy them

Window Period: the time between HIV entering a person's body and the person making antibodies to HIV. This is usually around two months, but in a significant number of people may take several months longer.

Impact of HIV/AIDS on the public service

The DPSA made the following presentation to the PSCBC on the impact of HIV/AIDS in the public service:

- HIV/AIDS likely to result in:
- Increased demand for services (particularly in health and welfare)
- Decreased ability to render these services because of impact on our employees
- HIV/AIDS likely to impact differently on various sectors and departments based on the risk profile of their workforce
- Skilled and highly skilled employees appear to have the highest risk of infection - this includes groups such as teachers, nurses & social workers
- But even for low risk groups the impact will still be serious
- All workplaces that already have high workloads & over-extended capacity will be particularly vulnerable. This includes services in remote areas & disadvantaged communities. It also applies to functions that rely on scarce skills...
- This requires of all departments to identify vulnerable services and to introduce effective workplace programmes

Departmental Response

- The Public Service consists of around 130 departments employing nearly 1,1 million employees. Around 70% of these employees are employed by the provincial departments of which the health and education departments are the most significant
- At national level, the major departments are the SANDF, SAPS and Correctional Services
- Majority of national departments have developed AIDS policies. Most emphasise nondiscrimination. However -
- many policies still in draft form
- strategies & implementation plans on e.g. training/development of staff & replacement of personnel often inadequate
- most focus on awareness & prevention, with few focusing on sustaining service delivery and care/support
- lines of accountability & implementation monitoring often unclear
- Although we have not yet conducted a survey of the provinces, all indications are that they are less prepared than their national counter-parts

DPSA Response

- PSCBC Resolution No 8 of 2001 has provided the frame of reference to develop a comprehensive response
- Response phase has focused on developing the required policies & systems for the implementation phase
- We are nearing the end of this preparatory phase

Policy Development

- In Resolution 8 of 2001 employer and employee parties to the PSCBC expressed support for HIV/AIDS and STD workplace programmes aimed at -
- prevention;
- counselling and support for those infected and affected;
- education;

- resources and leadership to implement HIV/AIDS and STD workplace programmes;
- creation of a non-discriminatory environment; and
- protection of confidentiality of those who voluntarily disclose their HIV status
- PSCBC Resolution expressed support for management of HIV/AIDS as part of broader wellness management programmes
- Thorough policy & legislation review completed so as to -
- identify key principles upon which workplace programmes should be based:
- analyse existing legal framework of Public Service to assess the extent to which this supports/contradicts the key principles
- Key conclusion: Although legal framework does not expressly violate any of these principles, it also does not provide an enabling environment...
- Hence draft regulations developed to set out minimum standards that all departments will have to comply with
- This will provide a basis for departmental workplace programmes and allow for more effective resource allocation, responsibility allocation and monitoring/evaluation
- Good Practice Manual being developed to complement the Regulations and serve as a guide for departments to develop workplace programmes
- The regulations will indicate what departments have to do and the Manual how
- Key elements of draft regulations (to be included as part of provisions relating to the work environment and health/safety):
- Every dept to introduce an education, awareness and prevention programme focusing on HIV/Aids and other sexually transmitted diseases
- This programme preferably to be integrated with broader programmes that promote the health & well-being of employees (e.g. EAP)
- Create mechanisms to encourage openness, acceptance, care and support for HIV-positive employees
- Designate a member of the SMS to be the champion of this programme and hold him/her accountable by way of his/her performance agreement
- Allocate adequate resources to the development & implementation of the programme and form partnerships
- Establish an HIV/AIDS committee for the dept, with representation of all stakeholders, including union reps
- Ensure that the programme includes an effective internal communication strategy
- Occupational exposure
- Depts to identify units or employees at high risk of contracting HIV & related life threatening diseases and take reasonable steps to reduce risk
- Facilitate access to VCT and post-exposure prophylaxis for those who have been exposed to HIV as a result of an occupational incident (e.g. needle prick injuries)
- Assist employee to access compensation if he/she has become HIV + because of occupational injury
- Non-discrimination
- Depts to ensure that none of their employment policies and practices discriminate against employees on their HIV status or perceived HIV status
- Take active steps to promote non-discrimination in the workplace
- HIV testing
- Depts to promote VCT, and wherever possible, promote access thereto
- Not require HIV testing unless Labour Court authorisation has been obtained
- Confidentiality
- All employees to treat info on an employee's HIV status as confidential and not disclose this to anybody else without the employee's written consent

- The content of Good Practice Manual is presently being validated through key informant interviews and focus group discussions
- We have also developed a broader three year strategy that focuses on supporting departments as they develop and implement their own programmes
- Three year strategy includes the piloting of workplace programmes and sharing the lessons with other departments. National "Hope Awards" also to be introduced to encourage/reward good practice
- Preparations presently under way to develop a communication campaign so as to sensitise departments and individual public servants on their roles and responsibilities
- Discussions held with OPSC on the monitoring of policy implementation - very keen to get involved
- Departments will be required to report on their departmental programmes...

Systems Development: Employee Health & Well-Being

- It is clear that in years to come there will be a steady increase in the number of public servants affected by the pandemic
- In this context access to a reasonable level of health care will be critical
- Hence ways and means of broadening access to medical assistance being considered
- Another source of concern: Adequacy of pension benefits for public servants & their families... Most important gap in GEPP - minimal provision for children and orphans
- To this end proposals under consideration on improved benefits
- Research completed on management of ill-health in the Public Service.
- Draft new policy on incapacity management developed - provides for better health risk management and return-to-work strategies
- Suggestion is that GEPP will play much more active role in assessment of incapacity through a Health Risk Manager
- Efficiency of claims processing in Public Service is a major concern - indications are that delays occur at dept'al level and not at Pensions Administration. In the context of HIV/AIDS pandemic, this situation cannot continue
- Hence proposals being considered to expedite this process

Capacity Development, Training & Support

- In line with training framework adopted by PSCBC, SAMDI has started with roll out of training programmes
- Major service delivery departments targeted first, e.g. SAPS, Correctional Services
- DPSA/SAMDI also collaborating with SANDF and Education in roll out of their work place programmes
- DPSA closely involved in programmes of Dept of Health - in particular activities of IDC
- Collaborated with Social Development in developing and implementing a course for Government planners
- First ever HIV/AIDS Indaba held last year - will be repeated later this year
- Several partnerships formed with business (e.g. Metropolitan and DaimlerChrysler) and donor community (USAID, CIDA, GTZ and UNAIDS)
- DPSA presently strengthening its internal capacity to provide support to depts - will soon have four full-time members of staff focusing exclusively on HIV/AIDS

How can Management/ Unions collaborate in implementing effective workplace programmes?

- As soon as draft regulations are promulgated, unions should push for establishment of workplace committees
- Workplace committees will provide vehicle for constructive engagement and effective partnerships at departmental level
- Shop stewards should be trained on their roles/responsibilities
- Daimler Chrysler is a shining example of what can be done to turn the pandemic around through active involvement of union leaders and shop stewards
- We should share ideas on the possibility of organising joint briefing sessions to management/union reps - funding can be obtained
- Unions will also play critical role in sectoral initiatives (e.g. Safety and Security, Education, Health and Welfare)
- At central level, key challenge is to conclude effective agreements on medical assistance and pension. Improved ill health management system also to be introduced as soon as possible.
- DPSA will involve unions in national information exchange/learning initiatives (e.g. annual HIV/AIDS Indaba)

Reports on Sectoral Bargaining Councils

Introduction

The Labour Relations Act provides for the designation of sectoral councils by the PSCBC to deal with issues that affect employees in only one sector. The PSCBC itself provides a forum for negotiating issues that affect the entire public service. Currently, that includes salary scales and many major benefits, such as pensions, medical aids and the home-owner allowance. In most cases, the PSCBC must include special provisions to take sectoral peculiarities into account.

In 1998, the PSCBC laid the foundation for more focused and fair bargaining by establishing three sectoral bargaining councils in addition to the ELRC:

- The Safety and Security Sectoral Bargaining Council, which covers both uniformed and civilian employees of the SAPS and the Department of Safety and Security;
- The Public Health and Welfare Sectoral Bargaining Council, and
- The General Public Service Sectoral Bargaining Council.

These bargaining councils were registered by the Registrar of Labour Relations on 28 July 1999 and were launched in September 1999.

Scopes of Sectoral Bargaining Councils

Safety and Security Sector Bargaining Council (SSSBC)

The SSSBC's scope includes the SAPS and the Department of Safety and Security, and their employees whether employed in terms of the South African Police Services Act or the Public Service Act. It thus covers workers previously covered by the Department of Safety and Security Departmental Bargaining Council and the National Negotiating Forum (NNF). Both the Departmental Council and the NNF agreed to amalgamate in this way.

The SSSBC covers approximately 119 066 uniformed police and public service act employees.

The parties to the SSSBC are the state as employer, represented by the South African Police Service, and, for labour, POPCRU and SAPU.

Public Health and Welfare Sector Bargaining Council (PHWSBC)

The PHWSBC covers the national and provincial departments of health and welfare and their employees. In addition, its scope includes health professionals employed in other national and provincial departments. A separate schedule to its constitution lists these occupations.

As at 31 March 2002 the PHWSBC covers around 225 474 health and welfare workers. Of these, about half are nurses and nursing assistants. The parties to the PHWSBC are state as employer represented by the national and provincial Departments of Health and Welfare, and for labour, NEHAWU, HOSPERSA, the PSA, the NPSWU, NUPSAW, PAWUSA and DENOSA.

General Public Service Sector Bargaining Council (GPSSBC)

As at 31 March 2002 the GPSSBC covered around 256 182 employees who do not fall within the scope of another sectoral council. At national level, that includes the Departments of Correctional Affairs; Water Affairs and Forestry, Justice, Home Affairs

and Labour; and the employees of the Defence Department. In terms of functions carried out at both national and provincial levels, it includes public works, transport and housing, with around 70 000 workers; agriculture with 30 000; and over 70 administrative departments, such as finance and corporate affairs, with a total of 55 000. The GPSSBC also covers around 60 000 non-educators employed in education.

The parties are the state as employer represented by the Department of Public Service and Administration (DPSA), other departments and provincial administrations; and labour represented by NEHAWU, HOSPERSA, the PSA, the NPSWU, NUPSAW, PAWUSA and POPCRU.

Education Labour Relations Council (ELRC)

The ELRC provides for teachers, who are employed under the Educators Employment Act. As at 31 March 2002, ELRC covered 355 109 educators.

The parties to the ELRC are the state as employer represented by the national and provincial Departments of Education and, for labour, SADTU, NAPTOSA and the SAOU.

PSCBC Support for the sectoral councils.

The relationships between the PSCBC and the sectoral councils are complex. They revolve around funding, dispute settlement systems and the implementation of PSCBC agreements. The PSCBC funds the operational and dispute-resolution costs of the sectoral councils. The PSCBC has resolved to return 15 per cent of the levy from each sector for general administrative purposes. In addition, the PSCBC will pay the remuneration package of five staff members.

The PSCBC has co-ordinated all activities regarding the dispute-resolution functions of the councils, including the processing of applications for accreditation to the CCMA. It is also responsible for developing and maintaining a uniform electronic case management system.

The PSCBC will continue to provide the sectoral councils with administrative and financial support, including training of staff, with the aim of ensuring that the bargaining councils in the public service are effective and efficient institutions.

The relationship between PSCBC and the sectoral bargaining councils will be further clarified in the forthcoming constitutional amendments, with the intention of formalising the co-ordinating role of PSCBC.

Report on Education Labour Relations Council (ELRC)

1. The parties to the Council are:

- (a) The Department of Education, including the nine provincial departments
- (b) South African Democratic Teachers Union (SADTU)
- (c) National Professional Teachers Organisation of South Africa (NAPTOSA)
- (d) Suid Afrikaanse Onderwysers Unie (SAOU)

The vote weights for the employee parties were as follows:

Union	Percentage	Representation
SADTU	61,67 %	15
NAPTOSA	26,17 %	7
SAOU	12,16 %	3

3. Resolutions that were signed in Council

3.1. Resolutions 2001

- Resolution 1 Vote weights for the trade unions that are parties to Council (06/07/2001)
- Resolution 2 Procedure for the absorption of educators declared additional to the establishment (06/07/2001)
- Resolution 3 Regrading of institutions (06/07/2001)
- Resolution 4 Permanent appointment of under-qualified educators (06/07/2001)
- Resolution 5 Amendments of measures in order to extend the appointment of educators who are not professionally qualified (06/07/2001)
- Resolution 6 Amendment of the PAM regarding the appointment of examiners in order to include personnel involved in curriculum services and to extend panels responsible for setting examination papers at national level (13/12/2001)
- Resolution 7 New leave measures for educators and provision for the remuneration of educators who perform child care duties during periods of leave (13/12/2001)
- Resolution 8 Payment of acting allowance for an educator acting in a higher vacant and funded post (13/12/2001)

3.2. Resolution 2 above constituted another milestone in the transformation of education, bringing to an end one of the major ventures undertaken by the parties to bring about equity in the provision of staff for education institutions. Resolution 6 of 1998 on "Process for Rationalisation and Redeployment" had been successfully implemented in almost all the provinces.

3.3. Resolution 4 opened the way for the permanent appointment of under-qualified educators in certain circumstances. This measure brings about greater security of tenure for teachers who had been seriously prejudiced in the past.

3.4. Resolution 8, on the other hand reintroduced a benefit, which was previously withdrawn by the Department of Education.

4. Utilisation of transformation funds

- 4.1. Resolution 2 of 1999 made provision for the transfer and utilisation of R140 million that was allocated to the education sector as part of funds that were made available by the PSCBC to the sectoral councils. This enabled the ELRC to embark on a major programme of transformation in the education sector.

- 4.2. Resolution 8 of 2000 on "Upgrading of qualifications and development of educators" gave impetus to the transformation process.

The resolution made provision for the following:

- (a) An amount of R95 million was set aside for the upgrading of qualifications of "unqualified" and "under-qualified" educators.
 - (b) An amount of R20 million was allocated for the funding of substitutes for full-time shop stewards over a two-year period. (In terms of Resolution 5 of 1999).
 - (c) An amount of R1 000 574,40 was allocated to the funding of the Public Service Job Summit. (January 2001)
 - (d) R24 million was set aside for a Reskilling and Special Programmes
 - (e) A Research and Development Fund, with clearly-defined terms of reference, was created to enable the employer and employee parties to embark on their own development projects for their members.
- 4.3. The programme for the upgrading of educators commenced on 01 April 2002 with the enrolment of educators for the National Professional Diploma in Education.
- 4.4. There is no doubt that the application of the Transformation Fund has had a major impact on the operations of the ELRC and the parties themselves.

5. Provincial Chambers

- 5.1. The annual reports of the provincial chambers provide extensive evidence of very successful deliberations and positive interaction between parties in the provinces. The appointment of full-time chamber secretaries during the year 2000 also brought a relief for the former part-time secretaries who were department officials. Chambers were able to function more efficiently.
- 5.2. The chambers have wisely relied on special task teams to deal with various aspects of negotiation and consultations. Some chambers have initiated, or have contemplated, the creation of Standing Committees to facilitate their work. Some of the task teams that operated during the year in review are provided below:
- Employment Equity Task Team
 - LSEN Task Team
 - Task Teams on Colleges of Education (to deal with clustering issues)
 - Redeployment Task Teams
 - Small Schools Task Team
 - Promotions Committee (Task Team)
 - Skill Development Committee (Task Team)
 - Dispute Prevention Task Team
 - NPDE Task Team (To co-ordinate the implementation of the National Professional Diploma in Education. The committee consists of education department co-ordinators, chamber secretaries and representatives from the programme providers)

6. Development of training plans and utilisation of funds

- 6.1. The ELRC has continued with its programmes of training party representatives from the employer and employee parties in negotiation skills. For this purpose a training programme was conducted for national negotiators at Saldanha Bay.
- 6.2. Training Works conducted training programmes in negotiation skills for provincial negotiators in a number of provinces. Indisputably this skills development training had a positive effect on the nature and quality of negotiations that took place in Council and in the chambers.
- 6.3. Apart from the above programme, the ELRC also conducted a special training session for members of the Provincial Chambers including the chairpersons. The training, inter alia, related to:
 - (a) Requirements for a collective agreement and the drafting of such collective agreement.
 - (b) Dispute resolution procedures with special reference to conciliation/arbitration (con-arb) processes.
 - (c) Preparation of budgets

7. Other activities of Council

- 7.1. The Council contributed financially to the World Conference against Racism and, in collaboration with the Department of Education, a Project Management Committee was established to steer the participation in the conference.

A special exhibition on Creative Writing and Visual Art was launched to ensure maximum participation of learners through all school phases. The Deputy President, Mr Jacob Zuma, launched the exhibition in Johannesburg on 23 August 2001.

- 7.2. The workshop on Medium Term Expenditure Framework took place on 31 October 2001, followed by employer-employee interactions in the provinces.
- 7.3. Following the investigation into salary grading and career-pathing conducted by Khulisa Management Services, the Council appointed a special task team to draft a proposal for the implementation of the recommendation. Draft documents were prepared and were still under consideration by the task team.
- 7.4. A special council committee was assigned the task of exploring possible collective agreements on a number of issues such as:
 - (a) The position of unqualified educators;
 - (b) Other factors affecting the grading of institutions;
 - (c) Implementation of the Basic Conditions of Employment Act.
 - (d) The payment of acting allowance where the incumbent is absent.

8. PSCBC Framework agreements

- 8.1. The Council met its obligation in respect of the payment of acting allowances by virtue of the adoption of Resolution 8 of 2001, which provides for the payment of an acting allowance to an educator who acts in a higher vacant and funded post. A further resolution on the payment of acting allowances where the incumbent is absent was still under negotiation.

8.2. The PSCBC agreement on leave measures was also put into practice in the education sector through the adoption of Resolution 7 of 2001 on "New leave measures for educators and (the) provision for the remuneration of educators who perform child care duties during periods of leave".

8.3. The issue of pay progression received ongoing attention in the Council and it was hoped that the matter could be finalized soon in the new year.

9. Constitutional amendments

9.1 The Legal Committee took cognisance of the amendments to the Labour Relations Council and several changes were proposed for the constitution of the ELRC.

