

PSCBC

PUBLIC SERVICE CO-ORDINATING BARGAINING COUNCIL

a n n u a l r e p o r t

2006 / 7

VISION, MISSION & VALUES

Vision

- To be a model bargaining council within the South African labour market and in the global arena.

Mission

- To promote integrated collective bargaining at national, sectoral and provincial levels of the Public Service.
- To provide mechanisms to ensure labour peace and stability in the Public Service.

Values

- We aim to work together as a team, encouraging co-operation and efficiency, both from ourselves and others around us.
- Mutual respect, trust and value for the people we serve and with whom we work.
- Commitment to be fair, ethical, trustworthy and accountable in all of our work.
- Commitment to the collective bargaining processes and the fair resolution of disputes.

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GOVERNANCE STRUCTURE

I. GOVERNANCE STRUCTURE

I.1 Overview

The Public Service Co-ordinating Bargaining Council (Council), whose constitution was registered in October 1997, was established in terms of Section 35 of the Labour Relations Act, No. 66 of 1995 (LRA). The constitution was amended in October 2002 to address the new needs of Council.

In performing its function, the Council has the mandate to deal with 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.

In establishing the Council, the LRA sought to provide a platform for the social partners, – the State as the employer; and the Public Service Trade Unions, representing approximately 1 million employees – to engage constructively over matters of mutual interest. In addition and similar to the bargaining councils in the private sector, the purpose of establishing the Council was to provide a forum, whose sole purpose is to create and maintain sound labour relations in the Public Service through, among others, the collective bargaining process.

This report provides an overview of the achievements of the Council from 1 April 2006 to 31 March 2007.

I.2 Objectives

In terms of its constitution, the Council has set for itself the objectives of enhancing labour peace, promoting good relations between the parties, providing a forum for the parties to engage in collective bargaining, and providing a mechanism for dispute prevention and resolution. The constitution also requires the Council to conclude, supervise and enforce collective bargaining agreements and deal with any other matters that may affect its organizational interest. The constitution also places the responsibility on the Council to promote effective communication and co-ordination between itself and the Sectoral Councils.

I.3 Powers and Duties

The powers and duties of the Council are to:

- (a) negotiate and conclude collective agreements in respect of matters regulated by section 36(2) of the Act, which may include negotiating minimum standards on such matters;
- (b) supervise and enforce collective agreements concluded in the Council;
- (c) prevent and resolve labour disputes;
- (d) resolve disputes between the parties to Council in terms of the Act and the dispute resolution procedures of the Council;
- (e) resolve the disputes of parties who are not parties to the Council, but who fall within the registered scope of the Council, in terms of section 51(3) of the Act and the dispute resolution procedures of the Council;

- (f) establish and administer a fund to be utilised for resolving disputes, collective bargaining and general administration of the Council and the Sectoral Councils;
- (g) develop proposals for submission to NEDLAC or any other appropriate forum on policy and legislation that may affect labour relations in the Public Service;
- (h) determine by collective agreement those matters which may not be an issue in dispute for strike or a lock-out;
- (i) designate sectors, vary their scope, amalgamate or disestablish Sectoral Councils in the Public Service;
- (j) co-ordinate, among the Sectoral Councils, and between such Councils and the Council, the functions and operations of such Councils, including those related to collective bargaining and administration;
- (k) determine, in consultation with Sectoral Councils, appropriate standards of financial control and service that such Councils must maintain;
- (l) provide operational services to Sectoral Councils, if they contribute to efficiency or administrative convenience, and are appropriate for the sharing of skills, expertise or resources, including the following:
 - (i) providing policy and guidelines regarding the appointment, training and payment of panelists;
 - (ii) management and maintenance of case management systems and policy;
 - (iii) training of users and parties regarding the dispute resolution framework in the Public Service;
 - (iv) provision to the public, the parties and the Sectoral Councils of information services relevant to the functions of the Council;
 - (v) providing accommodation to Sectoral Councils, except for the ELRC;
 - (vi) formulation and maintenance of human resources policy and systems for the Council and Sectoral Councils, and training of their staff;
 - (vii) collection of uniform levies from employees and the employer; and proportional disbursement of such levies to Sectoral Councils; and
 - (viii) the determination of uniform levies by the Council and the effective date thereof.
- (m) where a Sectoral Council becomes dysfunctional in the view of the Council, and in consultation with such Council, provide such assistance and fulfil such functions as are required;
- (n) raise, borrow, lend, levy and invest funds; and
- (o) exercise any other power or duty that may be necessary or desirable to achieve the objectives of the Council.

GOVERNANCE STRUCTURE *(cont.)*

I.4 Leadership Structure

The constitution provides for the election/appointment of a Chairperson and Vice-Chairpersons of Council who serve for a 24 month term:

Chairperson



Mr Edwin Molahlehi

Vice-Chairpersons



Mr Fikile Hugo (Labour)
(01/04/06 – 30/09/06)



Ms Shireen Pardesi (Labour)
(01/10/06 to current)



Mr Div Odendaal
(Employer)

The constitution further provides for the appointment of an independent Secretariat. Council appointed Ms. Shamira Huluman as its independent General Secretary in 1999.



Ms Shamira Huluman

1.4.1 Executive Committee (EXCO)

In carrying out its mandate, the Council is assisted by the Executive Committee and the Finance Committee. The following members served on the Executive Committee, in addition to the Chairperson, Vice-Chairpersons and General Secretary:

Labour

Member	Organisation	Alternate	Organisation
L Sotoka	NEHAWU	J Magagula	DENOSA
A Mokgabodi	PSA	D van Wyk	NEHAWU
A Mahapa	POPCRU	S Pillay	SAPU
D Pasquallie	SADTU	H Hendricks	NAPTOSA

Employer

Member	Organisation	Alternate	Organisation
S Padayachee	DOE	S Sibeko	DOE
K Ndaba	SAPS	J Griesel	SAPS
J Cornwall	DOH	E van Vuuren	DOSD
K Govender	DPSA	M Ntshikila	DPSA

1.4.2 Finance Committee (FINCOM)

The Finance Committee comprises the following representatives:

Labour

Member	Organisation
S Pardesi	Chairperson-Fincom
S Pillay	SAPU
D van Wyk	NEHAWU
L Grobler	DENOSA
R Mahlake	HOSPERSA
M Mogale	NAPTOSA

Employer

Member	Organisation
C Slabbert	SAPS
T Siko	DPSA
S Padayachee	DOE

GOVERNANCE STRUCTURE (cont.)

1.5 Message from the Chairperson

"Do not follow where the path may lead. Go instead where there is no path and leave a trail." – Harold McAlindon

When I read this quote, it reminded me of the time we started the process to establish the PSCBC 10 years ago, when we really did not know what path to follow. At this 10th Annual General Meeting, I surely hope that as Chairperson of the Council for the last 10 years, I have left some trail.

It is a great pleasure to present the annual report of the Public Service Co-ordinating Bargaining Council (PSCBC) for the 2006/2007 financial year. This report describes our activities and efforts undertaken over the past year in fulfilling our mandate.

For the first time, the PSCBC, as the statutory collective bargaining forum for the State as employer and public servants (represented by 8 admitted trade unions) and the Public Service Commission, responsible for the promotion of, amongst others, sound labour relations practices in the Public Service, co-hosted the first biennial Labour Relations Conference for the Public Service, which was held from 26-28 March 2007 at Emperors Palace in Gauteng. This platform provided the opportunity for interaction between labour relations practitioners and other stakeholders in the Public Service labour relations arena, locally, regionally and internationally.

The conference theme "Knowledge through dialogue: Improving Labour relations in the Public Service" emphasised the role that dialogue plays as the cornerstone of labour relations. The calibre of papers presented at the conference was remarkably enlightening, and presentations were not made in isolation of academia, or specialists in the private sector.

The generous sponsorship of the main sponsor, Alexander Forbes, gave sustenance to this event, and PSCBC would like to extend their gratitude for this financial backing which made the event possible. The conference was viewed by delegates as a remarkable success, and most indicated that they look forward to future events.

In implementing its strategic objectives, the Council has established important relationships during the year under review with organisations from countries such as Belgium, China, Mozambique and Zambia. This once again emphasises the importance that PSCBC as an organisation plays, not only in sharing its experiences in the field of labour relations, but also in fostering relations in the SADC region and internationally. These relationships form part of the relations and partnerships objective of Council to develop exchange programmes with other organisations locally, regionally and internationally. In terms of sharing our own experiences, Council agreed to develop an exchange programme for developing countries, particularly in Africa.

During the period under review, the Council reached an agreement (Resolution 1 of 2006) on Medical Assistance for Public Service Employees (GEMS), which introduced a closed medical scheme for the Public Service. Council was further occupied with the start of the negotiations process on a multi-term wage agreement that began during October 2006. This agreement will be concluded in the next financial year.

Council further embarked on a strategic planning session in June 2006, during which the three-year strategic plan for Council was adopted. In addition to the seven key strategic objectives identified, additional objectives were highlighted, including to investigate a Single Public Service Model; to conduct research around the implications of a single Public Service and to put a research and resource strategy together; to include a comparative analysis of collective bargaining systems; to conduct relationship and team building with the various sectors; to do a proper demarcation of sectors and to conduct an assessment on centralized bargaining.

I would like to thank the Vice-Chairpersons, members of Council, and the General Secretary and her team for their support during the past year.

My fifth term of office comes to an end, and regrettably, I have taken a decision not to stand for another term. I therefore take this opportunity to thank the PSCBC and its parties for giving me the opportunity to lead a highly successful social dialogue institution that has reflected the values of South Africa's democracy and its labour dispensation.

I have been proud to be associated with the PSCBC and its sectoral councils and stakeholders, and wish you all the best in future endeavours.

Edwin Mogomotsi Molahlehi
Chairperson: PSCBC
31 March 2007

GOVERNANCE STRUCTURE *(cont.)*

1.6 Message from the General Secretary

This annual report, which encapsulates the activities of Council for the period 1 April 2006 to 31 March 2007, is presented to the 10th Annual General Meeting of the PSCBC.

During the year under review, Council embarked on strategic planning and developed a strategic plan for the period 2006 – 2009, during which seven (7) key strategic objectives were identified.

The year ended successfully with the first biennial Labour Relations Conference for the Public Service, which was co-hosted with the Public Service Commission during March 2007. The conference was marked by a high calibre of participation by various speakers from the Public Service, academia and the private sector. The attendance of political leaders, international guests and other key role-players from both trade union and employer delegations, gave legitimacy to this event.

Though only two collective agreements were signed during the last year, considerable resources were spent on the consultative processes between the parties over pertinent issues relating to macro-benefits in the Public Service, e.g. pensions, housing allowance and- medical aid. During October 2006, the salary negotiation process began, with the unions tabling their demands. The process ended during the period under review with a deadlock declared by labour on 20 March 2007, and a dispute referred for conciliation.

The PSCBC Provincial Co-ordinating Chambers have been functioning effectively in all nine (9) provinces, addressing various labour relations matters arising in the particular province.

The management of dispute resolution services remains a great challenge. A total of 4 081 cases have been referred to the Public Service Bargaining Councils for conciliation. Of the 4 081 cases referred, most cases (1 479) were referred to GPSSBC.

The past year saw an increase of 3% in dismissal disputes, whilst 49% of all disputes pertained to promotion/demotion, training and benefits. The report attached provides graphic illustrations of the number of disputes referred in sectors, national departments and provinces. This analysis will assist the parties to implement dispute prevention strategies where it is needed most.

In December 2006, the Media, Information and Resource Centre opened a Labour Law Library situated at the PSCBC Offices.

The past year saw the expansion of the PSCBC staff establishment with the approval of a new organogram which was implemented on 1 February 2007, consisting of 27 posts.

Expenditure during the last year was well within the allocated budget.

During this year, we bade farewell to our Vice-Chairperson for Labour, Fikile Hugo, who accepted a position as Director in the Department of Education in the Free State. We wish him well in his new position and thank him for his valuable contribution to the PSCBC over the past few years. We also welcome the newly-elected Vice-Chairperson for Labour, Shireen Pardesi, and look forward to the strategic role she will play, both in leading the labour caucus, and in assisting us with governance and management of the Council, for the remaining term.

In January 2007, the PSCBC experienced the sad loss of one of our longest serving staff members, Phumeza Maposa.

It remains for me to thank the Chairperson, Vice-Chairpersons and members of the Executive Committee and the Financial Committee for their dedicated efforts in ensuring that the Council meets its strategic objectives and fulfils its vision. My gratitude is also extended to staff for their dedication and professionalism in delivering an exemplary secretariat service to Council.

Shamira Huluman
General Secretary: PSCBC
31 March 2007

PERFORMANCE REPORT

2. THREE YEAR STRATEGIC PLAN: FINANCIAL YEARS 2006/7 TO 2009/10

Council embarked on a strategic planning session during 27-29 June 2006 in Sabi River, Mpumalanga. Council was represented by 75 delegates from both employer and labour parties.

Bill Thomson, a part-time CCMA Commissioner, TOKISO and Bargaining Council Panelist, was appointed to facilitate the strategic planning session. He adopted a mandating approach to the planning processes where separate meetings were held prior to the session, with the Secretariat, Employer and Labour parties. This allowed the various stakeholders an opportunity to prepare for the strategic planning session and identify critical focus areas to be addressed by the organization for the next three years.

The participants at the Sabi session raised the following expectations:

- a) To set objectives to achieve by 2009.
- b) To look at how to attain the objectives.
- c) To determine where we would like the PSCBC to be in 2009.
- d) To evaluate whether our Collective Bargaining has improved.
- e) To determine the Secretariat's key objectives in delivering services.
- f) To determine any possible risks that we could face in accomplishing our objectives and goals and to determine how we will manage them.

The session commenced with labour and management being given the opportunity to each have separate meetings to prepare them for the Strategic Planning Process. Both parties met to discuss the key issues that needed to be addressed in the planning process.

The participants were divided into six groups, representative of management, labour and the Secretariat, to 'brainstorm' the key issues that needed to be addressed in the 2007/2009 Strategic Planning Session. The groups were asked to answer the following question:

"What are the key areas that we need to focus on to ensure an effective/excellent PSCBC over the 2007/9 period?"

The 'brainstorming' process was captured on oval discs that were later to be 'posted' onto the Participlan© wall chart.

When the six individual groups re-congregated, the oval discs were collected from the groups and, through a facilitated process, the discs were posted onto the Participlan© sheets according to similarity of issue. This 'clustering' was done by the group. The 'clusters' were then 'ranked' by participants by means of attaching stickers next to the cluster the participant felt was the most important, thereby prioritising the various issues in order of what participant's deemed to be their importance.

Based on the Participlan© exercise, the following key strategic objectives were identified in order of priority:

Strategic Objective 1: Effective and Efficient Bargaining

Strategic Objective 2: Effective and Efficient Dispute Resolution and Prevention

Strategic Objective 3: Co-Ordination Strategy

Strategic Objective 4: Efficient and Effective Corporate Services

Strategic Objective 5: Good Governance

Strategic Objective 6: Communication, Marketing & Research Strategy

Strategic Objective 7: Capacity Building Strategy

In addition to the above 7 objectives, 3 additional objectives were also highlighted. However, due to time constraints and the priority they were given by participants, it was agreed that they should be addressed after the workshop. They were:

1. To investigate a Single Public Service Model. To conduct research around the implications of a single Public Service and to put a research and resource strategy together; to include a comparative analysis of collective bargaining systems.
2. To conduct relationship and team building with the various sectors.
3. To do a proper demarcation of sectors and to conduct an assessment on centralized bargaining.

The participants were then further divided into seven groups, six representatives of management and labour, with a separate group comprising only Secretariat members, to come up with clear 'actionable' items for Strategic Objectives 1 to 7.

The seven groups then each made a presentation to the whole group, so that all participants could seek clarification, and add to and delete from the individual group inputs.

Following the Sabi planning process, the Executive Committee identified the need to finalise the outstanding matters that were not dealt with and finalized this document for adoption by Council.



COLLECTIVE BARGAINING AND CONSULTATIVE PROCESSES

3. COLLECTIVE BARGAINING AND CONSULTATIVE PROCESSES

3.1 Introduction

This part of the report provides an overview of the activities of the Negotiations Support Section (NSS) of Council for the financial year 2006/2007.

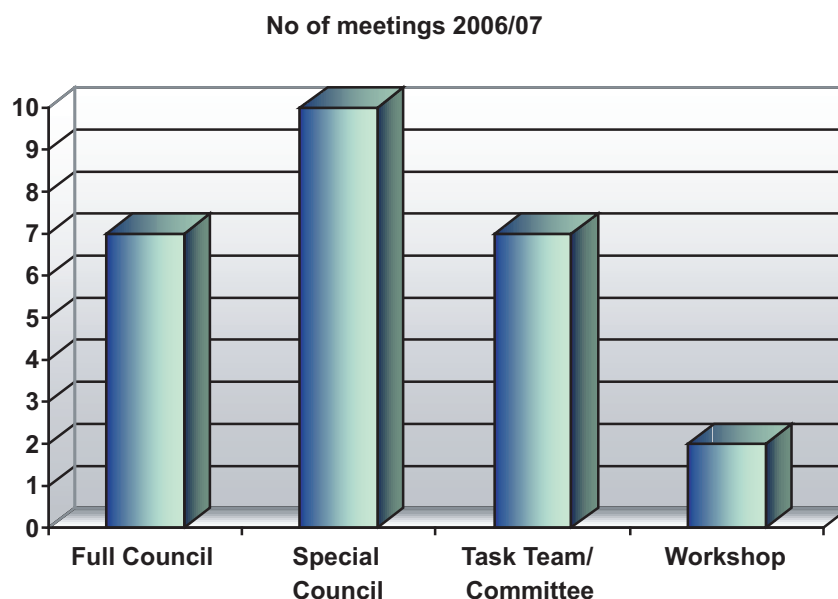
The Negotiations Support Section offers administration support services by arranging meetings of Council, provincial chambers, committees and task teams established by Council. The section is also responsible for; among others, the implementation of the provisions of the constitution, the implementation of relevant sections of the Procedure Manual, and to ensure optimal functioning of the various structures of Council.

3.2 Vision of Negotiations Support and Committee Work Section

The NSS has, as its vision, the provision and high quality administrative support to the negotiations and consultative processes of the PSCBC.

3.3 Meetings and Task Teams

The following diagram illustrates the number of meetings during the period under review:



3.4 Bargaining Matters

The Council engaged on the following matters during the period under review:

MATTER	PERFORMANCE RESULT/OUTCOME
Payout of annual leave accrued before 1 July 2000 (Capped leave)	Matter to be finalized in the next financial year
Proposed changes to the constitution	Matter to be finalized in the next financial year
Single Public Service	Matter remains on the agenda
Extension of special dispensation to all Public Service employees	Matter to be finalized in the next financial year:
Review of leave provisions	Matter was removed from the agenda as it was part of the wage negotiations
Review of Resolution 3/99	Matter was removed from the agenda as it was part of the wage negotiations
Resolution 1 of 2006: Medical Aid assistance for Public Service: - Aligning of post retirement medical assistance between employee initiated severance packages and Appendix 1 of Resolution 1 of 2006 - Revision of packages of members of the Middle Management Service (MMS) in line with par. 5.2 of the PSCBC Resolution 1 of 2006	Matter to be finalized in the next financial year
Proposed amendments to Agency Fee Agreement	Matter was finalized and removed from the agenda
Removal/uplifting moratorium on ex-Public Service employees who exited the service through agreement 3 of 1996	Matter was finalized and removed from the agenda
Policy on submission of audited financial statements of agency fee account	Policy adopted
Wage Negotiations	The wage negotiations started during the year under review and will be finalized in the next financial year
Finalization of Strategic Planning Document	Document adopted as a working document
Amalgamation and registration of NAPTOSA	Matter was finalized and removed from the agenda
Amendments to Resolution 2 of 2005	Matter to be finalized in the next financial year
Co-ordinating Chamber of Limpopo Province Resolutions	2 Collective agreements from Limpopo Province were ratified

COLLECTIVE BARGAINING AND CONSULTATIVE PROCESSES *(cont.)*

3.5 Salary Negotiations in the Public Service

The negotiations for salary adjustments and improvement of conditions of service began during the period under review with the trade union parties submitting to the PSCBC a consolidated set of demands together with a timetable for negotiations on 24 October 2006. On 6 November 2006 the demands were tabled at a Council meeting and subsequently a workshop on the matters was held on 30 November 2006.