9.2 Particular attention was also given to the introduction of the expedited process of dispute resolution as was implemented in KwaZulu-Natal by the ELRC. The intention is to incorporate the con-arb process into the normal processes of the Council.

9.3 The amendments would be finalized early during 2002.

Report of the Safety and Security Sectoral Bargaining Council (SSSBC)

The Safety and Security Sectoral Bargaining Council (SSSBC) was established in terms of Resolution 12/98 of the PSCBC. The SSSBC is a result of the amalgamation of the National Negotiating Forum (NNF) and the Department of Safety and Security Departmental Bargaining Council.

Scope

The state as employer and its employees employed in the South African Police Service in terms of :

- The South African Police Service Act; and
- The Public Service Act

Vision

To strive towards the continuous maintenance and promotion of labour peace in the sector by implementing the ideals of the Constitution and Labour Relations Act.

Mission

To provide accessible, expeditious and credible dispute prevention and resolution services, as well as to achieve and maintain excellence in all services provided by the Council.

Admission Threshold: Thirty Thousand (30 000)

Parties to Council: South African Police Services (SAPS),

South African Police Union (SAPU)

Police & Prisons Civil Rights Union (POPCRU).

Provincial Chambers

The SSSBC has established chambers in nine provinces

Council has conducted a review in respect of support measures to the Provincial Chambers in terms of their effectiveness and capacity enhancement. This review has led to the signing of the levy agreement (Agreement 8/2001) to enable the SSSBC to provide financial assistance to the chambers, thus empowering them to function effectively.

The Council is currently putting systems in place to ensure that the necessary resources are provided to the chambers during the 2002/03 financial year.

Agreements reached in 2001/02 Financial Year

The achievements of the Council in the past year are once again indicative of the commitment and co-operation of parties towards reaching the objectives of the Council. Twelve (12) agreements have been reached in the past financial year.

Agreement 6 of 2001 : Amendments to the Constitution

Agreement 7 of 2001 : Special Leave and Release from Duty for Particular Purposes

Agreement 8 of 2001 : Levy Agreement

- Agreement 9 of 2001** : Adoption of Panel of Conciliators and Arbitrators
- Agreement 10 of 2001** : Promotion of Employment Equity and the Elimination of Unfair Discrimination Policy
- Agreement 11 of 2001** : Grievance Procedure: Transitional Arrangements
- Agreement 12 of 2001** : Agreement on Promotions
- Agreement 13 of 2001** : Employees of the South African Police Service Living with HIV/AIDS Policy
- Agreement 1 of 2002** : Agreement on Promotions of Non-Statutory Members
- Agreement 2 of 2002** : Agreement on Acting Allowances
- Agreement 3 of 2002** : Agreement on Clothing Credit
- Agreement 4 of 2002** : Special Dispensation for Pilots Employed in the S A Police Service

Training Issues

Workplace Skills Plan

The Workplace Skills Plan for SAPS was revised in the previous financial year. There were no substantial changes to the purpose of the plan. The PSCBC has approved the revised plan.

The Workplace Skills Plan comprises of two phases

PHASE 1: COMPILING WORKPLACE SKILLS PLAN

ACTIVITY	TASKS	OUTCOME/ PRODUCT
1. Reviving Training Committee at Provincial/National Division level	(i) Establish joint group of Labour and SAPS to revisit Terms of Reference (ii) Take a road show to all Provinces and Nat Div regarding Training Committee	Training Committees in SAPS that are functional
2. Training Needs Analysis	(i) Agree on approach to the process of generating needs (ii) Procure service of a consultant (iii) Organise workshop of Training Committee and consultant	Guidelines to be followed Customize instruments for needs analysis Awareness on the members Roles and responsibility
3. Training of SDF's	(i) Procure Training provider for SDF's (ii) Organize training session	Each SDF obtains Competency Certificate
Collating the WSP from Provinces and National Divisions	(i) Liaising with Provinces and Divisions (ii) Reporting of progress to SSSBC (iii) Consolidate final Workplace Skills Plan (WSP) for approval and alignment to E E targets	Consolidated Workplace Skills Plan (WSP) that is approved

The implementation of the plan is currently underway.

PHASE 2: MONITORING AND REPORTING ON WORKPLACE SKILLS PLAN

ACTIVITY	TASKS	OUTCOME/ PRODUCT
1. Develop Quality Management System	(i) Develop guidelines for Quality Management System (ii) Workshop guidelines on Quality Management System	Quality Assurance Criteria and SAPS ETQA requirements
2. Maintain Training Administration System	(i) Determine training needs for users (ii) Align present system to needs (iii) Provide training for system users (iv) Liase with SAQA in aligning with Learner Records Database	Training Administration System that is functional
3. Develop guidelines for Impact Studies	(i) Conduct Impact Studies	Impact Reports

Transformation Issues

An amount of R30-million was allocated to SSSBC for transformation initiatives in SAPS. Progress can be reported as follows:

Project 1: Service Delivery Improvement in SAPS

Purpose: To improve access and quality of service that the South African Police Service renders to its clients through improved access and stated standards.

Progress

Seventy members identified from designated groups have attended training on Procurement Management. The training was provided by RAU and an amount of R749,600 has been paid to RAU in this respect.

Although the training has been completed, the students are still to submit dissertation to RAU at the end of August 2002.

Project 2: Employment Equity, Elimination of Discrimination Awareness Programme and Procurement of Software for Employment Equity Plans

Purpose: To entrench Equity and Equality in the Workplace

To develop/procure a management system (software) for the implementation of the South African Police Service Employment Equity Plan

To eliminate racism and unfair discrimination in SAPS

Progress

The project will be implemented in a joint venture with 3 service providers namely:

1. Nda: For Training in organisational development i.e diversity training.
2. Picay: To acquire the software EE wizard

3. Bono: To deal with the bulk of the project because they have an in-depth knowledge of Employment Equity

The SSSBC has approved the appointment of the above service providers and is currently negotiating service level contract with the service providers. This process will be finalised by the end of May 2002.

Project 3 & 4: Labour Relations and Discipline Training

Purpose: To enhance sound labour relations between employees of the service, including organised labour and the employer

To enhance the capacity to effectively deal with discipline management in SAPS

Progress

Simeka has been appointed as the service provider for these 2 projects.

It is envisaged that most of these projects will be completed by the end of the 2002/03 financial year.

Report on General Public Service Sectoral Bargaining Council (GPSSBC)

The General Public Service Sector was designated in terms of the PSCBC Resolution 10/98 in 1998. A Bargaining Council for the Sector, called the General Public Service Sectoral Bargaining Council (GPSSBC), was registered with the registrar of Labour Relations on 28 July 1998, and was inaugurated on 07 September 1998.

Council's vision:

To be recognized as a world class Bargaining Council by the year 2005, by making quality service our number one priority.

Council's mission:

To promote labour peace and collective bargaining in the Public Sector.

Council's philosophy:

Knowledge and Learning, Teamwork and Parties' satisfaction.

Council's values:

Integrity, transparency and respect.

Objectives of Council

The objectives of the Council are to:

- promote labour peace in the General Public Service Sector;
- promote and maintain sound relationship between employer and its employees;
- promote collective bargaining in the General Public Service Sector;
- provide effective and expeditious resolution of disputes in the General Public Service Sector;
- promote the effective delivery of services to the community;
- promote effective communication between the employer, its employees and trade unions in the General Public Service Sector.

Scope of the Council:

The employer and all employees who fall within the scope of the PSCBC, but who do not fall within the scope of Education Labour Relations Council or any other Sectoral bargaining Council designated by the PSCBC.

The Council covers 256 182 public servants and eighty-one (81) Provincial Departments and (20) twenty National Departments.

Parties to Council

The GPSSBC consists of the employer and employee organisations. The employer and the employee organizations (collectively) each represents 50 per cent of the votes in Council.

During 2001-2002 six trade union organisations were represented in the GPSSBC. To be

admitted to Council, a union has to have at least 20 000 members that fall within the scope of the Council. In terms of the resolution 6 of 2000 of Council, signed by the parties on 07 July 2000, the founding parties of Council were allowed to remain members of Council for a window period of twelve month. Unions may also act together to make up the necessary membership for admission purposes. Such unions are however admitted to Council as a single party.

Labour Participation in the GPSSBC for 2001/2002

Union	Vote Weight	Membership
NUPSAW acting together with		
NPSWU	6.49	33 903
NEHAWU	31.11	81 303
PAWUSA	3.91	10 212
POPCRU	8.76	22 888
PSA	49.73	129 964

GPSSBC Achievements

It is important to mention that there was a period when the Council activities could best be described as having been abnormal because members were pre-occupied with the negotiations in respect of the restructuring of the Public Service at the PSCBC level. Therefore, the Council could not achieve much.

Resolutions of Council

The following resolutions were passed from April 2001 to March 2002.

3/2001: Appointment of the Full-Time Shop Stewards in the GPSSBC.

4/2001: Amendment to the Constitution: Domicilium Clause

1/2002: Payment of Acting Allowance

GPSSBC Task Teams and Committees

The GPSSBC has established a variety of committees and task teams to support the collective bargaining process. The task teams, which report to the Executive Committee, permit informed and more constructive engagement in dealing with the complex and highly technical tasks facing Council.

All the task teams report to the Executive Committee.

Pay Progression task team

To give effect to PSCBC Resolution 9 of 2001 in terms of which Sectors were required to develop their own Sectoral pay progression dispensations in line with the PSCBC framework, a task team was established by Council to deal with this matter.

The task team met once, after which parties expressed different positions on the matter. While Labour indicated that the matter should be kept in abeyance until the framework was concluded at the PSCBC level, the employer expressed the opinion that the task team could nevertheless deal with a number of issues pertaining to this matter.

Acting Allowance Task Team

To give effect to PSCBC resolution 9 of 2001 in terms of which a policy on an acting allowance had to be determined at Sectoral level, the Council established the above mentioned task team.

A draft resolution was developed by the task team and was adopted by Council on 15 March 2002 (resolution 1 of 2002)

The task team was dissolved after it completed its brief.

Ten Million Sectoral Allocation Transformation Task Team

In terms of the PSCBC Resolution 7/1998, the GPSSBC received an amount of R10 million for transformatory measures upon signing a resolution on the utilization of the funds. GPSSBC entered into Resolution 1/2000, "Application for transfer and utilization of the R10 million allocated to the General Public Service Sector".

This task team, which was still busy with its brief by the end of the reporting period, was established by council to develop proposals on the implementation of projects identified during the previous financial year.

Training and Development Task Team

Following the allocation of an amount of R917 000.00 by the PSCBC to Council during the 2001 financial year, Council established the above mentioned task team to design a training plan for the GPSSBC. A business plan and budget of R917 000.00 was drawn and submitted to PSCBC for approval. An amount of R1 004 759.34 as at 31 March 2002 (including interest) still remains in the special project account of the GPSSBC.

The task team met simultaneously with the R10 Million task team. The Council agreed that PSETA be invited to help in the development of the training plan.

The task team was still busy with its brief by the end of the reporting period.

Report on Public Health and Welfare Sector Bargaining Council (PHWSBC)

Introduction

The PHWSBC was registered as a Bargaining Council with the Department of Labour in July 1999.

The registered scope of the Council covers the employer and the employees in the national and provincial departments of Health and Social Development Services.

Parties to Council

Trade Union Membership	Vote	Weight	Representatives
National Education Health And Allied Workers Union (NEHAWU)	79 024	30.554%	5
Democratic Nursing Organisation Of South Africa (DENOSA)	59 932	25.147%	5
HOSPERSA	39 610	15.315%	5
Public Servants Association (PSA)	33 814	13.074%	4
NPSWU	20 131	7.784%	3
PAWUSA	10 998	4.252%	2
NUPSAW	10 017	3.873%	2
Grand total	258 633	100%	26

The Employer party in the Council is represented by both the National Departments of Health and Social Development.

Resolutions signed

Resolution	Subject
1 of 2000	Application for transfer and utilisation of R10m allocated to the Public Health and Welfare Sector
2 of 2000	Allocation of funds to Sectoral Bargaining Councils
3 of 2000	The implementation of the dispute resolution procedures of Council
4 of 2000	Appointment of a panel of conciliators and arbitrators
5 of 2000	Amendment of Schedule 2 : dispute procedure for the PHWSBC
6 of 2000	Amendment of clause 6.2 and 8.2 of the Council's constitution
1 of 2001	Establishment of PHWSBC committees
2 of 2001	Amendment to the Councils Constitution: Domicilium clause
3 of 2001	Needle stick injuries at the workplace
1 of 2002	Acting Allowance

Utilisation of transformation funds

Council has identified the following projects to be undertaken soon after the appointment of the Researcher in June 2002:

- Designing of programmes and training of health and welfare workers on health education.
- ABET
- Human resource Development for health and welfare workers
- Labour relations training
- HIV/AIDS and First Aid training in the health and welfare workplaces
- Computer literacy and Information technology

Provincial Chambers

The Council has successfully launched nine provincial chambers in the nine provinces. Provincial chambers were tasked with the responsibility of recommending (10 per province) panelists for dispute resolution. Council is presently in possession of the lists from all provinces.

Provincial chambers hold meetings once in two months and send reports to Council. There has been no resolution signed by any of the provincial chambers to date.

Provincial chambers are presently operating through the assistance of provincial government departments. Acting Secretaries were seconded from the Employer in provinces and are operating on part-time basis.

The Council is presently investigating the possibility of funding for some of the activities carried out by provincial chambers. This includes the following:

- Purchases of stationery
- Payment for telephone, fax and photocopying
- Payment for the use of the Employer's recording devices
- Payment for travelling by acting Secretaries
- Courier services
- Catering (Already paid out by Council)

Committees of Council

Council has established the following committees, which operate fully and meet on monthly basis:

- Skills Development
- Transformation
- Employment conditions
- Dispute resolution
- Research
- Finance
- Technical
- Executive

Draft agreements of Council

Council is presently engaged in negotiations over the following draft agreements:

- Food service management dispensation
- Full time shop stewards
- Minimum services agreement
- Picketing Rules
- Scarce skills
- Pay progression

Task Teams and Committees

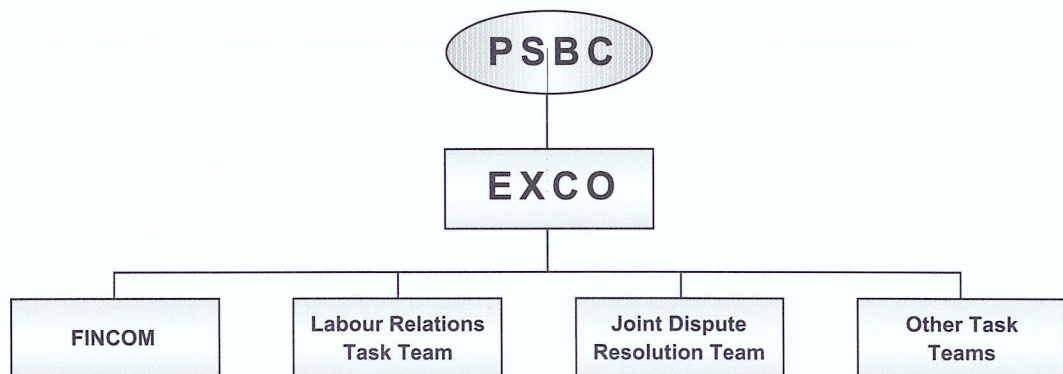
The PSCBC has established a variety of committees and task teams to support the collective bargaining process. These relatively informal structures permit better-informed and more constructive engagement in dealing with the complex and often highly technical tasks facing Council.

While some task teams were established to implement agreements of Council (e.g. Resolution 7 of 2000), others support consultation, with some executing specific tasks for Council. They require considerable commitment, co-operation and support from the parties. Moreover, the members of the task teams must dedicate substantial time, capacity and resources to carry out their functions. During 2001/2002 Council appointed outside facilitators to assist task teams to carry out their functions.

All the task teams report to the Executive Committee. Where necessary, they may place issues on the agenda of the PSCBC.

The following task teams met on a regular basis in 2001/2002:

- Labour Relations Task Team (LRTT)
- Training Committee
- Medical Aid Restructuring Task Team
- Housing and Accommodation Restructuring Task Team
- Pensions Restructuring Task Team
- Pay Progression Task Team Meeting
- Problems with Resolution 7/2000: Leave provisions
- BCEA Task Team
- Joint Accommodation Project (PSCBC and Sectors) Committee



Labour Relations Task Team

Period: April 2001 - March 2002

The Labour Relations Task Team (LRTT) is responsible for overseeing the development of a coherent, effective and legally sound labour relations system for the public service.

Terms of Reference

At the request of the PSCBC:

- Investigate problems related to labour relations and make recommendations to resolve such problems;
- Obtain legal advice and opinions where necessary;
- Manage the implementation of legislation with implications for labour relations in the public service, especially the Basic Conditions of Employment Act and Labour Relations Act;
- Manage dispute resolution functions of Council; and
- Manage joint labour relations training initiatives in the public service.

To implement this plan the following sub-committees were established:

- "Train the trainer" Course
- Constitutional Amendments Task Team;
- Grievance Procedure Task Team;
- Substantive Negotiations Workshop
- Translations of the Disciplinary Code and Procedure for the Public Service
- Review of Resolution 3 of 2000
- Review of Resolution 8 and 11 of 1998 sub-committee.
- Incorporating of Conciliation Agreement and Resolution 7 of 2000
- Demarcation of further sectors by PSCBC;

"Train the Trainer" Course: Labour Law in the Public Service

Following the training course which resulted in 12 of the 24 participants qualifying as accredited trainers, the LRTT decided to repeat the course, with 24 additional members being nominated according to the following criteria:

- a) Working knowledge and experience of Labour Relations and Labour Law in the Public Sector, including Administrative Law, Public Service Legislation and Labour Relations policies and practices.
- b) Training and education skills and experience - individuals must have training experience preferably in the public service. It is recommended that individuals who are tasked with training functions in their organisations be nominated to attend this course.
- c) Time allocation - individuals who are nominated by organisations must be allocated the time to attend the program and the time to train subsequent courses (therefore it is recommended that individuals who are trainers in organisations be nominated to attend the course).
- d) Good communication and presentation skills.

However, the course was not conducted as the LRTT embarked on a process to obtain the copyright of the material. Upon receiving clarity on the copyright issue from CCMA and ILO, further training will be conducted to ensure that parties are trained on this course at all levels of the public service.