Nine meetings were convened by Council where parties engaged on clarity-seeking and information sharing processes in an attempt to understand each other's positions.

On 19 January 2007 the employer submitted a proposal with principles to guide the negotiations, trade union parties requested the employer to submit a comprehensive salary offer. The comprehensive offer was tabled by the employer on 13 February 2007. At a special meeting held on 20 and 21 February 2007, the trade union parties requested more details on the proposed occupation specific dispensation. On 27 February 2007 trade union parties submitted a new set of demands. The said demands were discussed at a special meeting on 6 and 7 March 2007, which included the cost implications.

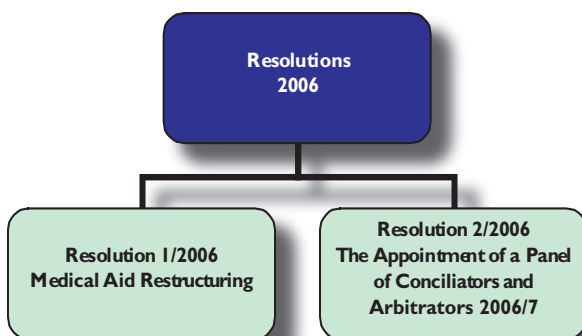
On 19 and 20 March 2007 the employer tabled an illustration in respect of how the occupation specific dispensation for nurses would be implemented.

The trade union parties declared a deadlock at the special meeting on 20 March 2007 and subsequently referred a dispute for conciliation in terms of the Dispute Resolution Procedures of Council on 27 March 2007.

The matter will be finalized in the new financial year.

3.6 Resolutions 2006/7

The following Resolutions were concluded during the period under review:



3.6.1 Resolution 1/2006: Medical Aid Restructuring

Summary: The objectives of this agreement are to:

- a) Give effect to clause 7.2 of PSCBC Resolution 2 of 2004; and
- b) Replace Part III of the Annexure to PSCBC Resolution 3 of 1999 dealing with medical assistance to employees.

The agreement seeks to give effect to the following principles:

- a) To ensure greater accessibility by providing affordable medical cover to all employees, especially lower-income earners, to take up medical cover;
- b) The alignment of the medical subsidy to the new tax structure;
- c) The promotion of the enrolment of employees to the Government Employees Medical Scheme (GEMS);
- d) To ensure cost-effective medical cover for employees on GEMS over the long term;
- e) The efficient administration of the medical subsidy; and
- f) The recruitment and retention of professionals and employees with scarce skills.

The salient provisions of the agreement are summarized as follows:

As of 1 July 2006, the following benefits were afforded to employees who joined GEMS:

- a) Seventy-five percent of an employee's total monthly medical contribution, subject to:
 - Maximum cap of R500 per principal member; R500 per first dependant and R300 per additional dependant; and
 - A maximum of R1 900
- b) Hundred percent of employees total monthly contribution to employees on salary levels 1-5, who belong or join the Sapphire option of GEMS, subject to the caps in a) above;
- c) If an employee terminates membership of GEMS and thereafter joins another scheme, the employer's medical subsidy shall cease; and
- d) Those employees who continue with membership of other registered schemes will continue to receive the employer's subsidy of 66,67% to a maximum of R1 014 per month.

3.6.2 Resolution 2 of 2006: The Appointment of a Panel of Conciliators and Arbitrators (2006/2007)

Summary: With regard to resolution 2 of 2006, a panel of Conciliators and Arbitrators was appointed to provide dispute resolution services for the Council, and each of the 40 (forty) panellists was required to sign an agreement, including the Code of Conduct for Conciliators and Arbitrators.

COLLECTIVE BARGAINING AND CONSULTATIVE PROCESSES *(cont.)*

The following Provincial Chambers' Collective Agreements were ratified by Council during the year under review:

Co-ordinating Chamber of PSCBC for the Gauteng Province (CCPGP)

Resolution 1 of 2006: Organisational Rights

Summary: The purpose of the resolution is to ensure the mutual understanding of their rights and obligations. Parties recognize the importance of the role that the employer and labour have to play at all levels of the bargaining process and by this agreement parties commit themselves to promote:

- Sound labour relations between management and employees;
- The understanding of rights and obligations in order to reduce conflict between the role players;
- Mutual respect and goodwill between the employer, organized labour and all other employees; and
- Labour peace and the democratization of the work place, and an efficient, effective Public Service.

Co-ordinating Chamber of the PSCBC in Limpopo Province (CCPLP)

Resolution 3 of 2006: Employment Equity Agreement

Summary: The purpose of the agreement is to give strategic direction to the provincial administration in ensuring that the Provincial Administration eradicates unfair discrimination and implement employment equity by:

- Transforming current policies and achieving representivity and employment equity in terms of the relevant legislative framework;
- Implementing affirmative action measures for designated groups in the workplace in order to address the imbalances of the past;
- Preparing and implementing an Employment Equity Plan that will achieve reasonable progress towards employment equity in the provincial administration;
- Applying affirmative action measures in terms of the Employment Equity Plan when employing persons that are under-represented in the workplace; and
- Ensuring the representation of qualified people from designated groups in all occupational categories and levels in the workplace.

Resolution 4 of 2006: Suspension Agreement

Summary: The purpose of the policy is to:

- Regulate the suspension of employees with full emoluments pending a disciplinary enquiry in terms of item 7.2 of the PSCBC Resolution 2 of 1999 (as amended by Resolution 1 of 2003);
- Make provision for the employer to consider transferring or reassigning duties to an employee instead of suspending the employee for misconduct;
- Provide the Executing Authority or the Executing Authority's delegate with a policy through which employees will be suspended as a precautionary measure; and
- Ensure that the Executing Authority or Executing Authority's delegate follows a suspension procedure that is fair and legitimate.

3.7 Task Teams

The task teams that were established in terms of clause 18 of the Council constitution were intended to assist and provide support to the collective bargaining process. In this regard, task teams provided better-informed and more constructive engagement in dealing with complex and often highly technical tasks facing Council.

Some task teams were created to implement aspects of agreements of Council (e.g. Resolution 1 of 2006), while others carry out specific tasks for Council.

Six task teams were active during the period under review and their tasks are set out below:

3.7.1 Review of Leave Provisions Task Team

This task team, which was established in terms of Resolution 7 of 2000, dealt with issues relating to the review of leave provisions. During the period under review, the task team met only once. Labour submitted their inputs on matters to be reviewed, which were considered by the employer. The employer indicated that they are looking at the broader review of conditions of service. The matter was referred to Council for negotiations, which took the decision that this matter will form part of the salary and improvement of conditions of service negotiations.

3.7.2 Review of Allowances in Resolution 3/99 Task Team

Review of Resolution 3/99 task team is one of the task teams that emanated from Resolution 2 of 2004.

During the period under review, the task team met once. Parties were to identify the areas that need to be reviewed. Labour submitted their inputs on specific allowances that require review and submitted proposals on the review. The matter was referred to Council for negotiations, which took the decision that this matter will form part of the salary and improvement of conditions of service negotiations.

3.7.3 Housing Allowance Task Team

The responsibility of the housing allowance task team was to develop and present a mechanism to encourage and promote home ownership among employees, including:

- Awareness-raising programmes, such as education, information initiative and housing advice;
- Access programmes to assist with the accessing of the home loans products.

Consequent to the recommendation of the task team, Council appointed Eskom Finance Company (EFC) to develop and present mechanisms to encourage and promote home ownership among Public Service employees. The EFC was required to focus on data relating to levels of awareness and access programmes in the market.

EXCO accepted the EFC report.

3.7.4 Pensions Restructuring Task Team

During the year under review, the task team dealt with the following matters: Some of the matters were finalized while others are still in progress.

- **Action Plan for the verification of information regarding the Venda Pension Fund Issue:**
The judgment on the position of employees affected by the dissolution of the former Venda Pension Fund in 1992 was passed in favour of the GEPI. The case has been referred to the Constitutional Court. Parties are awaiting the outcome of the Constitutional Court process.

COLLECTIVE BARGAINING AND CONSULTATIVE PROCESSES (cont.)

- **Implementation of Resolution 12 of 2002: Provincial Task Teams:**
Cut off date for the first cohort of beneficiaries was finalized. The costing by the actuaries is still pending.
- **Deceased beneficiaries whose families are laying claims to pensions as part of the estates:**
It was agreed that the GEPP will make relevant information available on the database to the social partners in order to assist in communicating the matter to affected members.
- **Communication Strategy to inform prospective recipients of pensions benefits:**
The task team has commenced with a process of identifying and prioritizing other categories of employees. The following procedure will be pursued in dealing with the matter:
 - The employer to prioritize the groups and report back to the task team;
 - Effective communication strategy to provinces; and
 - Provincial task team to assist in the prioritization.

The following mechanisms will be utilized in terms of communication during the second cohort of beneficiaries:

 - Pamphlets
 - Local newspapers
 - Community radio

The task team will continue with its work and make proposals to Council in the next financial year.

3.7.5 Medical Aid Task Team

This task team emanated from Resolution 1 of 2006. The duties of the task team were to:

- Develop strategies to roll-out/implement Resolution 1 of 2006;
- Clarify the provisions of Resolution 1 of 2006 to provinces and departments; and
- Inform employees about access to the employer's extended subsidy.

Labour parties indicated that they were not in a position to discuss the roll-out of the Resolution until problems experienced by the employees during the implementation of the subsidy were addressed. The employer's view was that the problems experienced were administrative in nature, and mechanisms existed to deal with such problems and that the roll out process should not be delayed. The employer decided to proceed with the implementation of Resolution 1 of 2006. A progress report on the implementation process embarked on by the employer will be dealt with in the next financial year.

3.7.6 Study Tour Task Team

The task team emanated after a need to embark on comparative research was identified. The countries identified are Mexico and the USA (State of California). The task team still has to recommend a 3rd country. The research will be done on the following areas:

- Medical Aid;
- Pensions provisions;
- Pay Progression;
- Remuneration;
- Bargaining units;
- Conditions of service; and
- Performance Management.

The visits will take place in the next financial year.



PSCBC PROVINCIAL CO-ORDINATING CHAMBERS

4. PROVINCIAL CO-ORDINATING CHAMBERS OF THE COUNCIL

4.1 Background

The Provincial Co-ordinating Chambers of the Council were established during April - June 2004 in all the nine provinces. Resolution 2 of 2005 provides clarity on the functioning of the Council provincial chambers.

During the period under review, the Council provided secretariat services to the following provinces: Gauteng, North West, Northern Cape, Kwazulu Natal, Eastern Cape, Western Cape and Mpumalanga.

The Employer provides secretariat services to the following provinces: Free State and Limpopo.

4.2 Office-Bearers of the Provincial Chambers

The office-bearers of the Provincial Chambers who are responsible for co-ordination at the provincial levels are:

Province	Management Committee Members
Gauteng	Chairperson: G. Kabinde Vice-Chairperson: M. Mabuse (Employer) Vice-Chairperson: E. Zondo (Labour) Secretary: P Maposa (PSCBC)
North West	Chairperson: E. Moeng Vice-Chairperson: T. Molamu (Employer) Vice-Chairperson: L. Modise (Labour) Secretary: D Rambau (PSCBC)
Eastern Cape	Chairperson: M. Machemba Vice-Chairperson: B. Pityi (Employer) Vice-Chairperson: T. Koya (Labour) Secretary: D Rambau (PSCBC)
Northern Cape	Chairperson: E. Snyders Vice-Chairperson: G. Zenani (Employer) Vice-Chairperson: C Marx (Labour). Secretary: D Rambau (PSCBC)
KwaZulu-Natal	Chairperson: P. Mngoma Vice-Chairperson: T. Nzunza (Employer) Vice-Chairperson: R. Lil - Rathan (Labour) Secretary: D Rambau (PSCBC)
Mpumalanga	Chairperson: Z. Mahlabegoane Vice-Chairperson: T. Makhubu (Employer) Vice-Chairperson: G. Mahlangu (Labour). Secretary: D Rambau (PSCBC)

Province	Management Committee Members
Limpopo	Chairperson: M. Chilwane Vice-Chairperson: S. Ntwampe (Employer) Vice-Chairperson: Vacant (Labour) Secretary: I. Kutama (Seconded by Employer)
Free State	Chairperson: P. Ntuli Vice-Chairperson: D. Theron (Employer) Vice-Chairperson: D. de Beer (Labour). Secretary: R. Thurston (Seconded by Employer)
Western Cape	Chairperson: D. Jacobs Vice-Chairperson: S. Faker (Employer) Vice-Chairperson: B. Lose (Labour) Secretary: V Kola (PSCBC)

4.3 Matters for Bargaining / Consultation

The matters considered during the period under review by the various provincial chambers appear in the table below:

Name of Province	Matters	Performance result/Outcome
Gauteng	Performance Management & Development System	The matter will be finalized in the next financial year
	Organizational Rights	Finalized
	Pension Task Team	The matter will be finalized in the next financial year.
	Rewards and Recognitions system	The matter will be finalized in the next financial year
	Cross Border transfers	The matter will be finalized in the next financial year
	Trade Union Cancellations	Finalized
	Settlement Agreements	Finalized
	Completion of the Migration Process	The matter will be finalized in the next financial year
	Restructuring of the Treasury Department	Finalized

PSCBC PROVINCIAL CO-ORDINATING CHAMBERS (cont.)

Name of Province	Matters	Performance result/Outcome
North West	Performance Management & Development System	Finalized
	Cross Boundary transfers	The matter will be finalized in the next financial year
	Provincial Leave Policy	Finalized
	Strike Management Plan	The matter will be finalized in the next financial year
	Experiential Learning Policy	Finalized
	Internship Contract	Finalized
	HRD Policy	Finalized
	Contract of employment	Finalized
	Bursary & Study Loan Policy	Finalized
	Organizational Rights	The matter will be finalized in the next financial year
	Protective Clothing	Finalized
	Overtime & Subsistence allowance	The matter will be finalized in the next financial year
Eastern Cape	Performance Management Development System	The matter will be finalized in the next financial year
	Provincial Leave Policy	The matter will be finalized in the next financial year
	HROPT/ Judge White report	EXCO Resolution implemented
	Backlogs 1% Pay Progression	The matter will be finalized in the next financial year
	HRD guideline policies	Finalized
	Recognition of Pensionable Service/ General Assistants	The matter will be finalized in the next financial year
	Cross Border transfers	The matter will be finalized in the next financial year
	Review of Remunerations package	The matter will be finalized in the next financial year
	Code of Ethics	The matter will be finalized in the next financial year
	Integrated Employees Wellness Programme	The matter will be finalized in the next financial year
	Revival of Transformation Committees	The matter will be finalized in the next financial year

Name of Province	Matters	Performance result/Outcome
Eastern Cape (cont.)	Role of Labour Relations Officers	The matter will be finalized in the next financial year
	Role of Trade Unions in the Restructuring Processes	The matter will be finalized in the next financial year
Northern Cape	Performance Management & Development System	The matter will be finalized in the next financial year
	Employment Equity Policy	The matter will be finalized in the next financial year
	Implementation of Housing Allowances	The matter will be finalized in the next financial year
	Cross Border transfers	The matter will be finalized in the next financial year
	Substance & Travelling Allowance	The matter will be finalized in the next financial year
	Subsistence Abuse Policy	The matter will be finalized in the next financial year
	Leave Policy	The matter will be finalized in the next financial year
Kwazulu-Natal	Sexual Harassment Policy	The matter will be finalized in the next financial year
	Performance Management Development System	Finalized
Mpumalanga	Cross Border transfers	Finalized
	Performance Management & Development System	The matter will be finalized in the next financial year
	Cross Boundary transfers	The matter will be finalized in the next financial year
	Application for Promotional Posts	The matter will be finalized in the next financial year
	Pension Payouts	The matter will be finalized in the next financial year
	Non Payment of Pay progression	The matter will be finalized in the next financial year
	Translation of Educators in Public Service	Finalized
Draft Policy on Parking		Finalized

PSCBC PROVINCIAL CO-ORDINATING CHAMBERS (cont.)

Name of Province	Matters	Performance result/Outcome
Limpopo	Performance Management Development System	The matter will be finalized in the next financial year
	Sexual Harassment	The matter will be finalized in the next financial year
	Overtime Agreement	The matter will be finalized in the next financial year
	Provincial Labour Relations	The matter will be finalized in the next financial year
	Provincial Employment Equity	The matter will be finalized in the next financial year
	Provincial Suspensions Policy	Finalized
Free State	Organizational Rights	The matter will be finalized in the next financial year
	Performance Management Development System	The matter will be finalized in the next financial year
	Human Resource Development Strategy	The matter will be finalized in the next financial year
	Scare Skills allowances/Review of remuneration packages for identified categories of Employees	The matter will be finalized in the next financial year
	Training of Chairpersons & Prosecutors	Item was removed from the agenda
	Pension restructuring – PSCBC Resolution 12/2002	The matter will be finalized in the next financial year
	Implementation of Housing Allowance phase 2	Item was removed from the agenda

Name of Province	Matters	Performance result/Outcome
Western Cape	Transfer Policy	Policy adopted
	Draft Transversal Resettlement Policy Framework	Matter will be dealt with by the Extended Management Committee in the next financial year
	Provincial Organisational Culture	Finalized
	Employee Assistance Programme progress Report	Matter will be finalized in the next financial year
	Guidelines for dealing with substance abuse (alcohol and drugs)	Policy adopted
	Management of Employment, Development and Career progression of Persons with Disabilities in Provincial Government: Western Cape	The matter will be finalized in the next financial year
	Misutilisation	The matter was removed from the agenda
	Non-compliance of Grievance Rules	The matter was removed from the agenda. Progress report will be tabled by the employer if deemed necessary
	Training Needs	The matter will be finalized in the next financial year

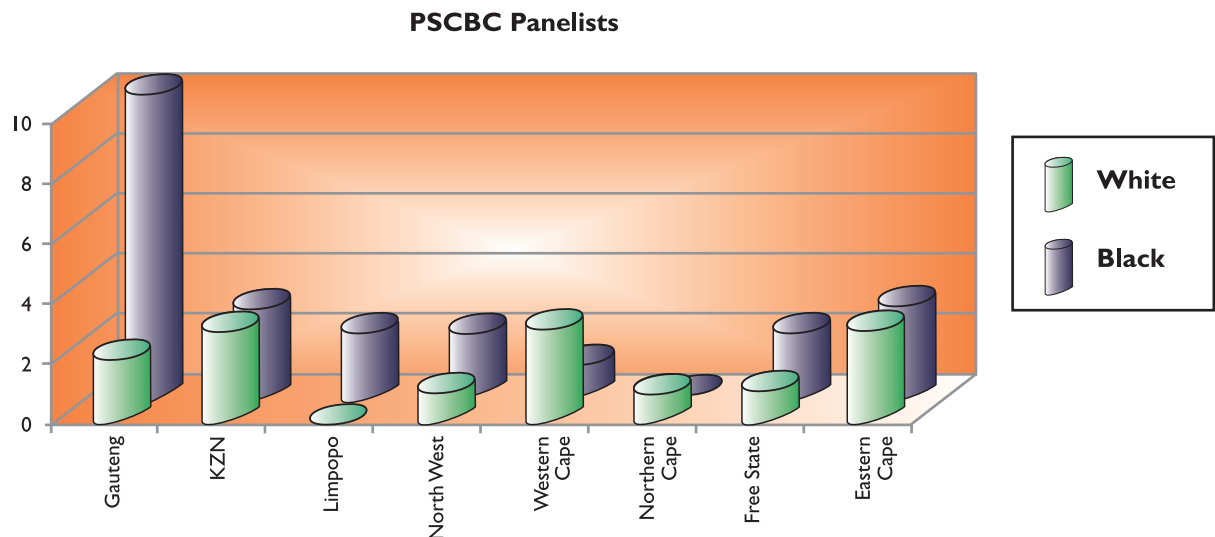
Majority of matters dealt with by the Chambers were for consultation and did not culminate into collective agreements.