Grievance Procedure

Council referred the development of the Grievance Procedure, which was presented by the Public Service Commission, to the LRTT, which subsequently established a Grievance Procedure Sub-committee. The committee has done extensive work on developing a Resolution and Grievance Procedure for Council's consideration and is currently in a process of finalising these documents.

Substantive Negotiations Workshop

A workshop was arranged by the LRTT on Substantive Negotiations and facilitated by Professor Eddie Webster from Wits University, which resulted in a Misty Hills Manifesto "Code of Good Practice on Bargaining" and later adopted by Council. Report on page 84

Translations of the Disciplinary Code and Procedure for the Public Service

Council tasked the LRTT to translate the Disciplinary Code and Procedure for the Public Service into the 11 official languages. The Department of Arts and Culture was approached through the DPSA to assist with these translations. The LRTT is currently in a process of finalising the translations received from Arts and Culture.

PSCBC extend our appreciation to the Department of Arts and Culture for their assistance.

Review of Resolution 3/2000

The Western Cape Provincial Bargaining Council and the PSA made an application in the Labour Court to set aside Resolution 3 of 2000, on the basis that the PSCBC does not have the power to disestablish bargaining councils. This resolution was then subsequently set aside on 1 March 2002. Council however lodged an appeal in the Labour Appeal Court.

In the interim, the LRTT established a sub-committee to look at the review of the resolution. With the assistance of Mr Dawie Bosch and Ms Nomsa Mbeleni, this sub committee has developed draft resolutions to take the process forward. These resolutions were referred to the Executive Committee to process through to Council for consideration.

Review of Resolutions 8 & 11 of 1998

The proposal to review Resolution 8 and 11 of 1998 (Full time shopstewards and full time negotiators agreement) was referred to the LRTT. which in turn established a sub-committee, which is currently in a process to align the two resolutions.

Incorporation of Conciliation Agreement and Resolution 7 of 2000

Resolution 7 of 2000 was signed on Improvements of Conditions of Service for 2000-2001. Popcru, Nehawu and Nupsaw declared a dispute, which was settled through a conciliation agreement. Council then referred Resolution 7 of 2000 and the Conciliation Agreement to the LRTT to be incorporated. This process resulted in the signing of Resolution 5 of 2001 in Council.

Demarcation of further Sectors

The LRTT established a sub-committee to look into the demarcation of further sectors. This committee is currently in a process of obtaining information and proposals from various parties and stakeholders on demarcating further sectors by the PSCBC.

Constitutional Amendments Task Team

During the PSCBC Annual General Meeting in 2000, a decision was taken to amend the Constitution of the PSCBC. The Labour Relations Task Team then established the Constitutional Amendments Task Team to draft amendments to the constitution and the dispute resolution procedures. Council appointed Dawie Bosch and Nomsa Mbeleni to facilitate this task team and to draft the new amendments. See facilitator's report below.

Reworking the PSCBC Constitution and Dispute Procedures

Introduction

Much attention in the past year was given to three initiatives to improve and define relations between PSCBC and Sectoral Councils in the Public Service, the PSCBC constitution and the dispute procedures. These initiatives were inter-related. In mid-2001 they were therefore consolidated and taken forward by the joint Constitutional Amendments Task Team and Dispute Resolution Core Team. While the work of this joint body was delayed for considerable periods during the year due to the wage and other disputes, much progress was made.

The main aims of the initiatives were as follows:

- Finding a common understanding of the relationship between the PSCBC and the Sectoral Councils, and formalizing this understanding in as far as that is appropriate.
- Addressing a range of constitutional issues that arose in the first years of the PSCBC existence and implementing the constitutional elements arising from the first aim.
- Improving the dispute procedures to address difficulties in the administration and resolution of disputes, to make provision for statutory amendments and to provide a new model of dispute procedures for consideration by the Sectoral Councils.

The proposals are summarised below.

- **However:** The proposals are still subject to full debate and decision in Council, and will take effect only after they are adopted by Council and registered with the Registrar of Labour Relations.

Constitutional amendments

Relationship between the PSCBC and Sectoral Councils

The draft Constitution addresses the following aspects of this relationship, all of which are still subject to discussion and decision by the PSCBC:

- Providing in the Council's objectives for effective communication and coordination between these councils.
- The power of the PSCBC, in consultation with Sectoral Councils, to vary their scope, or amalgamate or disestablish them, as is likely to be provided for in section 37 of the amended LRA.
- The power of the PSCBC to coordinate functions and operations between the Councils, to set standards, to provide certain operational services to Councils and to assist where a Council becomes dysfunctional.
- The establishment of a joint financial committee between the PSCBC and the Sectoral Councils.

Parties to Council

Provisions on parties to council received substantial attention. The changes are aimed primarily at addressing various difficulties that have arisen since the PSCBC was established. This included the following:

- It is proposed that Council would decide on applications for new admissions, based on

applications received before 31 March each year.

- Provisions on applications for membership were expanded. They clarify various issues that were unclear before, including a requirement that trade unions acting together as one combined trade union party should submit an agreement addressing material aspects of their acting together arrangement.
- Further provisions on combined trade union parties to address difficulties that have arisen to date.
- The secretary must maintain a register of trade union parties, where name and other changes can be recorded.
- Circumstances within which the membership of trade union parties may or must be terminated and the consequences of such termination.
- Changes to the threshold required for admission as a party were proposed, but these have been left for decision by Council.

Other matters addressed

- New methods of electing executive committee members, to ensure better coordination between the work of the Sectoral Councils and the PSCBC, without affecting the relative power of these institutions.
- The post of 'secretary' is proposed to be renamed 'general secretary', among others to indicate more clearly that the post refers to the chief administrative officer of Council rather than a junior administrative position.
- Minor clarifications of the powers of the secretary.
- Provisions allowing the designation of a person as acting secretary to act when the secretary is not available.
- Clarification of quorum requirements.
- Streamlining of the relationship between the Constitution and the dispute procedure regarding negotiation and declaration of disputes concerning mutual interest issues.
- Numbering and signing of resolutions of Council.
- Various clarifications of and additions to the definitions clause.

Dispute procedure

Overall

The following was attended to in the new draft Dispute Procedure:

- The text was simplified, among others by avoiding unnecessary duplication.
- Improving the procedures based on the experience of parties and the secretariats in the PSCBC and Sectoral Councils. In this regard, not only difficulties experienced in the PSCBC are dealt with. Also such difficulties in Sectoral Councils are addressed because it was envisaged that the PSCBC dispute procedure should also be available as a model for consideration by the Sectoral Councils.
- Measures to cut dispute resolution costs, without compromising the quality of service provided by the Council to the employer and employee parties in the public service.
- Changes necessitated or facilitated by the draft LRA amendments.
- The draft new CCMA rules, which reflect its vast experience in dispute resolution, were taken into account. However, the CCMA rules were always considered against the background of the specific experience in and context of dispute resolution in the public service. The dispute resolution proposals should still be checked against the final wording of the CCMA rules, once it is finalised.
- Provision is made for cross-referring disputes from a Sectoral Council to the PSCBC or vice versa if the council to which a dispute is referred does not have jurisdiction. The parties retain the right to comment to a proposed cross-referral. This procedure should avoid unnecessary delays and costs since otherwise a full jurisdictional hearing would have to be held, and con donation applications will have to be dealt with.
- Sectoral Councils must deal with disputes that would otherwise fall within PSCBC

jurisdiction, if the dispute involves a single employee, or if all the parties to the dispute agree.

Types of disputes considered

Provision is made for the hearing of the following matters, in addition to those that the current procedure provides for:

- Any labour disputes referred to the Council by agreement between all the affected parties, if the dispute arose after 26 May 1998.
- Pre-dismissal arbitrations, in line with the new proposed section 188A of the LRA.

Mutual interest disputes

- In terms of the draft Constitution parties to Council have the choice whether to first refer a matter to Council for negotiation, or to refer them directly for conciliation. The provisions governing the negotiation within Council have been moved from the Dispute Procedure to the Constitution, since they relate to a core function of Council functioning as a forum of parties to Council.
- Non-parties, however, first have to submit a proposal for negotiation period of 21 working days to the other parties within an interest, before they can refer the dispute for conciliation.

Disputes of right

- Prior to any rights dispute being referred to Council, internal procedures agreed to by Council must be exhausted first. Such prior steps need be followed only if Council had agreed to them, to ensure that the trade unions agree with the relevant procedures.
- Provision is made that, where all the parties to any labour dispute agree thereto in writing, Council may conciliate or arbitrate such dispute. This is because parties would like to use the quick and efficient services of the Council regarding a broader range of disputes.
- The following time periods for referring rights disputes are proposed:
 - Dismissal disputes - 31 working days (about 11/2 months) after internal procedures have been exhausted. This is to provide for a fair referral period, to ensure that no unnecessary condonation application is required where a dispute is referred only after internal procedures have been followed and to further reduce the need for condonation applications.
 - Other disputes concerning disciplinary action short of dismissal - also 31 working days, since it is appropriate to include a time limit here. It is already required in case of more serious matters of dismissal.
 - Other unfair labour practice disputes - 100 working days (about 19 weeks), to specify a specific time rather than the present position that disputes must be referred within a reasonable time. This clause will therefore specify a reasonable time, as agreed between the parties, are 100 working days.
- The conciliation procedures now include the following:
 - If a dispute is not conciliated within a period of 21 working days, or such longer period as agreed to between the parties, an outcome certificate must be issued. Currently it appears as though such certificate can be issued only if the matter had actually been conciliated.
 - * If a matter that may be arbitrated is not settled and time allocated to conciliation remains, the conciliator must hold a pre-arbitration meeting. This will ensure that conciliation time that is paid for is well used, and that there will be more time to arbitrate on the arbitration date.
- Matters subject to conciliation and arbitration will no longer be set down for processes in one notice. Any party to the process will now be able to request the matter to be set down for arbitration once the conciliation is concluded. The current procedure of setting the matter down for both conciliation and arbitration has wasted much time and cost.

For example:

- * where a conciliation proceeds beyond the date set down for the arbitration the time to arrange the initial venue and arbitrator for the arbitration had been wasted, since it has to be done again if the matter is not settled or was lost where the matter was settled;
- * arbitrators sometimes had to be paid where parties failed to inform the Council timeously, and where an arbitration is postponed at a late stage;
- * in some cases administrators of venues booked for arbitration started to refuse to make their venues available because of repeated cancellation of arbitration venues due to continuation of the conciliation.
- Disputes regarding jurisdiction need not, in most cases, be decided during conciliation. This is to allow the conciliation to focus on attempts to settle the dispute rather than technicalities. A further reason is that legal practitioners are not allowed during conciliation, while their assistance may be required regarding jurisdictional disputes. However, where a dispute cannot be arbitrated by the Council, jurisdictional issues must be determined during conciliation.
- Regarding arbitration, the following is proposed:
 - * A dispute should be heard by a single arbitrator, unless one of the parties requires that it be heard by three arbitrators. Council still needs to decide whether the support of all the parties should be required before a tribunal of three arbitrators is appointed, a measure that will significantly reduce the cost of PSCBC arbitration.
 - * The secretary should be able to appoint a panel of three arbitrators when he or she believes a legal point is involved that requires binding jurisprudence within the Council.
 - * A decision of three arbitrators binds other arbitrators of the Council. This is intended to ensure that a consistent jurisprudence is established within the Council.
 - * Special measures are provided for to deal with various difficulties that arise where a tribunal of three arbitrators are used.
 - A chapter dealing with expedited joint conciliation and arbitration is provided for. Using the provisions of this chapter, the Council will be able to consolidate disputes of a similar nature where they occur on a large scale and where it would be more economical and effective to do so, compared to following the usual procedure. This should cut wastage where many similar kinds of disputes are submitted to Council. Various safeguards should ensure that different cases are treated with the necessary attention to detail. Full co-operation and agreement of the parties to Council will be necessary to achieve the full potential benefits of this chapter.

Procedural issues

- The powers of panellists are spelt out in detail. These derive from the LRA, although they will have to be checked against the final wording of the Act, after the 2002 amendments are promulgated.
- Many aspects dealt with in terms of the draft rules of the public service bargaining councils are included, many of which were further developed in the light of discussions within the workshops and other sources, such as the draft new CCMA rules. This covers issues such as time periods and condonation, postponements, requirements for service and filing of documents, joinder or substitution of parties, consolidation of cases, correcting citation, witness fees, subpoenas, contact details of the Council, etc.

Referral forms

- The main referral form has been amended to reflect changes in the Procedure, allowing a much clearer identification of the type of dispute involved and containing parts that will make administration easier, such as one dealing with condonation and another with an agreement to the referral by other parties, where such agreement is required. The new parts should make it easier for referring parties to provide all necessary information, which should again cut the cost of administering dispute resolution.
- A new Request for Arbitration form is proposed, which may be used by parties wishing to have an arbitrable issue arbitrated by the Council.
- A form is also proposed for rescission applications, again to make it easier for referring parties to provide all necessary information and to reduce administration costs.

Training Committee

Period: April 2001 - March 2002

Terms of Reference

- a) Internal capacity building for parties to Council, sectors and secretariats
- b) Facilitate common understanding of labour relations matters in the public service through joint training projects (e.g. implementation of dispute resolution procedures) - this process can be done in consultation with the Labour Relations Task Team on matters such as the "Train the Trainer" course labour law in the Public Service, etc.
- c) To regularly review PSCBC training material and identify training needs (e.g. the updating of existing training material, etc)
- d) To identify skills with the PSCBC Panel of Conciliators and Arbitrators, as well as the Database of Service Providers for purposes of providing training to PSCBC parties (this process need to be feed in with the LRTT processes).
- e) As a training resource to attract funding/ donors for PSCBC training projects
- f) To carry out specific tasks related to training and education as mandated by Council.
- g) PSCBC Representation on SETA's (feedback on the implementation of business plans in Sectors, financial accountability from SETA to Sector/ PSCBC, gaps in terms of issues outside the role and scope of the SETA's).
- h) Co-ordination of Sectoral Skills Development Committees
- i) Establishment of SGB: GET/ FET

Work-in-progress

The committee is currently in a process of arranging a workshop on the terms of reference and to clarify the role that the Training Committee would perform in relation to the SETA's. Additionally, the Committee is in the process of receiving report backs from Sectors/ SETA's on the allocated funding for the development of training plans.

It must be noted however that the training committee was poorly attended, and at times, inquorate. It is hoped that the workshop would provide parties with clarity over the role and work of the training committee, which will encourage participation by all parties in the near future. Parties are encouraged to participate in this committee, to take issues of skills development forward.

Medical Aid Restructuring Task Team

Period: April 2001 - March 2002

Facilitator: Meshack Ravuku

Terms of Reference

- a) Mechanisms to introduce collective buying power;
- b) Extending medical assistance to all employees in the public service;
- c) The feasibility of capping and /or de-linking the present medical aid contribution from the medical price index;
- d) Administrative mechanisms to control and manage costs for the employer and employee;
- e) Measures and resources for the treatment of HIV/AIDS in respect of affected employees and their dependants;
- f) How medical aid schemes can strengthen the public health system in the country;
- g) Post retirement medical aid;
- h) Draft proposals to the PSCBC.

Progress

The Medical Aid Restructuring Task Team was established in November 2000 and has since met on a number of occasions.

The appointment of researchers was finalised in August 2001. The researchers, NBC Health Care Consultants, made presentations to the Medical Aid Restructuring Task Team in August 2001 and November 2001 respectively. The task team concluded the terms of reference and time frames for the researchers. The research process has taken longer than anticipated due to various reasons.

A workshop to receive feedback from the researchers as per the terms of reference was held on 20 February 2002. The parties have been given time to formulate positions in preparation for the meeting mentioned hereunder.

A task team meeting will be convened in due course to enable the parties to exchange views in order to formulate proposals to council. The Task Team would need at least another three months to finalise its project in terms of resolution 7 of 2000.

The task team shall prioritise in terms of resolution 9 of 2001, an agreement for submission to council for negotiation on the provision of compulsory basic Health Care package, which, among others, include the treatment of opportunistic infections, in relation to HIV/AIDS to address the needs of employees who do not benefit from any medical assistance.

Housing and Accommodation Restructuring Task Team (HARTT)

Facilitator: Lungile Zondi

Period: May 2001-March 2002

Terms of Reference

- Possibilities on how the Employer's collective buying power can be harnessed to obtain the better and affordable arrangement with the financial institutions. Further, to develop criteria for the evaluation of the financial institutions that will provide mortgage bonds for public servants;
- Measures to address the needs of the low-income and rural based employees together with those based in tribal trust land, inner city and peri-urban arrears as far as the housing benefit is concerned;
- Measure to enable new employees with a continuous 12-months period of service to obtain a housing subsidy;
- All allowances related to the housing and accommodation with a view of extending the same to all employees;
- The current accommodation benefits provided by the Employer; and
- The possibility of using individual actuarial value with the Government Employee Pension Fund (GEPPF), to be accessed for collateral purposes.

Progress

- In March 2001, HARTT made a decision that for the task team to be able to investigate and make recommendations to the PSCBC, there was a need to conduct research and gather information relating to the terms of reference.
- In order to address lack of knowledge on the housing terrain, a proposal to have an indaba/workshop was made. This resulted in the establishment of a working group consisting of the following representatives:
 - a) L Zondi-Facilitator
 - b) C Brink-Employer
 - c) B Scheepers-Employer
 - d) M Rothballer-Labour
 - e) R Pretorius-Labour (has since been replaced with P Matlala)
- A draft working six months plan was developed with specific time frames.
- It was unfortunate that HARTT could not record planned achievements because of postponements and cancellations of meetings, due to their competing priorities such as the wage negotiations, which were succeeded by the negotiations on the restructuring of the public service.

- HARTT met in March for the first time in 2002, revisited the draft working plan and resolved to take the process forward.

- The working group was given a mandate to identify dates for the workshop and to make all the necessary arrangements, including the identification of organisations to be invited to give input at the workshop.

The working group has met on several occasions and the following progress has been made;

- The date for the HARTT workshop will be on the 25-26 July 2002.

The following organisations have been approached and agreed to make submissions;

- The Banking Council of SA, Greenstart, Southfin, National Housing Finance Corporation, Mining Houses, SASOL and ESKOM. The Employer and Labour will also make submissions.

- The working group, subject to approval by the PSCBC has discussed a proposed budget for the workshop. A sponsor for the workshop has been secured.

- The venue for the workshop has been secured including catering based on the initial number of 70 delegates.

- Through the employer and labour representatives the working group is in the process of compiling the list of delegates, the agreed number of delegates should not be more than 70.

- The working group hopes to have finalised all the planning for the workshop by end June 2002.

- After the workshop, HARTT will have to decide on how the information obtained will be processed to assist on deciding the way forward.

HARTT is positive and committed to ensure that there is significant progress being achieved by the end of 2002, if things work according to plan.



Task Team in session

Pension Restructuring Task Team

Period: April 2001-March 2002

Facilitator: MH Fadal

The Task Team consisting of parties to Council was established to investigate and address the issues contained in the below-mentioned Terms of Reference. The Task Team met a number of times, some meetings however, were postponed because of other competing priorities, such as the Restructuring Negotiations.

Terms of Reference

The joint task team, in terms of resolution 7 of 2000, was tasked to investigate:

- (a) Advantages and disadvantages of the present system in relation to a "Pay as You Go (PAYG)" and any other pension system;
- (b) A reduction in the employer's contribution to the Government Employees Pension Fund (GEPF) to an agreed percentage. The purpose of this is to use funds accrued from such reduction towards the development of social services and job security in the public service;
- (c) The implications of the alleged mismanagement of the Venda pension fund on the affected employees; and
- (d) The buying of pensions at favourable rates to assist those employees who were previously denied access to the pension fund as well as all employees in terms of previous collective agreements.

In addition to the above, the terms of reference was extended to include some improvements to the benefit restructuring amendments aimed at aligning the Rules with the Constitution, as well as amendments aimed at efficiency in management and administration.

Progress Report

NBC Consultants and Actuaries gave a presentation on the "GEPF on benefit and rules" In respect of issues in the terms of reference, the position is as follows:-

- **Investigation into pay-as you-go:** The Task Team considered a technical input from the actuary as well as from NEHAWU. Bilateral discussions were held and the Task Team is not taking this part of the investigation any further. However, the Task Team still needs to formalise a decision in this regard.
- **Venda Pension Fund issue:** This issue was separated from the rest of the issues, and a working group of the Task Team is investigating this matter further while the rest of the process is concluded. The Task Team will make recommendations when the working committee reports back.
- Purchasing of service/Increase in pensionable service for disadvantaged groups. The employer will continue with the implementation of existing agreements.
- A reduction in the employer's contribution to the Government Employees Pension Fund (GEPF) to an agreed percentage: (matter dealt with below)

In respect of the remaining issues, the following were under consideration with a view to finalise:

- The variation of the employer contribution rate by the employer and the Minister of Finance over time, in consultation with the Board of Trustees, depending on the experience of the Fund as revealed by the results of the latest actuarial valuation. In doing so, the funding level of the Government Employees Pension Fund will not be allowed to drop below 90%.
- An option to a member to a higher spouse's post retirement reversion percentage by means of opting for either a reduced gratuity, reduced annuity payable on retirement, or discharge where applicable.
- An orphan's pension payable in the event of a member's or future pensioner's death where there is no surviving spouse.
- The provision of funeral benefits for members and pensioners whose pensions commenced after the effective date of this the envisaged Rule changes.
- The adoption of a pension increase policy by the Board of Trustees that would guarantee annual pension increases to ensure that the value of pensions would not drop below 75% of a pension that would have increased with inflation since inception.
- The provision of an option to members to purchase additional service in the GEPP on a cost neutral basis. To this end, the cost of purchasing service will relate directly to the increase in the member's actuarial interest.
- The provision of guarantees by the Board of Trustees in respect of home loans by registered financial or otherwise approved institutions to members. The amount of such a guarantee will be related to the value of a member's withdrawal benefit after providing for tax obligations and will be determined according to the adopted policy of the Board in this regard.
- The recognition of registered life partners, including same sex partners, registered spouses and registered multiple spouses according to the Customary Marriages Act for purposes of the spouse's pension
- The phasing out of dormant membership by means of removing the option to dormant membership with effect from the effective date of the envisaged Rule Changes and the provision of an option to current dormant members of withdrawal benefits.
- The composition of the Board of Trustees, including the expedited appointment of members of the Board.
- The removal of the collective bargaining requirement in respect of non-benefit related rule amendments.
- The increase in pensionable service for employees disadvantaged by past discrimination in terms of clause 7 of PSCBC Resolution 7 of 1998. At this point in time, the employer engaged in the validation of applications received. Once the cost implication is known, the Task Team will develop a detailed proposal for negotiation as required by PSCBC Resolution 7 of 1998. The employer has further commenced with the implementation of the relevant agreement providing for increased pensionable service for employees discharged by the former Ciskei Government.
- The recognition of service in the former Non Statutory Forces as pensionable service in the GEPP on a basis agreed by the parties.

At this stage the parties have to finalise all bilateral discussions in order to reach consensus in the form of an agreement to be signed by the parties.

Education Issues Task Team

Period: June 2001-April 2002

Terms of reference

The task team was established by the Council to look at issues affecting both educators and non-educators within the education sector. Since these matters affect two sectors in the public service, the PSCBC has the jurisdiction to deal with them.

Progress

Task 1: Incorporation of colleges of education into higher education institutions

Council entered into Resolution 12 of 2000 on the Incorporation of Colleges of Education into higher education institutions in December 2000. The task of this team was to monitor the implementation of the agreement.

At the beginning of June 2001, the Joint Education Trust facilitation team that was appointed to act as an external agency to facilitate the incorporation of colleges of education into higher education institutions, submitted a report to the unions on the secondment and employment of college staff.

The extensive report outlined developments in each of the nine provinces in regard to the secondment and employment of college staff, with the following highlights:

- The interview processes and interviewing of staff
- Extensions for secondments
- Applications for MASP
- The compliance of provinces and problems encountered.

Task 2: Incorporation of non-educators into the scope of the ELRC

The task team was tasked to investigate the possibility of including the non- educator personnel employed in terms of the Public Service Act into the scope of the ELRC. Non educator personnel currently fall within the scope of the General Public Service Sector Bargaining Council (GPSSBC).

Progress

In terms of the Public Service Act and Public Service regulations the Heads of Departments for Education (both at the national level and provincial level) are responsible for all personnel employed in their departments. This includes educators employed in terms of the Employment of Educators Act and non educators, employed in terms of the Public Service Act

The following issues were raised by the employer in its position, that

- clarity be sort on the employers of those affected employees
- employees should fall within the Act that they are employed under
- the ELRC is the only sector council that excludes Public Service Act employees and that does not cover all employees in an institution.

The delay in finalising this investigation was due to the incorporation process that the task team dealt with. The issue was then referred to the Labour Relations Task Team of the PSCBC, which was tasked by Council to investigate the demarcation of further sectors and the redefining of existing sectors of the PSCBC.

Task 3: Procedure in dealing with Senior Management Personnel affected by a declaration or merging of institutions by an MEC (Education) in terms of the Further Education and Training Act, 1998; covered by the Public Service Act

The delay in the process was due to the incorporation process that the task team dealt with.

Progress

After extensive consultations within the task team, a resolution was drafted and tabled to the PSCBC for signing. SADTU had reservations about the resolution not accommodating the rest of the personnel affected by declaration or merging of institutions, and catering only for the Senior Management. Despite this, other parties had mandates to sign the resolution, but agreed to accommodate SADTU's concerns. Council then referred the draft resolution to the task team for further deliberations. At the latest meeting of the task team, labour parties agreed to a special labour caucus that will involve all the unions of the PSCBC to look at a few areas of concern in the draft resolution.

It is envisaged that parties will reach consensus on the outstanding issues and a resolution would be signed soon.

Pay Progression Task Team

Period: April 2001-March 2002

Terms of reference

- a) Backlog of rank and leg promotions shall be paid within four years
- b) The employer shall fund research, development and related costs in respect of a new pay progression system
- c) The parties shall set up career paths for every occupation, which shall define:
 - Grounds for promotion to higher salary levels, which must include both an improvement in competencies and good performance;
 - The grounds for movement into occupation on the same salary level;
 - Competencies required for each salary level;
 - Procedures to assess employees' competencies at each salary level; and
 - Other requirements for promotion.
- d) The parties shall establish training programmes that enable employees to obtain relevant competencies.

Submission of inputs

An invitation was extended to parties to submit position papers to the PSCBC. A working group was established to compile the inputs received into one consolidated document. The group consisted of the following members:

- M de Clercq - PSA (Fedusa)
- N Kubheka - SADTU (Cosatu)
- P Brewer - DENOSA (Cosatu)
- E Rabotapi - NAPTOSA (Independent)
- T Phetuka - SAPU (Independent)
- J Griesel - SAPS (Employer)
- B Shirto - DPSA (Employer)
- S Hendricks - DOH (Employer)
- L Pretorius - DPSA (Employer)

Presentations were also received from the Department of Education on the Career paths for educators. Inputs were also received from the DPSA, Cosatu unions and from PSA.

Additional Research

The PSCBC was tasked to facilitate visits to the parastatals and the private sector in order to obtain different pay progression systems. Visits were made to the following institutions and reports were submitted to the task team:

- University of Pretoria
- Ford Motor Company SA
- South African Breweries
- South African Revenue Services

At the meeting of 21 June 2001, the employer presented their draft proposal to the meeting. Labour was given an opportunity to revert back to their mandates and work on their position jointly to draft a consolidated position paper, which would be presented at the next meeting. After extensive consultations within parties, a jointly consolidated position paper was compiled and deliberated further. The employer presented a translation document on the proposed pay progression system. An agreement was reached that a separate table would be produced for the educators and police.

Since the document on pay progression and career pathing had many elements of disagreement, a working committee was established to revert back to the terms of reference of the task team. The committee would draft a new document based on the terms of reference to be presented at the task team for deliberation.

The committee consisted of

- 2 DPSA representatives
- NEHAWU
- PSA

The drafting committee tabled a document on the 9 November 2001. The translations in the spreadsheet were thoroughly discussed. The drafting committee was also directed to re-formulate some of the clauses and redraft the document into a resolution, before it is tabled in Council.

Progress

The document has been tabled in Council and further deliberations are in process. Labour pointed out that the Annexure was not acceptable, and that position was emphasised in the task team. A request was made in Council that the work of Task Team as well as any other submissions from parties be forwarded to a third party to develop a proposal to Council with the guidance of Council's resolution. The following areas/footnotes would then be the only focus area:

1. Trade Union representatives of the Drafting Committee differ in terms of the definition of the wage bill. Proposed definition by the Trade Unions - the wage bill is the total cost to employer, which includes the benefits that employees are entitled to e.g. medical aid, housing and all other benefits an employee is entitled to when he/she joins the Public Service.
2. The employer representative of the drafting committee are of the view that "other grounds for promotion to higher levels" is a broad statement which may allow all occupational categories grounds for promotion and this could lead to another form of rank and leg.
3. The employer representatives are of the view that transverse commencing salary notches cannot be prescribed centrally. Executing authorities have the powers to decide on work organisation. The job evaluation system provides the basis to ensure equal pay for work of equal value.

Parties were given up to the 11 March 2002 to make their submissions. The appointment of the third party would be done through the normal procedures of Council, through the Secretariat. The timeframe for the process would be between 11 March 2002 and 15 March 2002. An opportunity would be given to parties to address Council on their views.

Council appointed a third party, namely Mr David Douglas to hear submissions of the parties, to obtain expert advice on the matter and to make an advisory recommendation to Council. It is envisaged that this process will be completed by the end of May 2002.

The employer however placed on record and in writing its concern over the delay over the process of finalising a pay progression system for the public service.

Policy on HIV/AIDS Task Team

Period: February 2001 - May 2001

Facilitator: Teboho Kekana

Terms of Reference

The joint task team was established in terms of Resolution 7 of 2000 to investigate:

- The development of an HIV/AIDS policy;
- To develop a policy which would assist in the elimination of discrimination against people with HIV/AIDS; and
- The development of appropriate training materials for people who work with those who are infected and affected.

Performance

During February 2001 the task team received inputs on a policy on HIV/AIDS from parties to Council.

The facilitator was tasked to consolidate all inputs received and draft a policy document. The task team refined the document and referred a final draft to PSCBC for consideration in April 2001.

Council in principle adopted the policy document developed and congratulated the task team and facilitator for the good work performed. Council however requested the task team to incorporate the Code of Good Conduct under the Employment Equity Act and the Southern African Development Community (SADC) Code on HIV/AIDS and Employment into the policy document.

The policy document adopted by Council is attached on page 28.

Basic Conditions of Employment Task Team

Period: April 2001 - March 2002

The employer lodged an application for a Ministerial determination in terms of Section 50 of the Basic Conditions of Employment Act. The Minister of Labour responded by indicating that he believed that attempts to achieve consensus have not been exhausted. The matter was then subsequently referred back to the PSCBC for negotiations. Information on the variation sought was exchanged, and Council agreed that a task team be established, to develop solutions, and to draft a resolution to Council for consideration.

Parties seek variations, which includes components like Correctional Services, SAPS, Nursing and Support Staff as well as the rest of the Public Service, on issues such as:

- Overtime (maximum overtime hours, overtime pay);
- Meal intervals (non-payment of allowances)
- Nightshift work;
- Sunday work
- Daily and weekly rest periods
- Public Holidays
- Averaging of working hours (interns, Health and Welfare sector)

The task team has met regularly over the last year, and have engaged vigorously on the above matters. Parties have reached consensus on the majority of the issues, and it is envisaged that an agreement on the variations will be concluded in Council soon.



Task teams in session

Task Team on Problems Experienced with regard to Resolution 7/2000: Leave Provisions

Period: April 2001 - March 2002

During the Improvements of Conditions of Service Negotiations in 2000, a collective agreement was reached (Resolution 7 of 2000), which included the new leave dispensation for the Public Service. The employer, to facilitate the uniform implementation of PSCBC Resolution 7 of 2000, issued a directive on 30 November 2000. There was however problems experienced by various trade unions during the implementation of the resolution. Council subsequently established the task team to deal with the problems experienced.

The problems raised in Council and in the task team were investigated, and deliberated on. The Task Team is in a process of developing a draft resolution for consideration by Council.

Joint Accommodation Project Team

Period: April 2001 - March 2002

Terms of Reference

- To conduct a space planning analysis of the accommodation requirements of PSCBC and Sectoral Councils
- To make recommendations to either develop or purchase a suitable building
- To make recommendations on the appointment of a property expert to advise on both financial and technical decisions regarding the accommodation project
- To conduct sites visits
- To manage the different phases of the project from needs analysis to final fit out and move.

After considering recommendations of the project team, Council appointed a space-planning consultancy, called Blue Zebra to conduct a need analysis on permanent accommodation for the PSCBC and Sectors. The consultancy conducted interviews with both the parties to Council and the secretariat, and submit a report to Council in June 2001. The report provided an analysis of the space requirements for office space, bargaining and dispute resolution facilities. Recommendations were also made on financial options of developing and purchasing. The recommendation of the space planner was that PSCBC should consider the option of developing, as the needs of the councils were specific and the costs to renovate an existing building would be high.

However, Council took considerable time to consider the recommendations made by the space planner and did not act upon these recommendations.

In February 2002, the employer placed a request on the table that a Property Expert be appointed to look at the acquisition of permanent accommodation for the PSCBC and Sectors due to the following reasons:

- High rental costs
- That the current Lease agreement ends at the end of November 2002
- Urgent need for bargaining facilities and additional office space.

Council considered this and agreed that the project team investigates the proposal and makes recommendations regarding the appointment of a property expert, and takes the process of finalising the building project as a matter of urgency.

Dispute Resolution in the Public Service

Overview

The PSCBC manages disputes that arise between parties who fall within its scope. This includes parties, as well as non-parties to Council. Disputes at the PSCBC are dealt with in terms of the PSCBC Dispute Resolution Procedure that was adopted in 1998 (Resolution number 3 of 1998) in compliance with section 51 of the LRA. In correlation with section 36 of the LRA, the bulk of disputes are collective disputes that affect two or more sectors.

In terms of Section 36 of the LRA, the PSCBC may perform all the functions of a Bargaining Council in respect of those matters that:

- Are regulated by uniform rules, norms and standards that apply across the public service; or
- Apply to terms and conditions that apply to two or more sectors; or
- Are assigned to the State as employer in respect of the public service that are not assigned to the State as employer in any sector.

Most individual disputes (e.g. dismissal or unfair labour practice disputes) will generally not affect more than one sector and are handled by the relevant Sectoral Council. If the Sectoral Council lacks the requisite authority, the dispute would be referred to PSCBC.

The parties to the PSCBC have set tight time frames in order to expedite dispute resolution. If a dispute is referred to the PSCBC, it must be set down for arbitration within 30 days of the referral and the conciliation must be held no later than 14 days before the arbitration.

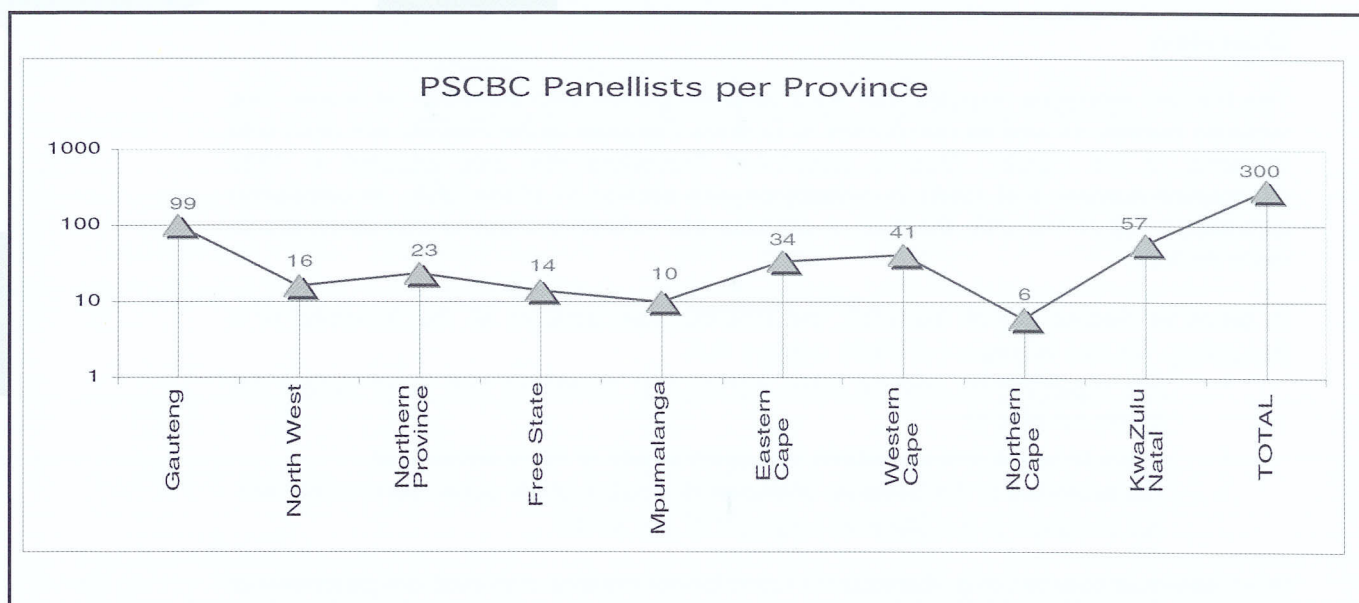
The Sectoral Councils' dispute resolution procedures became effective as from 1 June 2000. They have generally modelled their procedures on those of the PSCBC. The SSSBC has however amended their dispute resolution procedure to cater for their sector specific needs. The main changes pertain to the rights disputes, which are now dealt with by means of a con-arb procedure where the conciliation and arbitration hearings takes place on the same day. These disputes include unfair dismissal disputes, as well as unfair labour practice disputes.