DISPUTE RESOLUTION

5. DISPUTE RESOLUTION

5.1 Dispute Resolution Panel

The demographics of the PSCBC 2006/2007 panel of conciliators and arbitrators were as follows:



The above panel consists of 59% black and 41% white panelists. The PSCBC is committed to a panel of conciliators and arbitrators that is fully representative of South Africa's demographics and will continue to strive towards this goal until it is achieved in all provinces. Note that no panelists were appointed in Mpumalanga due to the low caseload in this province.

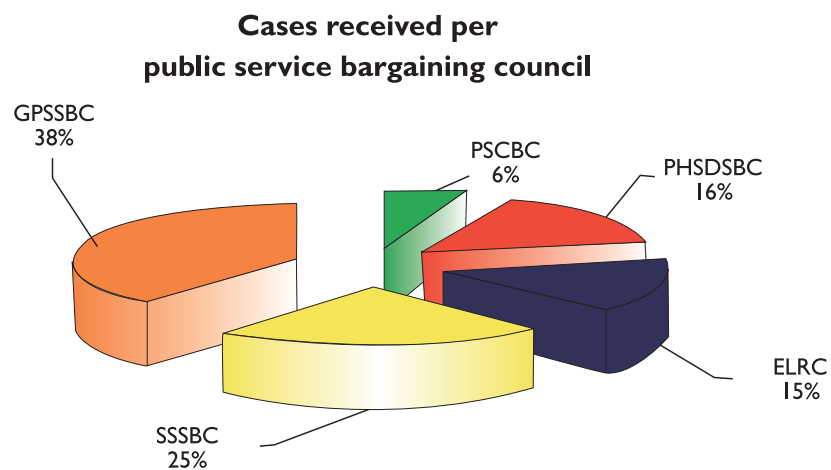
5.2 Statistics

(All statistics reflected below were obtained from the electronic Case Management System as used by the PSCBC and all Sectoral Councils)

5.2.1 Number of disputes referred

A total of 3 949 disputes were referred to the Public Service bargaining councils. Of the 3 949 disputes, 1 479 disputes were referred to the GPSSBC; 953 were referred to the SSSBC; 594 were referred to the ELRC; 600 were referred to the PHSDSBC and 323 were referred to the PSCBC.

The percentage of cases received per Public Service bargaining council is depicted in the following graph:



If the above figures are compared to those of the 2005/2006 annual report statistics, the following fluctuations are noted:

PSCBC: 2% decrease

PHSDSBC: 1% decrease

ELRC: 9% decrease

SSSBC: 3% increase

GPSSBC: 2% increase

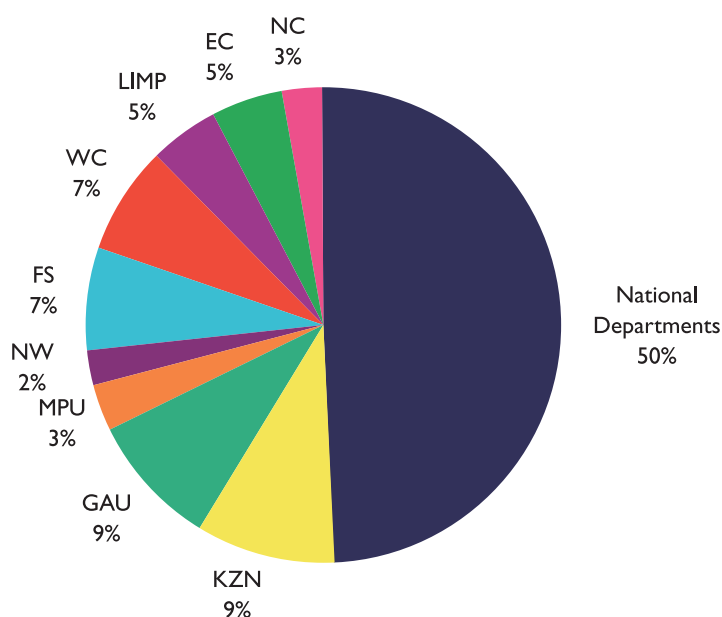
Even though there are fluctuations with regard to the forums where disputes were referred to, the actual number of disputes referred remained constant.

DISPUTE RESOLUTION *(cont.)*

5.2.2 Disputes referred per province and nationally

The following graphs indicate the number of disputes that were referred against National Departments versus the number of disputes that were referred against Provincial Departments:

National Departments v Provincial Departments



Half of all disputes in the Public Service emanated from the National Departments.

Of the 1 805 disputes that arose in National Departments, 53% was referred against the South African Police Service; 17% against the Department of Correctional Services; 14% against the Department of Justice (including the National Prosecuting Authority); 7% against the Department of Home Affairs. The remaining 9% is split between the other National Departments.

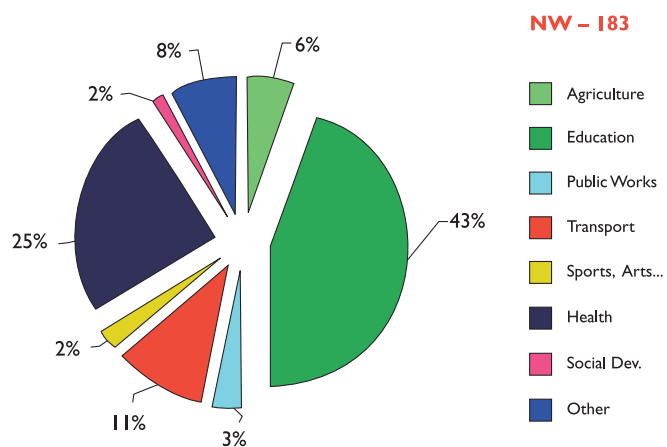
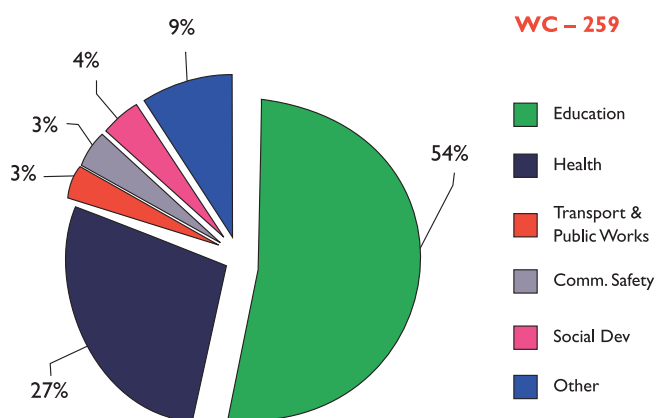
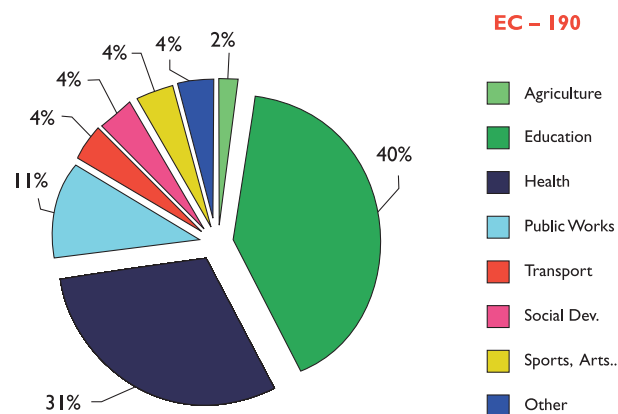
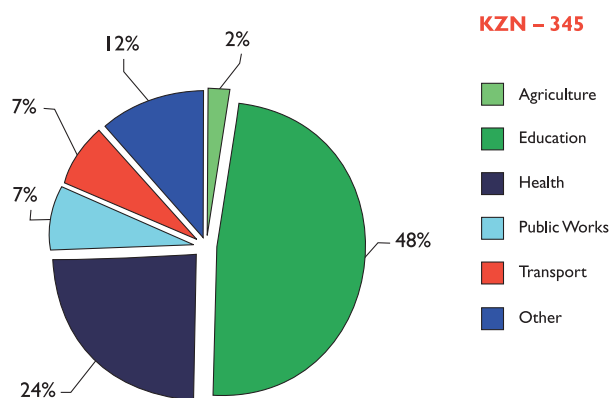
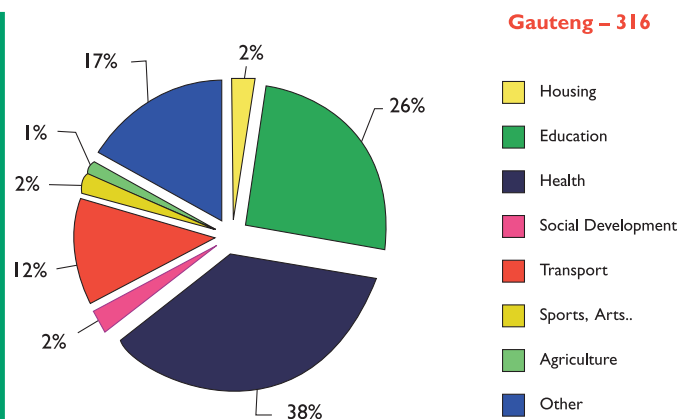
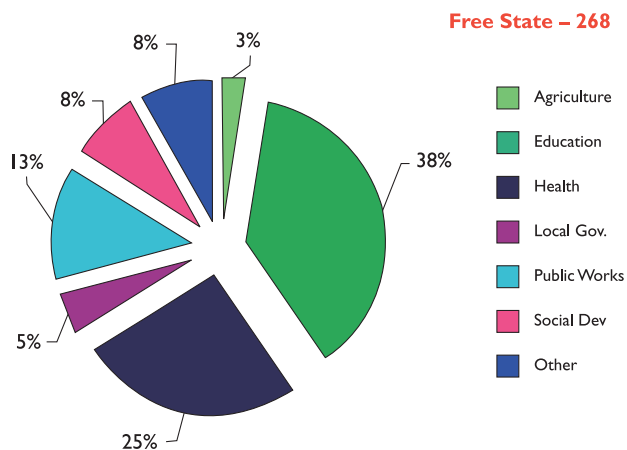
In order to get a holistic perspective, it is necessary to take a closer look at the position in the various provinces. The following graphs indicate the specific Departments in each province where the most disputes arose. It is clear that the Department of Health and the Department of Education feature most prominently in all the graphs below.