Besides the SSSBC and the ELRC (which was established in 1993), the other Sectoral Bargaining Councils are still using the same procedures that have been modelled against that of the PSCBC.

PSCBC Panel of Conciliators and Arbitrators

Since last year, the number of panellists has increased from 160 to 300. The different Sectoral Bargaining Councils recruited panellists during the last year and the new list of panellists will be adopted by PSCBC at the annual general meeting this financial year 2002/2003. It is expected that this trend will continue until Councils have sufficiently struck a balance both in gender and in race in terms of the country's demographics.

The diagram below illustrates the breakdown of panellists per province.



Panellist Training

Some of the newly appointed panellists are not accredited by the CCMA to handle all the disputes that fall within the registered scope of the public sector. A training session is being arranged in conjunction with the CCMA to address this anomaly. Approximately 200 of the newly appointed panellists are expected to undergo training during the financial year 2002/2003.

The Joint Dispute Resolution Core Team is expected to monitor and evaluate the progress of the newly appointed panellists, as well as assess the effectiveness of the new dispute resolution procedure and the perception of the users of the dispute resolution procedures.

Case Management System

In November 2001, the electronic case management system (CMS) underwent fundamental and cosmetic changes. These changes were made in an attempt to accommodate the differences in the Sectoral Bargaining Councils' constitutions. The ELRC's dispute resolution procedure, for instance, prescribes that an unfair dismissal dispute should be set down for arbitration within forty five (45) days, while the GPSSBC and PHWSBC procedures prescribe that the same process should take place within thirty (30) days. The introduction of the con-arb process at the SSSBC further highlighted the need for fundamental changes to the system.

However, although these changes were affected to introduce a more user- friendly system to the various Sectoral Councils, it is still not utilised. The main reason for this seems to be the capacity problems that the Councils experience.

With the capacity problems the Sectoral Councils' experience, the question arises as to what criteria should be used in determining the ideal staff compliment to ensure an effective and efficient administrative service. The complexity of the tasks performed, the workload and the time spent on the processing of a referral could be used as a guideline to determine the ideal staff compliment. In terms of the scheduling of cases, the following factors should for instance be taken into account:

- The booking of the venues
- The booking of interpreters
- The booking of the panellist
- The phone calls made to make logistical arrangements
- The drafting and serving of notifications
- The number of referrals received per month.

The size and probable caseload of each sector should thus be considered before the provisioning of human resources.

Operational Report

Case load

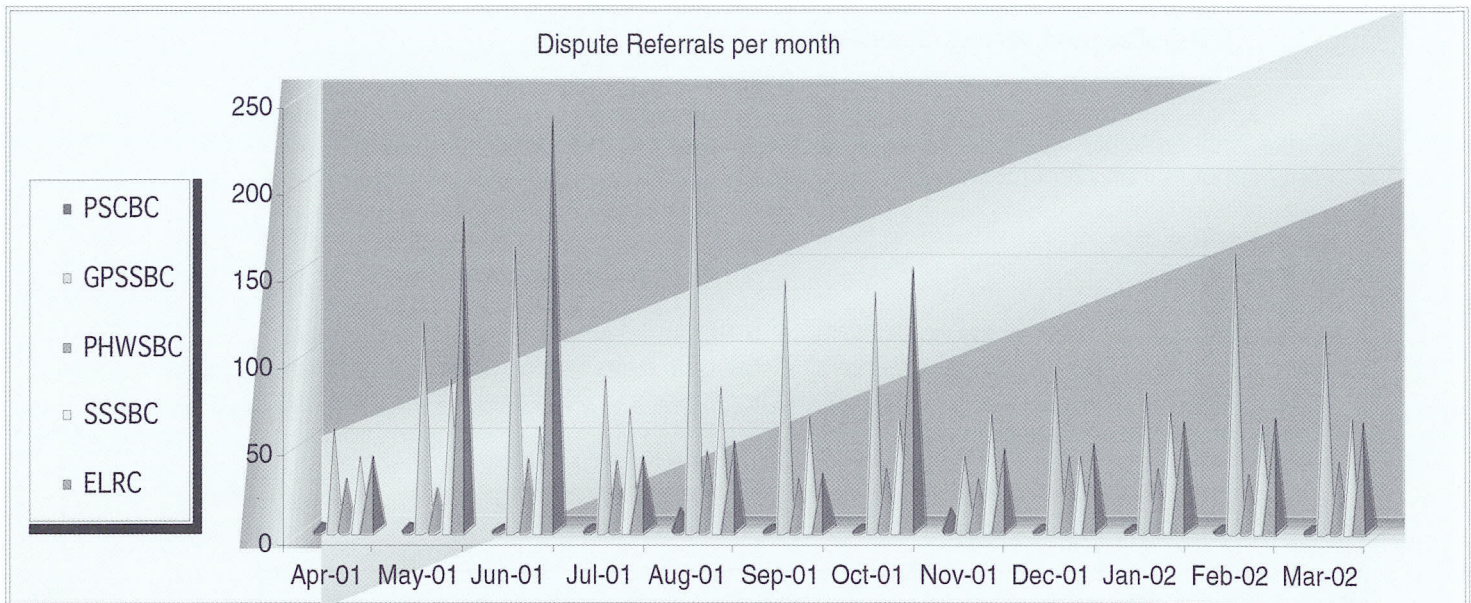
From the period April 2001 to March 2002 the PSCBC and Sectoral Bargaining Councils received a total of 3 705 referrals, an average of 11 referrals every working day. The number of disputes referred during this period represented an increase of 940 cases as compared to the period of 2001/2002 financial year.

Dispute referrals per month

Sector	A 01	M 01	J 01	J 01	A 01	S 10	O 10	N 01	D 01	J 02	F 02	M 02
PSCBC	4	4	1	3	13	3	2	13	2	1	2	2
GPSSBC	58	120	162	88	240	143	137	42	93	79	159	115
PHWSBC	29	24	41	39	46	30	36	29	43	35	33	39
SSSBC	43	86	60	70	82	65	63	66	43	68	61	64
ELRC	43	181	237	43	51	32	151	47	49	62	65	63
TOTAL	177	415	501	243	432	273	389	197	230	245	320	283

PSCBC Annual Report 2002

The number of referrals received by the various councils per month can be illustrated as follows:



From the above it is clear that GPSSBC received the most referrals (1436), with ELRC receiving the second most referrals (1024). SSSBC received 771 referrals, PHWSBC 424 referrals and the PSCBC 50 referrals.

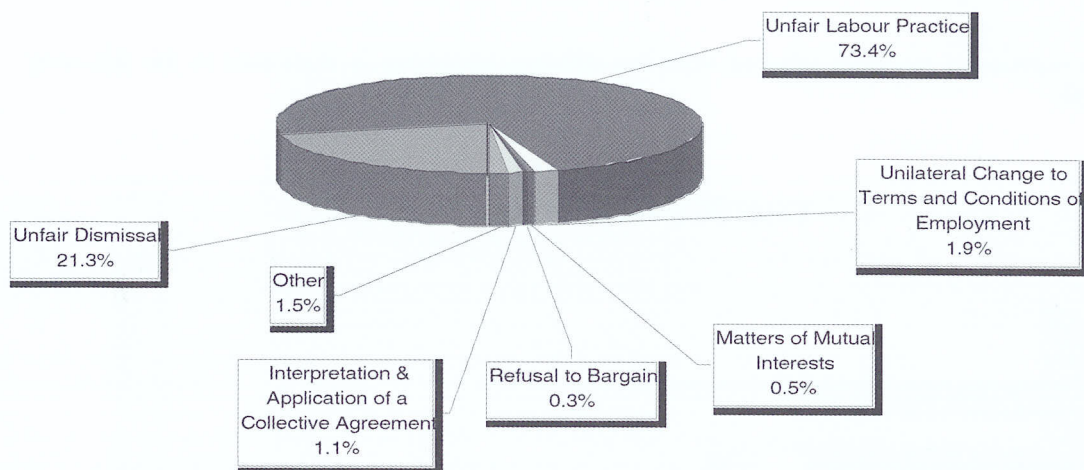
It is interesting to note that the various councils received an almost steady flow of referrals throughout the year, except for the ELRC who received an unusual high number of referrals during the months of May and June 2001. The same phenomena can be seen from the number of cases referred to the GPSSBC during June and August 2001.

Disputes per issue

ISSUE IN DISPUTE	PSCBC	GPSSBC	PHWSBC	SSSBC	ELRC
<i>Unfair Dismissal</i>	2	452	106	85	147
<i>Unfair Labour Practice</i>	21	862	301	664	877
<i>Unilateral Change to Terms and Condition of Employment</i>	3	48	9	2	10
<i>Matters of Mutual Interests</i>	3	12	3	0	0
<i>Refusal to Bargain</i>	0	5	2	4	0
<i>Interpretation & Application of a Collective Agreement</i>	21	5	0	16	0
<i>Other</i>	0	52	3	0	0

Of the total amount of disputes that were referred, 74% pertained to unfair labour practice disputes. Unfair labour practice disputes includes disputes regarding promotions, demotions, training, benefits, suspension or other disciplinary matters short of dismissal, as well as the failure to re-instate in terms of an agreement. Most of the unfair labour practice disputes that were referred pertained specifically to promotions.

Disputes Per Issue
PSCBC, SSSBC, GPSSBC, PHWSBC & ELRC



Disputes per Province

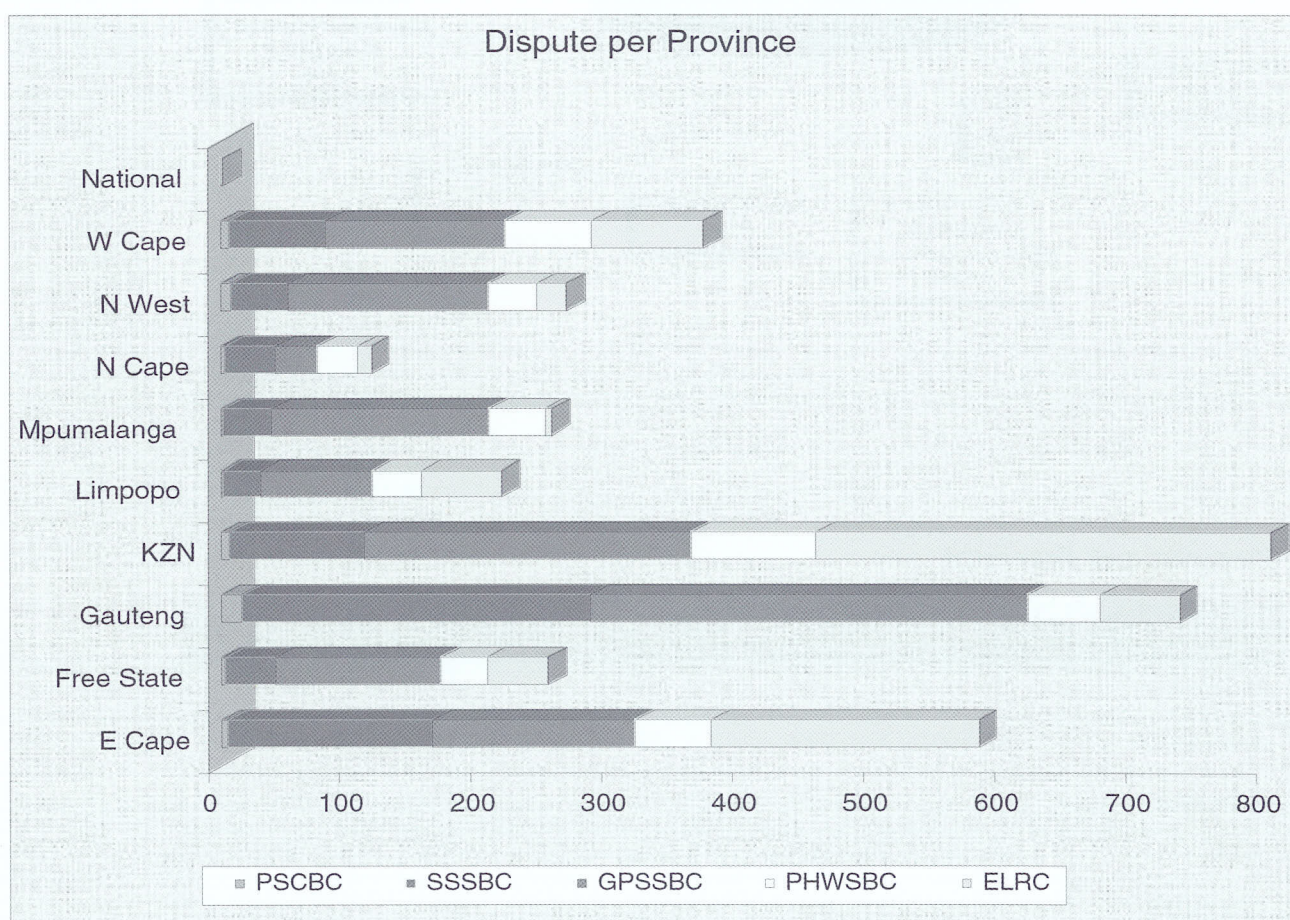
PROVINCE	PSCBC	GPSSBC	PHWSBC	SSSBC	ELRC
<i>E Cape</i>	5	154	54	150	212
<i>Free State</i>	3	126	31	38	56
<i>Gauteng</i>	16	333	50	259	69
<i>KZN</i>	6	250	89	101	462
<i>Limpopo</i>	1	86	35	29	69
<i>Mpumalanga</i>	1	166	39	38	14
<i>N Cape</i>	3	32	29	39	18
<i>N West</i>	8	153	34	43	30
<i>W Cape</i>	6	136	62	74	93
<i>National</i>					1

The provinces where the most disputes arose are KZN with 908 disputes, Gauteng with 728 disputes and Eastern Cape with 575 disputes. The province where the least disputes were referred is Northern Cape with 121 disputes.

The number of disputes referred per province may be helpful in highlighting problematic areas, as long as one considers the demographics of the particular province.

In terms of the following graph, it is interesting to note that the different Sectoral Bargaining Councils receive the bulk of their referrals from different provinces. GPSSBC and SSSBC for instance receive most of their disputes from Gauteng, while the most of PHWSBC and the ELRC's disputes arise in KZN.

The number of disputes referred from the different provinces is illustrated in the following graph:



Once the relevant Councils received the referred disputes, they had to schedule the hearings.

The hearings can be divided into conciliation and arbitration hearings, as the following tables illustrate. What is of note here is that the SSSBC (due to their Con-Arb procedure) does not differentiate between the conciliation and arbitration hearings.

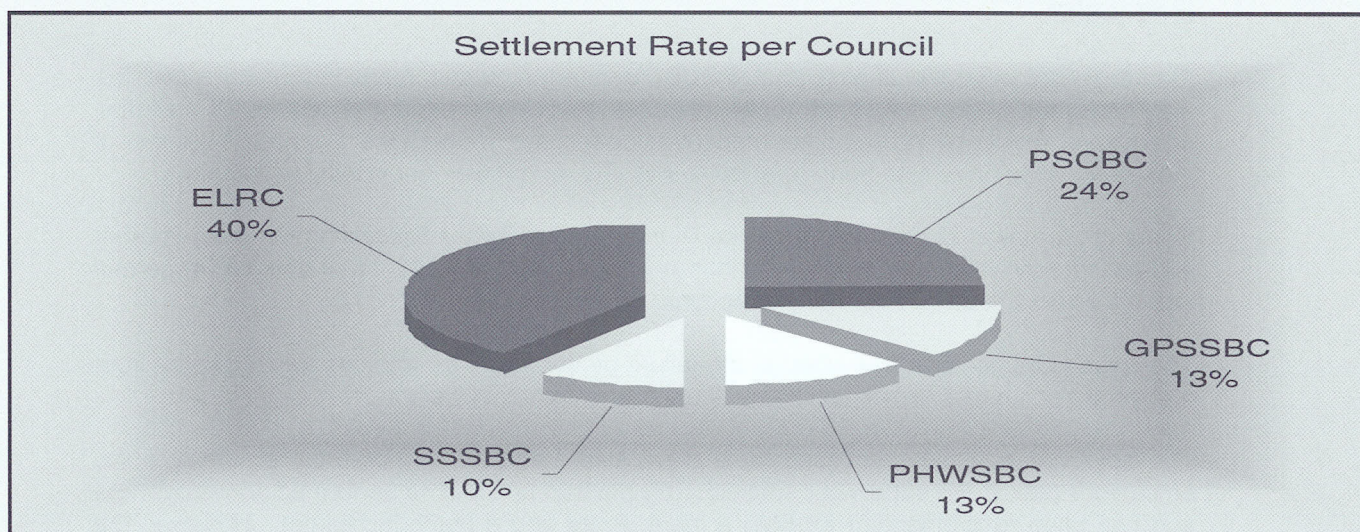
Conciliations per Council

Sector	Total Number of Case referred	Conciliations conducted	Settled	Settlement Rate
PSCBC	50	34	20	59%
GPSSBC	1436	1110	342	31%
PHWSBC	424	301	94	31%
SSSBC	771	1050	254	24%
ELRC	1024	841	819	97%

There is a difference between the number of cases referred and the number of hearings scheduled. This is mainly due to the fact that some cases are withdrawn or settled before they are scheduled.