For ease of reference, the specific number of disputes referred in a particular province is included in the heading of each province.

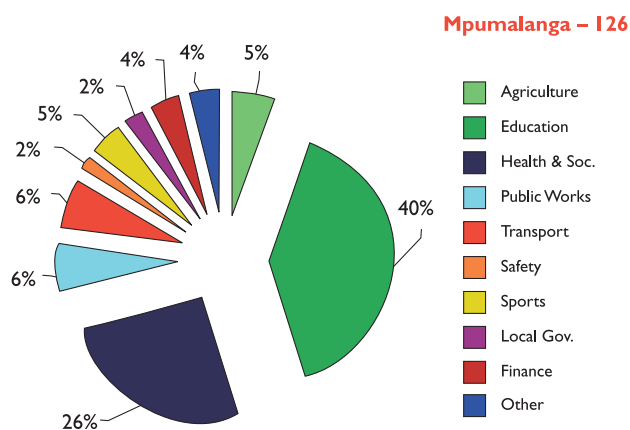
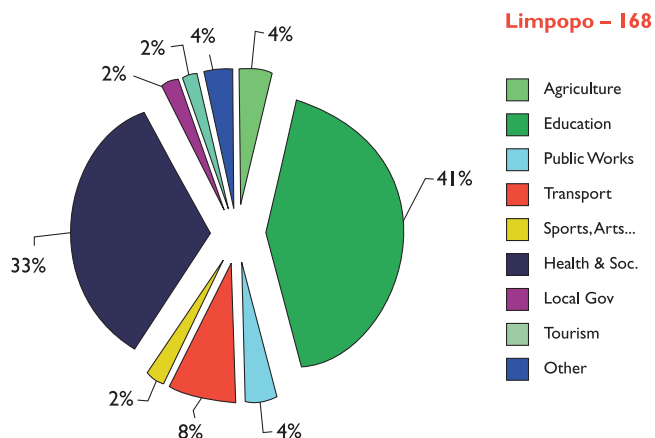
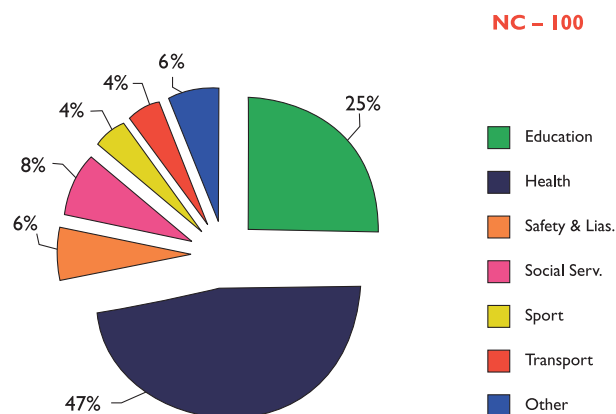
Most disputes arose in KZN, followed by Gauteng, Western Cape and Free State.

It is interesting to note that 40% of the cases that arose in the Free State were referred to the PSCBC. These were mainly disputes pertaining to the non-adherence of the employer to the timeframes of the grievance procedure as per PSCBC Resolution 14 of 2002.

Most of the disputes that were referred to the ELRC arose in KZN, while most of the disputes that were referred to the GPSSBC and PHSDSBC arose in Gauteng. (SSSBC is not covered in these graphs as the disputes that were referred to them arose in a National Department).

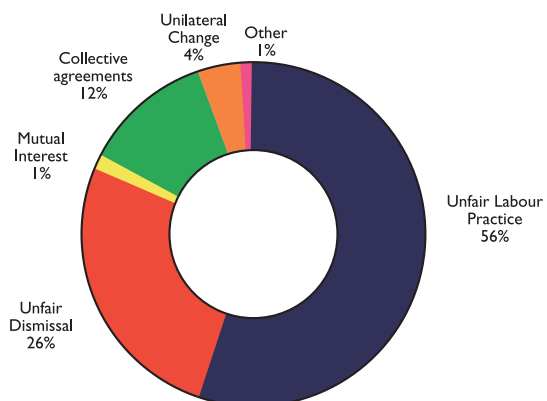


DISPUTE RESOLUTION *(cont.)*



5.2.3 Disputes referred per issue

The graph below gives a breakdown of all disputes that arose in the Public Service:



Fluctuations in relation to annual report (2005/2006) statistics:

Unfair labour practice	3% decrease
Unfair dismissal	3% increase
Mutual interest	unchanged
Interpretation/application of collective agreements:	1% decrease
Unilateral change to terms and conditions of employment:	9% decrease

Over 2 000 disputes pertaining to alleged unfair labour practices were referred to the Public Service bargaining councils, more than double the amount of dismissal disputes that were referred.

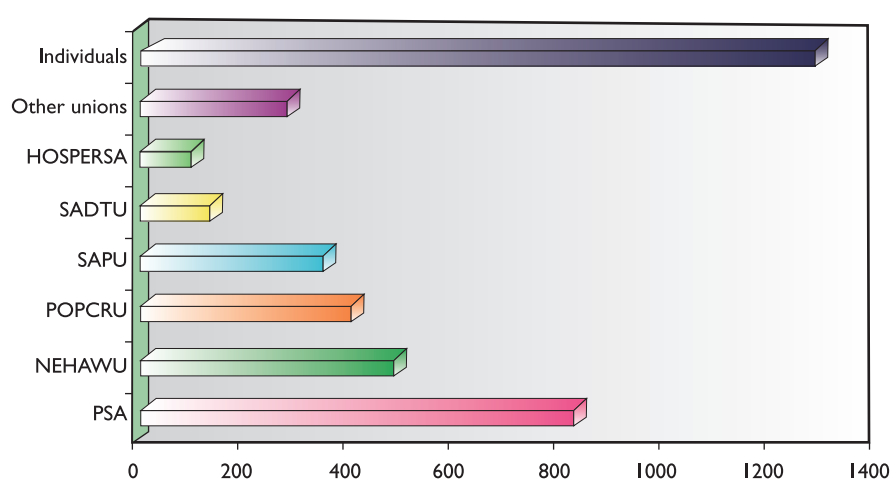
Of the unfair labour practice disputes, 49% pertinently pertained to promotion/ demotion/ training and benefits. A further 44% was not specified and just captured as unfair labour practice in general.

The percentage of dismissal disputes referred increased with 3% (number of dismissal disputes referred totals 1 041), while the biggest fluctuation is found in the number of unilateral change to terms and conditions of employment disputes (9% decrease).

5.2.4 Who referred disputes?

The graph below indicates who referred the disputes and what is interesting here is the large number of disputes referred by individuals. Most of the employees are unionized, so the question should be posed as to why so many individuals preferred to refer disputes themselves and not through their unions?

Who referred the disputes:



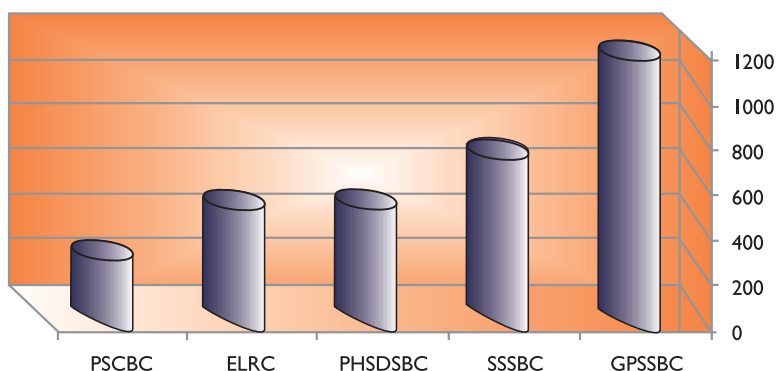
DISPUTE RESOLUTION *(cont.)*

5.2.5 Hearings

Conciliations:

A total of 2 750 conciliation hearings were conducted in this period (84 less than the number of conciliation hearings conducted in the 2005/2006 financial year), with an average settlement rate of 7%.

Conciliation hearings conducted

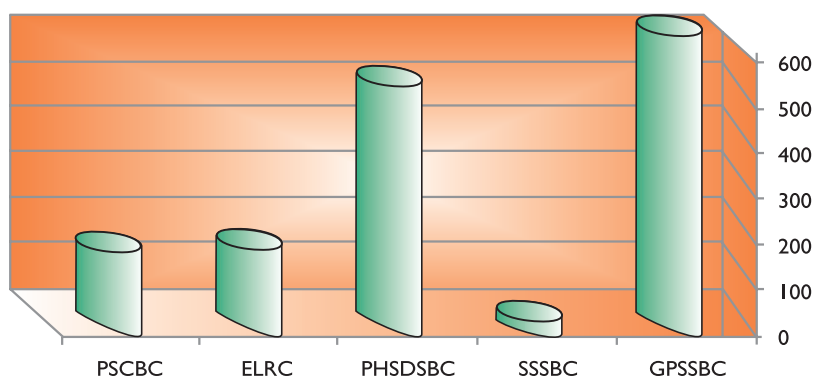


Arbitrations:

A total of 2 180 arbitration hearings were conducted in this period (696 less than the number of arbitration hearings conducted in the 2005/2006 financial year). Twenty eight percent of all arbitrations referred were settled during the course of the arbitration. The PSCBC has a very high settlement rate (85%) for this stage of the process.