The table clearly shows that the ELRC has an extremely high settlement rate of 97%, followed by the PSCBC with a settlement rate of 59%.

The following graph portrays the percentage of cases that was settled by the Sectoral Councils, in relation to the total number of cases that were referred in the public sector as a whole.



Arbitrations per Council

<i>Sector</i>	<i>Total Number of Arbitrations Referred</i>	<i>Arbitrations Conducted</i>	<i>Awards Rendered</i>
PSCBC	13	25	8
GPSSBC	768	380	215
PHWSBC	234	375	214
SSSBC	771	1050	255
ELRC	243	86	66

The SSSBC conducted the most arbitration hearings. This can once again be attributed to the Con-Arb procedure that they use. However, although they have conducted almost three times as many arbitration hearings as some of the other Councils, the number of awards that were rendered does not differ substantially from the other sectors.

Arbitration Reviews

5 cases were taken on review at PSCBC, 15 at ELRC, 65 at GPSSBC, 23 at SSSBC and 11 at PHWSBC.

The caseload analysis depicts that PSCBC's referred cases have increased since the previous year. The nature of these disputes revolves around the issues of benefits, promotions, merit awards and other matters that affect the whole Public Service. A number of individual cases have also been referred to PSCBC, which was not initially anticipated.

Some of the cases that came before the Public Service Sector Bargaining Councils created interesting scenarios. An example of this is a particular GPSSBC case between a certain individual and the Department of Correctional Services.

The issue to be decided was whether the failure by the employer to move the employee from his current notch to a higher notch constituted an unfair labour practice.

The applicant was duly assessed for a merit award and notch increment in line with the employer's policy. His supervisor subsequently advised him that he performed above average and has been recommended for both a merit award and a notch increment. However, the Provincial Office did not approve the Assessment Committee's recommendation.

Prior to the commencement of the hearing, the employer raised a point in limine that the issue in dispute is not an unfair labour practice as defined in Schedule 7 of the Labour Relation Act, 1995. The employer stated that the merit award is a reward given as special recognition and that it is not a benefit. It was further put to the panelist that notch increments is not a promotion but a salary increase given to certain individual employees who perform above average. It was thus argued that on this basis the GPSSBC is not the appropriate forum to review the administrative decision.

Award: The arbitrator held that notch increments and merit awards are benefits that are given to employees who perform above average and therefore covered in the LRA definition of a residual unfair labour practice. The arbitrator further stated that since the issue is one that is regulated by uniform rules, norms and standards that apply across the Public Service,

GPSSBC lacks jurisdiction and that the matter should be referred to the PSCBC.

The matter was accordingly referred to the PSCBC and allocated a new reference number. When parties appeared before the panel of three arbitrators (as provided for in the PSCBC dispute resolution procedure) the employer raised the same point in limine as previously argued at GPSSBC.

Award: Surprisingly the panel of arbitrators came to a different conclusion and ruled that PSCBC lacks jurisdiction, therefore the matter should be referred to GPSSBC.

The above raises a very interesting development of jurisprudence in the public service sector.

Task Teams

The Constitutional Amendment Task Team and Joint Dispute Resolution Core Team

The above task teams are comprised of PSCBC and all Sector Bargaining Councils representatives, and are facilitated by Dawie Bosch and Nomsa Mbileni. The aim of the Task Teams is to align the Constitutions and Dispute Resolution Procedures of all Bargaining Councils and to determine current constitutional frailties as per an Exco decision.

The task teams conducted joint meetings in addressing issues as per their terms of reference. The task teams recommended new changes both in the Constitution and Dispute Resolution Procedure. Once the changes have been adopted by Council, it may be further negotiated at the different Sectoral Bargaining Councils with the intention of inserting co-ordination provisions.

Appointment of Dispute Resolution Officers (DRO's)

PSCBC appointed one Senior Dispute Resolution Officer and GPSSBC appointed one Dispute Resolution Officer in order to replace staff members who have left the above institutions. The Council has embarked on a job evaluation exercise and out of this process a recommendation was made that more staff needs to be appointed to address the capacity problem. Council must still approve this recommendation.

If this recommendation is approved, it will change the staff complement in all Sectoral Bargaining Councils.

Employee Empowerment

PSCBC and Sectoral Bargaining Council employees who enrolled for the Certificate Programme in Industrial Relations at the Wits Business School have graduated. Two more of the Dispute Resolution Officers have enrolled for the course this semester.

The PSCBC Dispute Resolution Manager attended a four-month training course on Human Resources Management with Damelin Correspondence College. The Dispute Resolution Manager of the PHWSBC is also studying towards an Honours Degree in International Relations at Wits University, while the SSSBC Dispute Resolution Manager is busy with her LLB degree at UNISA.

Accreditation Extension

The CCMA Governing Body has officially extended the accreditation of all Public Sector Bargaining Councils to 31 March 2003. The reason for the extension was to unify the accreditation dates for private and public sector bargaining councils.

CCMA has now given more clarity in the accreditation certificates of the Bargaining Councils. The new terms and conditions of accreditation are now incorporated and this is especially evident through the powers that the Council has been accorded.

Workshops

Joint EXCO Workshop: PSCBC and Sectoral Bargaining Councils

Since the establishment of the sectoral bargaining councils, the roles and functions of PSCBC in relation to its designated sectors were not clarified. This was a result of constitutional weaknesses.

A workshop was convened between the Executive Committees of PSCBC and sectoral bargaining councils (ELRC, GPSSBC, PHWSBC, and SSSBC) from 3 to 4 May 2001, facilitated by PSCBC panellists, Dawie Bosch and Nomsa Mbileni.

The workshop served as an opportunity to clarify the relationship between PSCBC and the sectoral bargaining councils in relation to:

- Dispute Resolution functions;
- Human Resources management;
- Finances; and
- General provisioning

The following principles were agreed to at the workshop:

- PSCBC functions include bargaining on matters of transverse nature (affecting more than one sector, co-ordination between different sectoral councils, organisational functions (namely human resource management, finances and dispute resolution where appropriate).
- Sectoral bargaining councils are juristic persons with autonomy on aspects that they can implement themselves.
- PSCBC decisions within its scope are binding on sectoral bargaining councils.
- Sectoral bargaining councils cannot bind the PSCBC, however can make recommendations to the PSCBC.
- Sectoral representatives on PSCBC structures represent their sectors.
- Alignment of dispute resolution procedures to ensure uniform dispute resolution in the public service.

The Constitutional Amendments Task Team was tasked to draft amendments to the PSCBC Constitution to give effect to the above principles. It was also agreed that this might have consequential changes to Sectoral bargaining council constitutions, which will be referred to the sectors for consideration.

It was agreed at the workshop that the PSCBC would continue to provide the following services to sectoral bargaining councils, in assisting them with operational functioning:

1. Human Resource Management

- Formulation and maintenance of HR policy and systems;
- Job evaluation;
- Performance management;
- Co-ordination of training of staff; and
- Recruitment and promotion policy.

Implementation of these functions will be the responsibility of sectors.

2. Finances

- Collection of levies;
- Allocation of levies for operational costs;

- Personnel administration (payment of salaries); and
- Payment of dispute resolution costs.

3. Dispute Resolution

- Guidelines for appointment of Panel of conciliators and arbitrators (sectors will appoint own panels, manage contracts etc.);
- Fee policy;
- Management of case management system and policy;
- Provision of interpreters;
- Training of users, parties and panellists; and
- Guidelines for dispute prevention (sectors to implement).

4. General Provisioning

- Provision of information services (website development and maintenance, information and resource centre);
- Accommodation of sectoral bargaining councils (except ELRC); and
- Accommodation and resources for Provincial Chambers.

It was also agreed at the workshop that a Joint Fincom will be established to involve sectors in PSCBC budgetary processes and allow sectors to make recommendations to PSCBC that have financial implications. This will be a constitutional structure.

The Joint Fincom was tasked to investigate and make recommendations on the increase of PSCBC levies (the above provision of services necessitates this) and on a minimum/ baseline allocation to sectors for operational functioning.

A special committee was also established to conduct a needs analysis on resources for provincial chambers. This committee will consist of sectoral and provincial representatives who will make recommendations to Council on the resource needs of provincial chambers. The interim arrangement, in terms of the guidelines for the functioning of departmental/ provincial chambers, is that the employer and PSCBC will contribute equally to the functioning of these chambers.

The workshop has set the foundation for the PSCBC fulfilling its co-ordination function of bargaining structures in the public service.

Substantive Negotiations Workshop

The LRTT convened a substantive negotiations workshop on 21-22 May 2001 at Misty Hills in Muldersdrift. Professor Eddie Webster of Wits University facilitated the workshop. He held bilaterals with the employer and labour separately to ascertain the needs and expectations of the parties for the workshop.

The purpose of the workshop was as follows:

- To give PSCBC parties (employer/labour) the opportunity to identify and share needs, interests, fears, dilemmas, constraints, concerns and expectations for the forthcoming negotiations;
- Development of ground rules for forthcoming negotiations;
- Development of a code of good practice for bargaining; and
- Process for upcoming negotiations.

During the workshop parties identified obstacles to effective consensus building and shared them with each other. It was evident that the levels of trust between the parties were low, and that there were problems in the way the parties engaged with each other.

Professor Webster presented a case study on the road freight industry strike in 1994 and participants identified the lessons learnt from this case study.

An alternative approach to bargaining was discussed, where Prof Webster outlined the differences between the traditional approach and a mutual gains approach.

The parties agreed in principle to a mutual gains approach, to strive towards a win-win situation. A code of good practice for bargaining was developed and endorsed as the Misty Hills Manifesto, attached hereto.

Parties agreed to abide by this code at all negotiation sessions, including sectoral bargaining councils and other forums.

Parties also recognised that there are other training needs and trust building exercises that should be prioritised in the near future.

Misty Hills Manifesto

Code of Good Practice for Bargaining

The parties to the PSCBC hereby agree to commit themselves to a mutual gains approach to bargaining. The following ground rules for engagement are agreed to, which will assist in developing trust between the parties.

1. Personal Conduct

- No personal attacks
- Focus on the issue not the person
- Punctuality and attendance at meetings
- Mutual respect for each other
- Active listening

2. Media/Communication

- Avoid negotiating through the media and pre-empting outcomes through media
- Preferably joint statements
- Develop guidelines on dealing with the media

3. Disclosure of Information

- Information sharing session prior to negotiations (pre-negotiations meeting)
- To identify and share needs, interests, priorities, constraints, fears (joint identification)
- Deeper understanding of issues
- To share information that will allow parties to develop proposals

4. Timeframes

- Confirm decision at Job Summit to harmonise negotiating process with budgetary process
- More time allocated to pre-negotiation meetings
- Negotiation process must be completed within 30 days, unless agreed otherwise

5. Participation

- Full participation of parties at all levels
- Involvement of all parties at the initial stage when developing proposals in order to build trust and facilitate negotiations
- Continuity and consistency of negotiating teams

6. Compliance with agreements

- Agreements reached should be complied with
- It is also accepted that agreements may be reviewed
- Parties shall at all times act in good faith

7. Mandates

- Parties must come to the negotiating process with clear mandates

8. Alternative deadlock mechanism

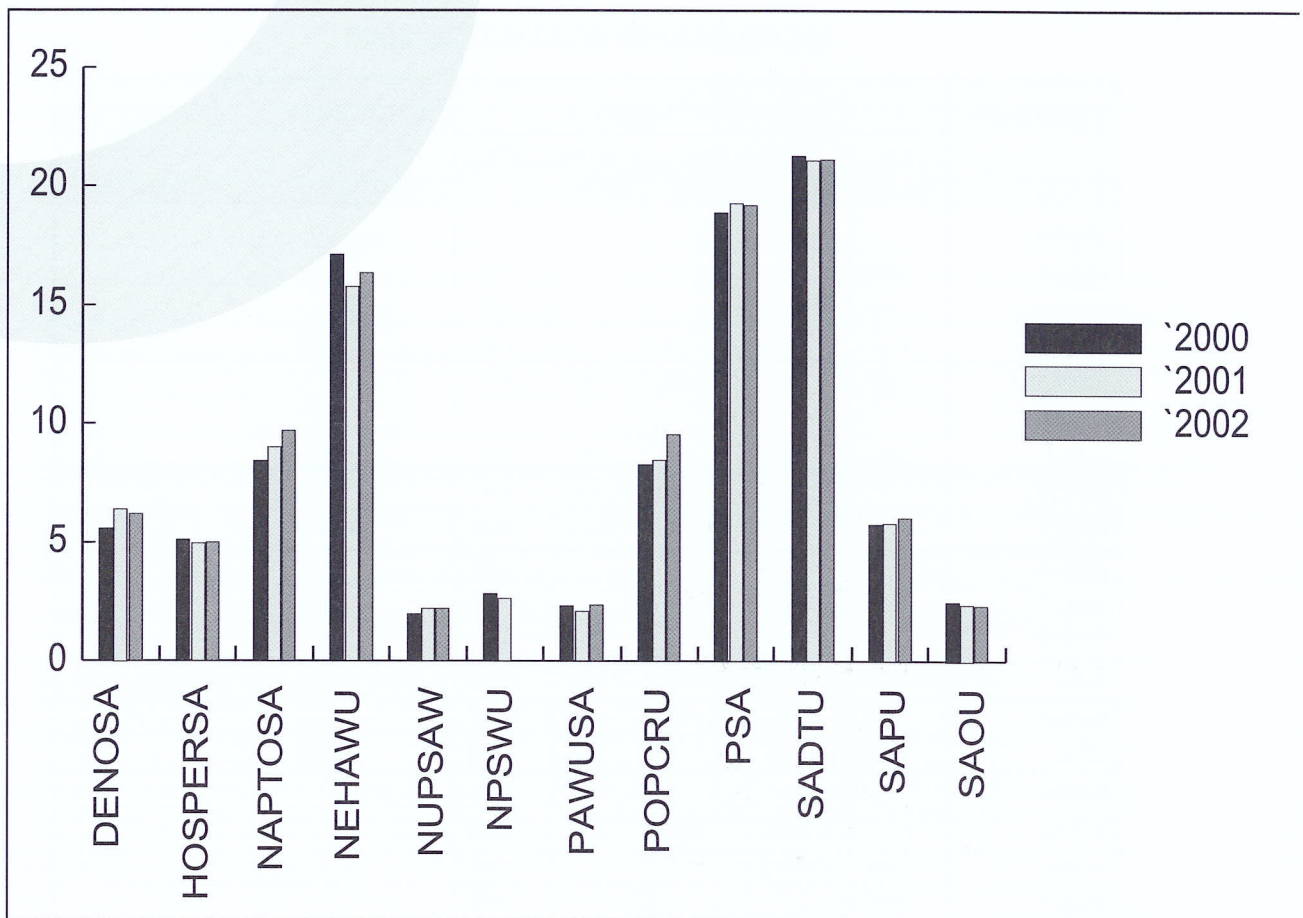
- Parties will endeavour to reach a negotiated settlement
- In the event of deadlock, the parties will endeavour to reach consensus on alternative dispute resolution mechanisms

Vote Weights and Membership

MEMBERSHIP STATISTICS 2002

TRADE UNION	MEMBERSHIP CLAUSE 6.10.					VOTE WEIGHT CLAUSE 8.1.	REPS CLAUSE 7.2.
	PRW	GP	SS	EDUCATION	TOTAL		
	SECTOR	SECTOR	SECTOR	SECTOR			
DENOSA							
DENOSA	57309				57309		
SAMA	4132				4132		
TOTAL	61441	0	0	0	61441	6.178%	4
HOSPERSA	38971	3826	226	6498	49521		
PUSEMO							
TOTAL	38971	3826	226	6498	49521	4.980%	3
NAPTOSA				96442	96442		
TOTAL	0	0	0	96442	96442	9.798%	5
NEHAWU	77818	84767			162585		
TOTAL	77818	84767	0	0	162585	16.348%	5
NUPSAW	6623	11567		3697	21887		
TOTAL	6623	11567	0	3697	21887	2.201%	2
PAWUSA	10054	12884		452	23390		
TOTAL	10054	12884	0	452	23390	2.352%	2
POPCRU					0		
POPCRU		22899	45925		68824		
SASAWU	5465	12807			18272		
SADNU	7972				7972		
TOTAL	13437	35706	45925	0	95068	9.560%	5
PSA							
PSA	35155	110230	13262	13396	172043		
UNIPSA		5753			3753		
NPSWU	11405	3650			15055		
TOTAL	46560	117633	13262	13396	190851	19.191%	5
SADTU				210275	2102275		
TOTAL	0	0	0	210275	210275	21.145%	5
SAPU			59983		59983		
TOTAL	0	0	59983	0	59983	6.032%	3
SAOU				23022	23022		
TOTAL	0	0	0	23022	23022	2.315%	2
GRAND TOTAL	254904	266383	119396	353782	994465	100.00%	41

Comparative analysis of membership over three years



Report of the Independent Auditor: Verification of Membership Statistics



REPORT OF THE INDEPENDENT AUDITORS TO THE PUBLIC SERVICE CO-ORDINATING BARGAINING COUNCIL ("PSCBC")

Scope

We have performed the procedures agreed with you and described below for the purpose of determining the membership vote weights as on 31 December 2001. Our engagement was undertaken in accordance with the statement of South African Auditing Standards applicable to agreed upon procedures engagements. The responsibility for determining the adequacy or otherwise of the procedures agreed to be performed is that of the Council. Our procedures were performed solely to assist you in determining the vote weights and should be used by you only for this purpose. The procedures are summarised as follows:

- Verify the registration of all independent auditors with the South African Institute of Chartered Accountants;
- Verify that the reports submitted by the independent auditors of the trade unions comply with the guidelines issued by the PSCBC;
- Agree the membership statistics with the original reports issued by independent auditors of the unions to the PSCBC as on 31 December 2001.

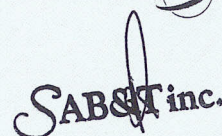
Because the above procedures do not constitute either an audit or a review made in accordance with statements of South African Auditing Standards, we do not express any assurance on the number of union members as at 31 December 2001.