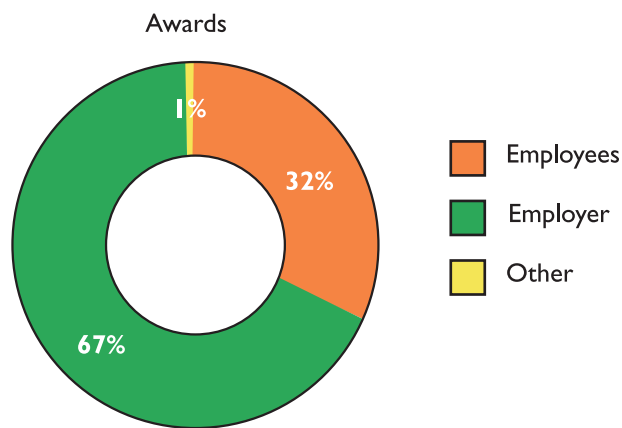
The settlement rate at arbitration stage is three times higher than the settlement rate at conciliation stage. Valuable resources could have been saved for all parties concerned if these disputes were settled in the earlier process. (Note that non-attendance did not play a factor in these statistics, as only 100 hearings out of 4 930 hearings conducted, were non-attended).

Arbitration hearings conducted



A total of 176 in limine hearings were conducted in the public sector; of which 126 in limine hearings were held in the PHSDSBC alone, i.e. 72% of all in limine hearings.

A total of 439 awards were rendered. The graph below shows in whose favour these awards were made:



When one compares the above figures with those of previous years, there seems to be a trend where the difference between the percentage of awards made in favour of the employer increases on an annual basis.

MEDIA AND INFORMATION

6. MEDIA AND INFORMATION

6.1 Introduction

The Media and Information Centre was established by Council to ensure compliance with its constitutional objective of promoting effective communication to Council and Sector Councils designated in terms of Clause 21.3 of the PSCBC constitution. The period under review has been a very challenging and exciting one for the Media and Information Centre. One of the major achievements for PSCBC was the establishment and opening of the PSCBC library and information centre. A further achievement was the successful upgrading of the PSCBC website. The Media and Information Centre also contributed to the success of the first Biennial Labour Relations Conference for the Public Service hosted by PSCBC and the Public Service Commission (PSC).

6.2 Vision

The vision of the Media and Information Centre is to provide an effective and efficient media, resource and information service to Council in order to achieve the organisation's strategic objectives.

6.3 Year under review

- **PSCBC Website**

The PSCBC website was successfully upgraded during 2006. For the first time, information gathered over the last eight (8) years has been captured electronically, and a new search facility on the PSCBC's website was created in order for users to have immediate access to this information.

- **PSCBC Library**

The PSCBC library was established during 2006 and was registered as a specialist library. The PSCBC library was declared officially open during an opening ceremony held at the PSCBC offices on 5 December 2006 by both the Chairperson and the General Secretary of PSCBC. Among the guests of honour were Secretaries of Sector Bargaining Councils, Parties to Council, and service providers such as Sabinet, Juta, Lexis Nexis Butterworths, and members of OSALL as well as other colleagues in the library environment.

The library holds more than 360 items in its collection, the majority of which are books, magazines and journals in the following major categories, i.e. labour relations, labour law, leadership, human resources, communications and marketing, and finance.

The library has also subscribed to different databases from different service providers such as:

- SA e-Publications, SA Media, Netlaw and SACat from Sabinet Online;
- IRNetwork from Lexis Nexis Butterworths;
- Juta Stats from Juta Law; and
- Worklaw.

The library is a major resource facility for Parties to Council, Secretariat, employees from other Sector Bargaining Councils and Panelists. Services provided by the library are:

- Access to all collections and databases;
- Book loans;
- Inter-library loans;
- Information service; and
- Research assistance.

The PSCBC library has developed a library policy and rules which aims to promote an environment that encourages all users to utilize the PSCBC library in a safe and respectful manner. The library aspires to be a leading specialist library that is recognised as a facility that provides quality and up-to-date information to all our users. The library will gladly assist with any research and information needs, as well as to improve the knowledge and usage of the library's collection and services by its users.



INFORMATION TECHNOLOGY

7. INFORMATION TECHNOLOGY

7.1 Introduction

The 2006/07 financial year was a challenging, exciting and successful year for the Information Technology Department. The vision of the Information Technology Department is to ensure the establishment of sound information management systems in order to achieve the organizations strategic objectives. The mission is to provide efficient and effective technological support services to the Council and the Sector Bargaining Councils.

7.2 Main Activities

Much emphasis was placed on security threats i.e. viruses, spyware, tracking cookies, spam e-mail, trojans etc. E-trust, the anti virus software used by the PSCBC, was updated and licenses were renewed. A triple layer antivirus was installed at the ISP (Internet Service Provider), preventing any viruses penetrating the network. A control filter was also installed to block spam and any unidentified mail. This has assisted largely in getting rid of junk emails that Council was inundated with. An anti spyware program was installed to run in the background of all PC's, hence blocking any spyware from entering the network.

Due to the large number of new staff appointments, the network and switches were upgraded to accommodate these users and many new network points added. The diginet line between the ISP and the PSCBC server was upgraded from a 56kbps line to 512kbps to accommodate the new users.

All PSCBC desktops that were over 5 years old were replaced by new desktops during this financial year.

Further to the above, a fax to e-mail service was set up, whereby all faxes sent to Council are received in e-mail format, which minimizes the amount of paperwork and provides for a more effective tracking system. A system which enables staff to send sms's to cellphones from desktops was also introduced. New network linked photocopiers were installed, which allows users to scan documents to e-mail or into a shared directory. Users are also able to fax from these photocopiers or from their workstations. All of the above have assisted with more efficient systems that increase all-round productivity.

A highly technologically-advanced Conference Audio Visual system was also installed in the new conference room. This system enables the Council to directly record meetings to a PC hard drive that is shared over the network and, in addition, offers Video, DVD and DSTV playback.

CONFERENCES & SEMINARS

8. CONFERENCES & SEMINARS

8.1 The 14th International Industrial Relations Association (IIRA) World Congress – Lima, Peru



The PSCBC, as a member of IIRA, sent a delegation of 12 members to attend the 14th World Congress of IIRA.

Theme of the Congress

The theme of the congress was ***“Social Actors, Work Organization and New Technologies in the 21st Century”***.

CONFERENCES & SEMINARS *(cont.)*

8.1.1 Some key aspects addressed at the congress related to the following:

- Global trends
- Social dialogue
- HR Management
- Employment and Education
- Social Protection
- Integration and Free Trade in the Americas

A detailed report on the above aspects can be found on the PSCBC Website.

8.1.2 Analysis of Congress

It is interesting to note that the same comments regarding the 2003 IIRA congress in Germany still apply 3 years later, i.e.:

- Lack of public sector labour relations focus globally.
- Lack of South African publications on public sector labour relations matters.
- Congress too academic. The gap between academia and practitioners in the labour relations field need to be bridged.
- Lack of involvement of institutional research units of social partners, e.g. government/trade unions, NGOs in IRASA.
- Except for clarity-seeking questions, the structure of the Congress limited engagement, both at plenary and workshop sessions.
- The workshop sessions were not structured in the form of commissions that have to engage further on the papers presented at plenary, but focused on topics of their own.
- There was no programme of action agreed to, or declaration made in relation to the observations and findings in the various papers.
- The next Congress is going to Sydney (Australia), followed by the United States, and yet the African continent has never hosted the World Congress.

8.1.3 Benefits of attending IIRA / Membership to IIRA

- Gaining a better understanding of global and regional industrial relations practices and legislation.
- Networking with other IR academics and practitioners internationally
- Sharing of research, practices and experiences

8.1.4 Way forward / Program of action

- **Involvement in IRASA and Africa regional IRA**
 - Networking with other IRASA and regional members
 - Bridging the gap between academic opinions and practice
 - Assist in hosting IRASA and regional congresses
- **Enhancing Public Sector Labour Relations Issues by:**
 - Commissioning research on public sector IR issues
 - Writing and publicizing PSCBC activities / experiences

8.2 First Biennial Labour Relations Conference for the Public Service



1ST BIENNIAL LABOUR RELATIONS CONFERENCE FOR THE PUBLIC SERVICE



8.2.1 Introduction

Labour Relations Conference for the Public Service held at Emperors Palace on 26, 27 and 28 March 2007.

CONFERENCES & SEMINARS *(cont.)*

Approximately 400 local and international delegates attended the conference. A total of almost 38 speakers presented papers on various pertinent issues, such as the evolution of collective bargaining and social dialogue, promotion of labour relations through effective human resources management, a critique on dispute resolution mechanisms in the Public Service, managing discipline effectively in the Public Service, and reflecting on job creation and unemployment.

While the main sponsor of the conference was Alexander Forbes, sponsorships have been received from Juta, LexisNexis Butterworths, and Sabinet Online.

8.2.2 Background

In terms of section 196(4)(a)–(f) of the Constitution, Act 108 of 1996, the Public Service Commission (PSC) is responsible for the promotion of, amongst others, sound labour relations practices in the Public Service.

The Public Service Co-ordinating Bargaining Council (PSCBC) is the statutory collective bargaining forum for the state as employer and public servants (represented by the 8 admitted trade unions), and further has a legislative function as a dispute resolution agency, accredited by the CCMA to resolve disputes through conciliation and arbitration.

As independent and impartial institutions, the PSC and the PSCBC have recognised themselves to be well placed to create a forum for debate on the latest trends in labour relations in the Public Service. This platform further provides an opportunity for the interaction between and among labour relations practitioners (both employer and labour representatives) and other stakeholders in the field of labour relations in Public Service.

The PSCBC and the Public Service Commission (PSC) have therefore signed a Memorandum of Understanding to hold biennial labour relations conferences in this regard.

8.2.3 Aim of Conference

The overarching aim of the conference was to improve labour relations in the Public Service through dialogue on various burning issues through the presentation of research papers on, for example labour law, labour relations and other human resources matters. The main intention was to empower labour relations practitioners representing both management and labour on the latest developments in the areas of labour relations and human resources policies, best practices and resolutions. The conference further aimed to create a platform for the establishment of partnerships locally, regionally and internationally.

Speakers invited to present papers at the conference included academia (both locally and from the SADC region), researchers in the fields of employment relations and human resources, as well as representatives from the various stakeholders.