Had we performed additional procedures or had we performed an audit or review of the financial statements in accordance with the statements of South African Auditing Standards, other matters might have come to our attention that would have been reported to you.

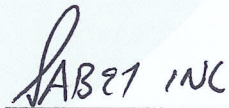
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Docex 15 • Tel: (012) 665 0950 • Fax (012) 665 0959/0180 • www.sab-t.co.za
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P Naidoo, S Naidoo, D R Nathoo, B Nduna, F J Oeschger, P L Popat, M Simjee, J Yuseph
Co. Reg. no 1997/018869/21

SC INTERNATIONAL
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Our report is solely for the purpose set forth in the first paragraph of this report and for your information, and is not to be used for any other purpose or to be distributed to any other parties. This report relates only to the number of members of the trade union parties to the Council, and does not extend to any financial statements of the Public Service Co-Ordinating Bargaining Council, taken as a whole.



SAB&T Inc.

Chartered Accountants (SA)

Registered Accountants and Auditors

13 May 2002

Findings

We set out our findings below:

1. All reports that were submitted, were prepared by Registered Accountants and Auditors.
2. The audit reports in all material respects comply with the guidelines issued by the PSCBC.
3. The memberships statistics of all accredited unions are summarised below.
4. The membership statistics summarised below are in agreement with the original audit reports issued to the PSCBC.

Union	Notes	Number of members	Vote weight
DENOSA	(d)	61 441	6.178%
SAPU		59 983	6.032%
HOSPERSA	(a)	49 521	4.980%
PSA	(c) (e)	190 851	19.191%
NEHAWU	(f)	162 585	16.348%
NAPTOSA		96 442	9.698%
POPCRU	(b) (c) (d)	95 068	9.560%
SADTU	(c) (d)	210 275	21.145%
SAOU		23 022	2.315%
PAWUSA	(d)	23 390	2.352%
NUPSAW		21 887	2.201%
TOTALS		994 465	100.000%

Notes:

- a) The audit report of Public Servants Movement (PUSEMO), an associated union of HOSPERSA was not submitted to PSCBC and therefore its membership figures were not taken into account when calculating the vote weights.
- b) The audit report of POPCRU was not submitted to PSCBC under the cover of POPCRU's letterhead as required by the guidelines issued by PSCBC.
- c) Sectoral break-downs as required by the guidelines issued by PSCBC were not included in the audit reports of the following unions:
 - ☐ UNIPSA (associated union of PSA)
 - ☐ SADNU (associated union of POPCRU)
 - ☐ SADTU

- d) The following trade unions did not submit their audit reports to the PSCBC by the 31st of March 2002 nor did they apply for an extension as required by the guidelines issued by PSCBC:
- ☐ DENOSA (submitted 2nd of May 2002);
 - ☐ POPCRU (unable to determine when submitted);
 - ☐ SADTU (submitted 6th of May 2002);
 - ☐ PAWUSA (29th of April 2002).
- e) The total number of members according to the Persal Salary Reports for NPSWU (associated union of PSA) was 11 955, but according to the trade union's database the total number of members were 15 055. The final number taken into account when calculating the vote weights was 15 055.
- f) NEHAWU includes members from the SANDF. However, the SANDF membership figures represent the membership figures as at the 1st of October 2001.

 **SAB&Tinc.**

PSCBC Secretariat

Strategic Plan: PSCBC Secretariat 2002

Purpose of PSCBC

Promotion of labour peace in the Public Service.

Vision of the Secretariat

Our vision is to provide effective and efficient secretariat services to Council, in order to achieve the organisation's strategic objectives.

Mission Statement

Our mission is to be the leading provider of quality, impartial, credible and independent secretariat services by:

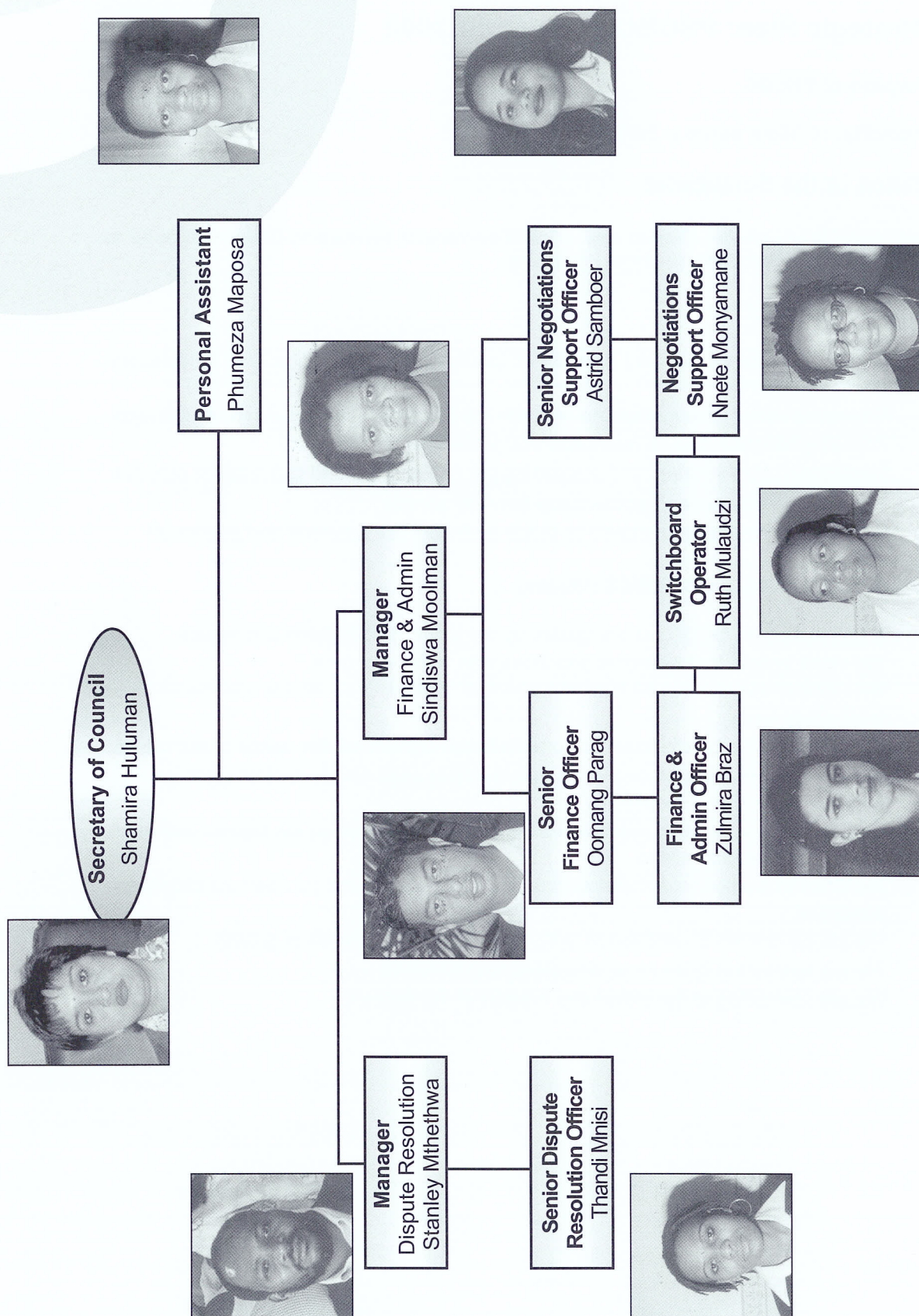
- Promoting sound labour relations between the State as employer and its employees.
- Providing effective dispute resolution and prevention mechanisms.
- Facilitating, administering, and supporting the negotiations and consultation process.
- Providing an efficient and accountable financial service.
- Co-ordinating bargaining structures in the public service (sectoral and provincial)

SECRETARIAT CODE OF ETHICS (Values)

As the secretariat of PSCBC we are guided by the following principles and values:

- We value people that we serve and those with whom we work.
- We commit ourselves to be impartial, credible, honest, accountable and professional in all of our work.
- We endeavour to be client-service oriented, striving to meet the needs of our clients.
- We aim to work together as a team, encouraging co-operation and support amongst ourselves and others around us.
- We strive to achieve and maintain excellence, always meeting the highest standards of performance in all areas.
- We strive to promote communication amongst ourselves, and between our clients and ourselves.
- We are committed to continuous skills development and personal growth.
- We are committed to be loyal, dedicated and authentic.
- We are committed to the vision and mission of the Council.

PSCBC Secretariat



Training and Development of PSCBC and Sectoral Bargaining Council Secretariat

Overview

The total budget for training and development costs for the year under review was R240 675. This amount excludes team building & joint workshops costs.

Operations

Bursaries

The Training & Development Committee approved the following bursaries in 2001/2.

Employee	Course	Institution
P. Maposa (PSCBC)	Dip-Off Management & Tech	TSA
K. Mosoane (SSSBC)	LLB	UNISA
Y Le Roux (SSSBC)	LLB	UNISA
A. Samboer (PSCBC)	Industrial Relations	Southern Bus School
T Dlomo (PHWSBC)	International Relations	Wits
R. Matidza (PHWSBC)	Diploma Office Management	TSA

Study Loans

The following employees received study loans that are repayable over a period of ten months in the year under review.

Employee	Course	Institution
S. Moolman (PSCBC)	CMA	CIMA
R. Mhlabane (PHWSBC)	Labour Relations	Pretoria Tech

Short Courses

The Committee approved applications from the employees listed below, to attend a Certificate Programme in Industrial Relations (CPIR), with Wits Business School. Due to high cost of the programme, these employees were requested to sign a contract with the Council, in terms of the PSCBC Bursary policy. P Phundu of GPSSBC and K Makwe of PHWSBC attended the CPIR course.

Short courses were approved for the following employees:

Employee	Courses	Institution
Z. Braz	Financial Management	UNISA
I. Sekete	English Language	WITS
S. Mthethwa	Adv Human Resources Man	UNISA
S. Mngomezulu	Human Resources Man	Damelin
R. Malaudzi	Human Resources Man	Damelin

PSCBC Annual Report 2002

The Council contributes 1% of the total employees salaries for skills development levy. In this coming year the Council will submit a Workplace Skills Plan to Services SETA, and apply for re-imbursment of skills development levy contributed.

The total cost for training and development of the PSCBC and the Sectoral Bargaining Councils' employees amount to R198 103. This is an increase of 8.6% from the previous year.

Finance

Financial Report 2002

Terms of reference of the Financial Committee

The following duties are assigned for the Financial Committee:

- Formulate financial policies and procedures;
- Recommend practical ways of implementing these policies;
- Review budgets and recommend to council;
- Review financial statements and ensure that financial policies and procedures are adhered to;
- Discuss the audited financial statements and management report with the auditors;
- Consider and recommend the acquisition of capital expenditure items within the budget;
- Discuss and manage the expenditure of the special projects
- Cash flow management (including treasury functions)

PSCBC Financial Committee members

K Magudulela	Labour Representative
P. Phayane	Labour Representative
R Venkiah	Employer Representative
B. Shirto	Employer Representative
R. Mahlake	Labour Representative
S.G Padayachee	Employer Representative
J. Maluleka	Labour Representative

Overview

The period 1 April 2001 to 31 March 2002 was a very difficult year for the Council. The year was again characterized by the increase in operational costs, more particularly the Dispute Resolution costs.

Results

Levies Received

Resolution 2 of 1998 prescribe the amount to be collected by the Council, namely; 50 cents contribution by each employee and equal 50 cents contribution per employee by the employer. Levies received during the year remained constant. Total levies received from the Public Service amounts to R11 474 888. The amounts were received from the different sectors:

Education Sector	R4 262 530
General Public Service Sector	R3 087 641
Safety & Security Sector	R1 424 103
Public Health & Welfare Sector	R2 700 614

Total expenditure per sector

Education Sector	R3 618 370
General Public Service Sector	R4 663 771
Safety & Security Sector	R2 875 519
Public Health & Welfare Sector	R2 090 747
PSCBC	R5 095 217

Interest Received

The Council received R1 205 418 in interest for the financial year ended 31 March 2002 from the levy account compared to R1 512 169 received in the previous year. This decrease can be ascribed to the transfer of funds from the call to the current account, to provide for the operational needs of the Council.

The rate of interest on call account is 9.4%, and 7.5% on the Cash Management System.

Dispute Resolution Costs

The dispute resolution costs have increased from R3 943 551 in 2001 to R8 472 027 in 2002. This amounts to more than 100% increase in these costs. The Council has taken a decision to conduct an investigation on the reasons for this huge increase. The breakdown of these costs is listed below.

GPSSBC	R 2 996 912
ELRC	R 2 449 200
SSSBC	R 1 855 118
PHWSBC	R 997 243
PSCBC	R 173 554

Funding of the Sectoral Bargaining Councils

The Sectoral Bargaining Councils are allocated 15% of the actual levies received from the different sectors, for administration and operational costs. The total allocated to sectors in the year under review amounts to R1 615 520. The breakdown of this amount is as follows:

GPSSBC	R 463 146
ELRC	R 533 666
SSSBC	R 213 750
PHWSBC	R 405 002

Review of the Financial Policy

PSCBC reviewed its financial policy during the year to ensure efficient, and effective use of the Councils' resources, reliable reporting, and compliance with GAAP, relevant legislation and regulations. The reviewed policy document reflects changes in financial statutes, and improvement in the internal controls.

During the year the Council approached its auditors SAB & T Inc. to give an opinion as to whether the PSCBC falls within the ambit of the Public Finance Management Act. After analyzing the PFMA, the auditors found that the PSCBC does not fall within the ambit of the Act. Nevertheless the Council took a decision to comply with the provisions of the PFMA.

Issues that are under consideration

A workshop that involves the PSCBC Financial Committee and the Financial Committees from the Sector Bargaining Councils, is scheduled to take place in June to discuss the following matters:

- PSCBC/Sectors Procedure Manual
- Levy increase proposal

During the year the Council approached its auditors to assist them to give guidelines on the Agency fees utilization and reporting. The proposed guidelines will be tabled to the Council meeting in June.

Conclusion

The PSCBC Finance department will continue to strive towards the improvement of the internal controls, services to PSCBC staff, parties to Council and to service providers of the Council. The department would like to thank the Secretary to Council Shamira Huluman and the Financial Committee for the support they provided during the period under review.

Financial Statements of PSCBC and Auditor's Report: **1 April 2001 to 31 March 2002**



REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF PUBLIC SERVICE CO-ORDINATING BARGAINING COUNCIL

We have audited the annual financial statements of Public Service Co-ordinating Bargaining Council set out on pages 3 to 9 for the year ended 31 March 2002. These financial statements are the responsibility of the Council's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Scope

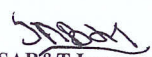
We conducted our audit in accordance with statements of South African Auditing Standards. Those standards require that plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement. An audit includes:

- examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements,
- assessing the accounting principles used and significant estimates made by management, and
- evaluating the overall financial statement presentation.

We believe that our audit provides a reasonable basis for our opinion.

Audit opinion

In our opinion, the financial statements fairly present, in all material respects, the financial position of the Council at 31 March 2002 and the results of its operations and cash flows for the year then ended in accordance with Generally Accepted Accounting Practice, and in the manner required by the Council's Constitution.


SAB&T Incorporated
Chartered Accountants (S.A.)
Registered Accountants and Auditors


Date



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Co. Reg no. 1997/018869/21



**PUBLIC SERVICE CO-ORDINATING BARGAINING COUNCIL
BALANCE SHEET
as at 31 March 2002**

	Notes	2002 R
ASSETS		
Non-current assets		
Fixed assets	2	564 556
Current assets		
Accounts receivable		40 128 838
DPSA		1 056 310
Call Deposits		500 000
Bank balances		5 903 958
		32 668 570
Total assets		<u>40 693 394</u>
EQUITY AND LIABILITIES		
Capital and reserves		
Distributable reserves		10 546 549
Non-current liabilities		
Special Projects	3	18 527 708
Current liabilities		
Accounts payable		11 619 137
Trade unions funds	4	2 612 942
		9 006 195
Total equity and liabilities		<u>40 693 394</u>

**PUBLIC SERVICE CO-ORDINATING BARGAINING COUNCIL
INCOME STATEMENT
for the year ended 31 March 2002**

	Notes	2002 R	2001 R
Income			
Levy fee	5	12 239 186	10 921 569
Other income		2 925 546	3 114 769
Job summit expenditure recovered		500 000	-
Interest received	6	2 425 546	3 114 769
Total income		15 164 732	14 036 338
Expenditure		18 284 274	10 627 496
Advertising		37 441	396 397
Arbitration and conciliation costs		8 472 027	3 943 551
Auditors' remuneration		13 908	23 397
Bank charges		32 730	21 985
Computer expenses		99 899	5 946
Consulting fees		359 476	570 224
Consumables		3 896	599
Contribution towards sector expenses	7	1 915 964	2 078 099
Depreciation		187 859	91 987
Fines and penalties		-	2 229
Insurance		18 029	11 582
Legal fees		33 020	386 648
Meetings, conferences and seminars		739 795	834 852
Postage		6 597	3 364
Printing and stationery		106 220	69 828
Publication & photocopying		27 277	65 039
Refreshments		2 584	4 891
Rent		580 304	177 530
Repairs and maintenance		16 134	2 794
Research and development		80 928	-
Salaries		4 602 983	1 371 441
Sectoral set - up costs		31 088	77 874
Security		7 173	10 323
Job summit		266 113	-
Telephone and fax		348 134	148 192
Training		198 103	182 441
Travel - local		96 592	70 170
Workshop		-	76 113
(Loss)/profit		(3 119 542)	3 408 842
Surplus allocated to Projects		(1 472 075)	(1 427 290)
Levy fees incorrectly allocated to special projects in the 1999 financial year corrected		-	1 000 000
(Accumulated loss)/retained profits for year		(4 591 617)	2 981 552
Retained profits at beginning of year		15 138 166	12 156 614
Retained profits at end of year		10 546 549	15 138 166

Done

PUBLIC SERVICE CO-ORDINATING BARGAINING COUNCIL
CASH FLOW STATEMENT
for the year ended 31 March 2002

	Notes	2002 R	2001 R
Cash flows from operating activities		(558 262)	(15 689 533)
Cash utilised in operating activities	8.1	(2 983 808)	(18 804 302)
Interest received		2 425 546	3 114 769
Cash flows from investing activities		5 479 140	(7 090 454)
<i>Expenditure to maintain operating capacity</i>			
Fixed assets acquired		(361 271)	(362 285)
Proceeds of disposals of fixed assets		-	16 200
<i>Expenditure for expansion</i>			
Call Deposit		5 840 411	(6 744 369)
Cash flows from financing activities		233 887	(2 273 930)
Movement in Skills Audit Projects		-	427 291
Movement in Skills Development Projects		233 887	(2 601 221)
Movement in Research and Development Projects		1 238 188	-
Loans repaid		-	(100 000)
Increase/(decrease) in cash and cash equivalents		4 920 878	(25 053 917)
Cash and cash equivalents at beginning of the year	8.2	27 747 692	52 801 609
Cash and cash equivalents at end of the year	8.2	32 668 570	27 747 692

PUBLIC SERVICE CO-ORDINATING BARGAINING COUNCIL
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2002

1 Basis of preparation

The financial statements are prepared in accordance with statements of generally accepted accounting practice. The financial statements have been prepared on the historic cost basis in terms of the concept of fund accounting, which is consistent with that of the previous year.

1.1 Fixed assets

All fixed assets are initially recorded at cost.

Depreciation is calculated on the straight-line method to write off the cost of each asset, or the revalued amounts, to their residual values over their estimated useful lives. The depreciation rates applicable to each category of fixed assets are as follows:

Furniture and fittings	20 % p.a.
Computer equipment	33.33 % p.a.
Computer software	50 % p.a.

2. Fixed assets

	Cost / valuation R	2002 Accumulated depreciation R	Carrying value R	Cost / valuation R	2001 Accumulated depreciation R	Carrying value R
<i>Owned assets</i>						
Furniture and fittings	407 272	69 247	338 025	250 628	17 922	232 706
Computer equipment	293 921	189 628	104 293	228 344	92 394	135 950
Computer software	190 640	68 402	122 238	51 590	29 102	22 488
	<u>891 833</u>	<u>327 277</u>	<u>564 556</u>	<u>530 562</u>	<u>139 418</u>	<u>391 144</u>

The carrying amounts of fixed assets can be reconciled as follows:

	Carrying value at beginning of year R	Additions R	Disposals R	Depreciation R	Carrying value at end of year R
2001					
<i>Owned assets</i>					
Furniture and fittings	10 230	237 284	-	(14 808)	232 706
Computer equipment	115 802	97 742	(16 200)	(61 394)	135 950
Computer software	11 014	27 259	-	(15 785)	22 488
	<u>137 046</u>	<u>362 285</u>	<u>(16 200)</u>	<u>(91 987)</u>	<u>391 144</u>

PUBLIC SERVICE CO-ORDINATING BARGAINING COUNCIL
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2002

2. Fixed assets continued

2002	Carrying value at beginning of year R	Additions R	Disposals R	Depreciation R	Carrying value at end of year R
<i>Owned assets</i>					
Furniture and fittings	232 706	156 644	-	(51 325)	338 025
Computer equipment	135 950	65 577	-	(97 234)	104 293
Computer software	22 488	139 050	-	(39 300)	122 238
	<u>391 144</u>	<u>361 271</u>	<u>-</u>	<u>(187 859)</u>	<u>564 556</u>
		2002 R		2001 R	

3. Special Projects

3.1 Skills Audit

Opening Balance	16 010 306	15 669 563
Interest received	1 256 217	-
Net surplus for the year	-	1 340 743
Transfer to reserves	-	(1 000 000)
Balance at year end	<u>17 266 523</u>	<u>16 010 306</u>

3.2 Development of training plans

Opening balance	1 045 327	3 560 000
Net surplus/(deficit) for the year	-	86 547
Job summit expenditure/Allocation to sectors	(266 113)	(2 601 220)
Job Summit expenditure recovered	500 000	-
Interest received	62 899	-
China trip	(80 928)	-
Balance at year end	<u>1 261 185</u>	<u>1 045 327</u>
<i>Total</i>	<u>18 527 708</u>	<u>17 055 633</u>

**PUBLIC SERVICE CO-ORDINATING BARGAINING COUNCIL
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2002**

4. Trade unions funds

	Allocations 2002 R	Distributions 2002 R	Amount due 2002 R	Allocations 2001 R	Distributions 2001 R	Amount due 2001 R
DENOSA	3 291 288	(3 229 714)	575 766	2 952 474	(2 967 738)	514 192
HOSPERSA	2 659 106	(2 679 601)	444 726	2 767 877	(2 700 732)	465 221
NAPTOSA	4 762 509	(4 681 789)	809 837	4 371 896	(4 374 478)	729 117
NUPSAW	857 797	(1 120 977)	197 506	1 763 414	(1 767 192)	460 686
NWU	1 412 889	(1 451 262)	237 313	1 634 018	(1 545 976)	275 686
NEHAWU	8 716 964	(8 729 524)	1 419 376	8 850 915	(8 759 751)	1 431 936
PAWUSA	1 132 806	(1 173 839)	189 310	1 360 700	(1 281 042)	230 343
POPCRU	4 712 868	(4 481 820)	761 564	3 811 380	(3 827 179)	530 516
PSA	10 153 184	(10 169 749)	1 735 494	9 637 260	(10 108 003)	1 752 059
SADTU	11 334 714	(11 326 116)	1 899 407	11 051 926	(11 181 592)	1 890 809
SAPU	2 772 573	(2 945 059)	522 089	2 916 207	(2 953 821)	694 575
SAOU	1 564 108	(1 443 791)	213 807	1 570 485	(1 519 285)	93 490
	<u>53 370 806</u>	<u>(53 433 241)</u>	<u>9 006 195</u>	<u>52 688 552</u>	<u>(52 986 789)</u>	<u>9 068 630</u>

5. Levies received

Resolution 2 of 1998 (Levy fee agreement): employer and employee contributes R0.50 each.

	2002 R	2001 R
6. Interest received		
Interest income		
- Levy fee	1 106 430	1 512 169
- Special projects	1 319 116	1 602 600
	<u>2 425 546</u>	<u>3 114 769</u>

7. Contribution towards sectoral expenses

- PHWSBC	450 325	527 609
- SSSBC	251 755	534 374
- GPSSBC	574 505	840 324
- ELRC	639 379	1 091 234
- ELRC - overprovision prior year	-	(915 442)
	<u>1 915 964</u>	<u>2 078 099</u>

PUBLIC SERVICE CO-ORDINATING BARGAINING COUNCIL
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2002

8. Notes to the cash flow statement

8.1 Cash utilised in operating activities

Net (loss)/profit	(3 119 542)	2 981 552
Adjustments for:		
Depreciation	187 859	91 987
Interest received	<u>(2 425 546)</u>	<u>(3 114 769)</u>
	(5 357 229)	(41 230)
<i>Movements in working capital:</i>		
Decrease in accounts receivable	563 791	5 722 876
Increase/(decrease) in accounts payable	<u>1 809 630</u>	<u>(24 485 948)</u>
	<u>(2 983 808)</u>	<u>(18 804 302)</u>

8.2 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and balances with banks. Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amounts:

Bank balances	<u>32 668 570</u>	<u>27 747 692</u>
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9. Income Tax

The Council is exempt from the payment of income tax in terms of section 10(1)(cA)(1) of the Income Tax Act, No. 58 of 1962.

Guidelines on the Agency Fee Expenditure and Reporting

Introduction

The PSCBC auditors recommended the following guidelines on the Agency fees expenditure and reporting.

Guidelines

- The audit report from each Trade Union on the Agency fees must include the Financial Statements (Income Statement & Balance Sheet). There should be explanatory notes for all balance sheet items, and material income statement items.
- Where the expenditure is not clear whether it is related to the allowed expenses as defined by the Agency Shop Agreement, and Labour Relations Act, the union should provide explanations in the audit report to Council. The audit report will however report where there is non-compliance with the Agency Shop Agreement and Labour Relations Act.
- For purpose of audit report for agency fee account the financial period 01 April to 31 March will apply. This will solve the problems of receiving Financial Statements at different periods. This period is in line with the PSCBC financial period.

Timeframe for submission to the PSCBC

Trade unions must submit their agency fees annual audited financial statements to the Secretary to Council by no later than 30 June of each year.

A consolidated report will be tabled to Council on or before 30 September of each year.

Auditors Report of Sectoral Bargaining Councils SSSBC

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE SAFETY AND SECURITY SECTORAL BARGAINING COUNCIL

We have audited the annual financial statements of the Safety and Security Sectoral Bargaining Council set out on pages 3 to 8 for the year ended 31 March 2002. These financial statements are the responsibility of the Council. Our responsibility is to express an opinion on these financial statements based on our audit.

Scope

We conducted our audit in accordance with statements of South African Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement. An audit includes:

- examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements,
- assessing the accounting principles used and significant estimates made by management, and
- evaluating the overall financial statement presentation.

We believe that our audit provides a reasonable basis for our opinion.

Qualification

In common with similar organisations, it is not feasible for the organisation to institute accounting controls over cash collections from donations prior to the initial entry of collections in the accounting records. Accordingly, it was impractical for us to extend our examination beyond receipts actually recorded.

Qualified Audit opinion

In our opinion, except for the effect on the financial statements of the matter referred to in the preceding paragraph, the financial statements fairly present, in all material respects the financial position of the Council at 31 March 2002 and the results of its operation and cash flows for the year then ended in accordance with generally accepted accounting practice.

SAB&T Incorporated
Chartered Accountants (S.A.)
Registered Accountants and Auditors

Centurion

Auditors Report of Sectoral Bargaining Councils PHWSBC

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF PUBLIC HEALTH AND WELFARE SECTOR BARGAINING COUNCIL

(Established in terms of the Labour Relations Act 66 of 1995)

Introduction

We have audited the annual financial statements of the Public Health and Welfare Sector Bargaining Council (Established in terms of the Labour Relations Act 66 of 1995), set out on pages 3 to 9 for the financial year ended 31 March 2002. These financial statements are the responsibility of the Council's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

Scope

We conducted our audit in accordance with statements of South African Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement. An audit includes:

- examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements,
- assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation.
- We believe that our audit provides a reasonable basis for our opinion.

Audit opinion

In our opinion the financial statements fairly present, in all material respects, the financial position of the Council at 31 March 2002 and the results of its operations and cash flows for the year then ended in accordance with South African Statements of Generally Accepted Accounting Practice and in the manner required by the Council's Constitution.

Mokwena and Associates

Mokwena and Associates
Chartered Accountants (SA)
Registered Accountants and Auditors
Johannesburg
05 May 2002

Auditors Report of Sectoral Bargaining Councils GPSSBC



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REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE GENERAL PUBLIC SERVICE SECTOR BARGAINING COUNCIL (Established in terms of the Labour Relations Act, 1995 (Act No. 66 of 1995))

We have audited the financial statements set out on pages 2 to 11 for the year ended 31 March 2002. These financial statements are the responsibility of the Council's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Scope

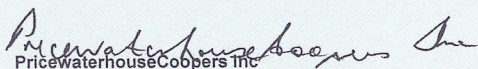
We conducted our audit in accordance with Statements of South African Auditing Standards. These standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement. An audit includes:

- examining, on a test basis, evidence supporting the amounts and disclosures included in the financial statements,
- assessing the accounting principles used and significant estimates made by management, and
- evaluating the overall financial statement presentation.

We believe that our audit provides a reasonable basis for our opinion.

Audit opinion

In our opinion, the financial statements fairly present, in all material respects, the financial position of the Council at 31 March 2002 and the results of its operations and cash flow information for the year then ended in accordance with Statements of Generally Accepted Accounting Practice in South Africa and in the manner required by the Council's Constitution and the Labour Relations Act, 1995 (Act No. 66 of 1995).


PricewaterhouseCoopers Inc
Registered Accountants and Auditors
Chartered Accountants (SA)

PRETORIA
19 June 2002

Other significant events during 2001/2

Visit to China

PSCBC sent labour representatives to the People's Republic of China, during January 2002, accompanying the Minister of Public Service and Administration.

The purpose was to explore strategies on Human Resource Development and the Chinese experience on Human Resource matters. What was noted by the delegation was the great emphasis on people development. The initiatives that have been put in place by the Government of the People's Republic of China aimed at training and development of not only civil society, but also employees of the government including those who no longer are employed by the government as a result of restructuring.

It was noted that economic growth and development is ongoing in the People's Republic of China, and this is happening at a phenomenal rate. The emphasis clearly is to build an economically viable and self sustaining economy, that somehow includes foreign investment, but with the purpose of the beneficiaries being the People of China. In order to achieve this goal the government has recognised the need for a highly skilled workforce and therefore funds training and development centres throughout the country.

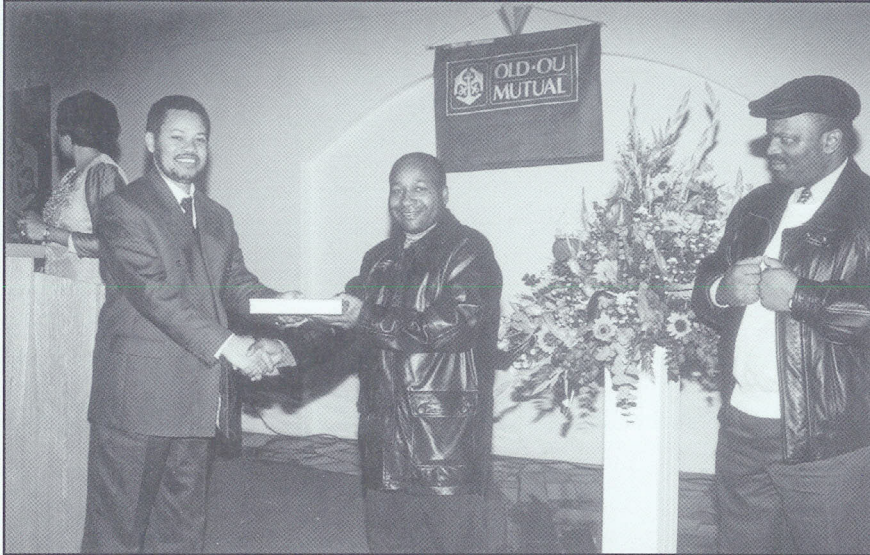
What was observed in China was clearly a culture of pride in the nation and a common vision towards development. It is clear that the People's Republic of China is getting it right in so far as development of people in the interests of the nation is concerned. We have much to learn from the People's Republic of China and support a broader delegation of the PSCBC visiting the People's Republic of China.



Minister of Public Service and Administration, Geraldine Fraser- Moleketi, DPSA delegates, Public Service Commission delegates and PSCBC delegates in China.

AGM 2001

PSCBC held it's fourth Annual General Meeting on 29th June 2001, at St. George's Hotel in Rietvlei.



Chairperson, hands over a token to the Deputy Director - General of DPSA, Alvin Rapea.

The Deputy Director - General of DPSA, Alvin Rapea, hands over a token to Thembekile Siko of NEHAWU



Vusi Nhlapo (President of NEHAWU) hands over a token to the Chief Negotiator, Manoko Nchwe.

Thulas Nxesi, General Secretary of SADTU speaking on behalf of Labour at AGM banquet 2001



Tokens of appreciation given to the Vice-Chairpersons

Members of Council partying at AGM banquet 2001



Glossary

BCEA	–	Basic Conditions of Employment Act, 1997
CCMA	–	Commission for Conciliation, Mediation and Arbitration
CON-ARB	–	Joint conciliation and arbitration process
COSATU	–	Congress of South African Trade Unions
DENOSA	–	Democratic Nursing Organisation of South Africa
DPSA	–	Department of Public Service and Administration
EEA	–	Employment Equity Act, 1998
DOE	–	Department of Education
DOH	–	Department of Health
DTI	–	Department of Trade and Industry
DWAF	–	Department of Water and Forestry
ELRC	–	Education Labour Relations Council
ETDP SETA	–	Education and Training Development Practices Sector Education Training Sector Authority
EXCO	–	Executive Committee
FEDUSA	–	Federation of Unions of South Africa
FINCOM	–	Financial Committee
GEAR	–	Growth, Economic and Reconstruction Policy
GEPF	–	Government Employee Pension fund
GPSSBC	–	General Public Service Sectoral Bargaining Council
HARTT	–	Housing and Accommodation restructuring task team
HEI	–	Higher Education Institution
HOSPERSA	–	Health and Other Service Personnel Trade Union of South Africa
HRD	–	Human Resources Development
HWSETA	–	Health and Welfare Sector Education Training Authority
JET	–	Joint Education Trust
LRA or the "Act"	–	Labour Relations Act, No 66 of 1995
LRTT	–	Labour Relations Task Team
MASP	–	Mutually agreed to severance package
MTEF	–	Medium Term Expenditure Framework
NAPTOSA	–	National Professional Teachers Organisation of South Africa
NDPP	–	National Department of Public Prosecution
NEDLAC	–	National Economic, Development Labour Council
NEHAWU	–	National Education Health and Allied Workers Union
NNF	–	National Negotiating Forum
NPSWU	–	National Public Service Workers Union
NUPSAW	–	National Union of Public Servants and Allied Workers
PAWUSA	–	Public and Allied Workers Union of South Africa
PAYG	–	"Pay as you go" pension system
PHWSBC	–	Public Health and Wealth Sector Bargaining Council
POPCRU	–	Police and Prison Civil Rights Union
POSLEC SETA	–	Police and Security, Legal, Correctional Services and Justice Sector Education Training Authority
PSA	–	Public Servants Association
PSCBC	–	Public Service Co-ordinating Bargaining Council
PSETA	–	Public Sector Education and Training Authority
PUSEMO	–	Public Servants Movement
RDP	–	Reconstruction and Development Policy
SACE	–	South African Council of Educators
SADC	–	Southern African Development Community
SADNU	–	South African Democratic Nurses Union
SADTU	–	South African Democratic Teachers Union
SAOU	–	Suid Afrikaanse Onderwysers Unie
SAPS	–	South African Police Service
SAPU	–	South African Police Union
SASAWU	–	South Africa State and Allied Workers Union
SETA	–	Sector Education and Training Authority
SSSBC	–	Safety and Security Sectoral Bargaining Council
UNIPSA	–	United Public Servants Association