8.2.4 Theme of Conference

The theme of the conference was set as “Knowledge through dialogue: Harmonising Labour Relations in the Public Service.”

8.2.5 Summary of events

Keynote Address: Minister for the Public Service and Administration, Ms Geraldine Fraser-Moleketi.

In her keynote address, the Minister deliberated on the conference theme “Knowledge through dialogue” and emphasised that dialogue is the cornerstone of the labour relations environment, let alone a democratic society. The following section from the Minister’s speech is highlighted: “Social dialogue is defined by the ILO to include all types of negotiation, consultation and the exchange of information

between representatives of government, employers and workers. Industrial peace and economic progress are dependent on the successful operation of structures and processes of dialogue. Not least amongst them are the collective bargaining structures where labour and employer consult and negotiate. In this regard, the South African Public Service must surely rate among the top exponents of successful collective bargaining through its national, sectoral and departmental structures."

The Minister further congratulated the two host organisations, PSCBC and the PSC, for arranging the conference. She mentioned that this once again proves that institutions from different sectors can effectively work together when there is a common goal.

8.2.6 Conference objectives: Director General Office of the Public Service Commission, Ms Odette Ramsingh

In pursuance of the theme of the Conference, "Knowledge through Dialogue: Harmonising Labour Relations in the Public Service", Ms Ramsingh highlighted the following broad aims and objectives of the conference:

- To harmonise labour relations in the Public Service through dialogue on various pertinent issues.
- To provide an opportunity for stakeholders to debate the latest trends pertaining to labour law and labour relations in the Public Service.
- To encourage interaction between and among labour relations practitioners (both employer and labour representatives) and other stakeholders in the field of labour relations in the Public Service.
- To create a platform for the establishment of partnerships locally, regionally and internationally.

8.2.7 Conference programme

The conference consisted of five plenary sessions: A morning and afternoon session on day one and day two; and a morning session on day three. Each of the sessions was directed by a sub theme. The plenary sessions were followed by four (4) commission sessions of which delegates could choose one to attend.

Day One – Sub Theme 1: Institutionalised dialogue systems to promote sound labour relations

- The journey to partnership: Assessing collective bargaining in the South African Public Service over the last decade – Mr Ebrahim Hassen
- Critical comparison of collective bargaining in South Africa and other countries – Prof Evance Kalula
- New challenges for trade unions in collective bargaining and social dialogue – Mr Elium Biyela

Commission 1:

Is there a duty to bargain in the public sector? The implications of the SANDU cases for the Public Service – Prof Halton Cheadle

Commission 2:

Finding the ideal approach to wage negotiations: Multi-term agreements vs annual wage negotiations, what are the benefits and disadvantages – Prof Manie Spoelstra

CONFERENCES & SEMINARS *(cont.)*

Commission 3:

Evaluating conditions for successful dialogue and constructive negotiation – Prof Tayo Foshoyin

Commission 4:

Bargaining arrangements at departmental level: What happens with agreements? – Mr Frikkie de Bruin

Day One – Sub Theme 2: Strategic positioning of human resource management to support the promotion of sound labour relations

- Managing diversity and employment equity: Challenges and best practice – Mr Jimmy Manyi
- Effective Human Resource Management: Occupational Health and Safety within the Public Service – Ms Fazeela Fayars
- The management of performance in the Public Service: Addressing Challenges relating to performance assessments and award systems – Ms Odette Ramsingh

Commission 1:

Addressing current challenges relating to the filling of posts and retention in the Public Service – Prof Richard Levin

Commission 2:

The role of Employee Assistance Programmes in addressing employee wellness, including managing the effects of HIV and AIDS in the workplace – Dr Norman Maharaj

Commission 3:

The effects of temporary employment through contracts, learnerships and internships: Casualising of the workplace or increasing the skills base? – Prof Stella Vettori & Mr Rudi Dicks

Commission 4:

Role clarification and mutual respect: Understanding the role of the labour relations practitioner, human resource practitioner and the shop steward – Mr Squire Mahlangu

Day Two – Sub Theme 1: Effective dispute resolution as a requirement for sound labour relations

- Managing grievances in the Public Service: The role of the Public Service – Mr Admill Simpson
- Managing grievances in the Public Service: The role of the PSCBC and Sectoral Councils – Ms Shamira Huluman
- Dispute resolution mechanisms in the Public Service: To what extent do they contribute to resolving dissatisfactions in the workplace? – Mr Dawie Bosch

Commission 1:

Dispute prevention strategies – what are the options? – Ms Tanya Venter & Mr Mohamed Chicktay

Commission 2:

Analysing the effect of recent judgements on promotions in the Public Service – Mr Sean Molony

Commission 3:

Analysing the effect of recent judgements relating to PAJA on the Public Service – Prof Marius Olivier and Mr Thembeke Ngcikaitobi

Commission 4:

Analyzing the effect of recent judgments relating to deemed dismissals in terms of section 17 of the Public Service Act (as amended) and sector employment legislation, as well as the proposed changes in the Public Service Amendment Bill – Adv Empie van Schoor

Day Two – Sub Theme 2: Effective management of discipline as a prerequisite for sound labour relations.

- The imperatives for effective management of discipline – an holistic perspective – Ms Urmilla Patel
- Analysing the causes and remedies for delays in disciplinary processes – Ms Gina Barbieri
- A critique of punishment vs progressive discipline – Ms Gill Loveday

Commission 1:

Are the codes and legislation for fair administrative procedure and ethical conduct by employees appropriate? – Mr Peter Goss

Commission 2:

Applying the appeals process effectively – Mr Randall van Voore

Commission 3:

The monitoring and interception of electronic communications: Managing abuse vs rights to privacy – Mr Dave Loxton

Commission 4:

Managing poor performance in the workplace – Ms Yozan Bothma

Day 3 – Sub Theme 1: The role of labour relations in halving poverty and unemployment by the end of the decade

- Towards accelerated and shared growth for South Africa: The role of Human Capital Development – Prof Charlotte du Toit
- Building integrity amongst employees: Understanding the effects of corruption on growth and development – Ms Mpho Nkeli
- What can management do to prevent job losses? – Mr Oupa Bodedi
- Analysing the capacity needs in terms of skills, resources and infrastructure of the Public Service by the end of this decade – Prof Johan Burger
- Transforming the workplace for enhanced service delivery – how should management and organised labour work together – Ms Sylvia Baloyi

CONFERENCES & SEMINARS *(cont.)*

8.2.8 Closing Address: Chairperson of the Public Service Commission, Prof Stan Sangweni

In his closing remarks, Prof Sangweni mentioned: "the conference created a platform for knowledge sharing and debate. What struck me the most was the substance of the programme. Those who formulated it reflected a deep understanding of the subject and credit must be given to this. Whether, as a participant, you regarded yourself as a novice or an "old hand" in labour relations, you would have found a subject from which to take away and to add to your repertoire of labour relations.

Looking at the conference objectives, I am confident that we have realised all of them. More importantly, a strong foundation has been laid for future conferences. However, let us not wait until 2009 to come together as labour relations practitioners. We need to consolidate this very important relationship by ensuring regular and meaningful activities around critical issues impacting on the workplace and workplace relationships. I am sure the organisers from both institutions are already looking ahead and preparing structured debate on such contentious issues as performance management, the role of labour relations officers, and issues around collective bargaining."

8.2.9 Conclusion

TOKISO Dispute Settlement (PTY) Ltd, was appointed as Content Manager for the conference.

In their final conference report, TOKISO viewed the conference as a remarkable success in achieving its broad aims and objectives. The calibre of participation of both speakers and participants was remarkably enlightening. The attendance by venerable political leaders, international guests and key role players from both the trade union and employer delegations gave legitimacy to this event. The generous contributions of the main sponsor, Alexander Forbes, as well as other sponsorships from Lexis Nexis Butterworths, Juta and Sabinet Online, further reflect the necessity and importance of the conference.

It is also a reflection of the importance of the Public Service that there has been such a high level of participation. The conference was, at times, marked by interesting and contentious debate, but given the broad spectrum of topics covered at the conference, it was, at times, difficult to allow for detailed discussion on the range of queries and concerns. This is indicative of the need for this type of conference to develop the competency within the Public Service. The hunger to obtain knowledge was particularly striking.

Needs that were emphasised in most sessions:

- Effective and diverse communication is critical.
- Abiding, without compromise, to the principles of ethics and discipline.
- A long term plan and vision, in all areas, of the Public Service.
- Auditing, and if necessary, updating/overhauling existing disciplinary rules and procedures.
- Robust training and development programmes on content and skills.

The challenge is to harness the passion and commitment that was demonstrated over the three days. A further challenge is to take on the responsibility to create an environment in which the objectives of the conference can resonate within the Public Service.

A special vote of thanks was extended to:

- The organisers who worked tirelessly
- The sponsors who contributed generously
- The speakers who contributed, without financial reward, excellently

- The chairpersons of the sessions who worked energetically throughout
- Every individual who worked exhaustingly behind the scenes
- The team from Tokiso who lived and slept the conference for three days
- The delegates, whose enthusiasm and participation gave life to the event

A full conference report is available from PSCBC Offices.

8.3 Visits by other Countries

During the period under review, the PSCBC was visited by delegations from the following countries to learn about how the Public Service Bargaining Councils in South Africa manage collective bargaining and dispute resolution:



8.3.1 **Zambian delegation: 16-18 October 2006**

The delegation visited for three days.

On the first day of the visit, the following presentations were made:

CONFERENCES & SEMINARS *(cont.)*

- History of labour relations in South Africa
- Collective bargaining systems in the Public Service
- Dispute resolution in the Public Service
- Presentations by all the Sector Councils

On the second day, the delegation interacted with the parties to Council, and on the third day, they interacted with sister organizations, i.e. PSI, PSC and the CCMA.

8.3.2 Chinese Delegation: 24 November 2006

The delegation visited for only one day and the following presentations were made:

- History of labour relations in South Africa
- Collective bargaining systems in the Public Service
- Dispute resolution in the Public Service

8.3.3 Belgium Delegation: 18 January 2007

The delegation visited for only one day and the following presentations were made:

- History of labour relations in South Africa
- Collective bargaining systems in the Public Service
- Dispute resolution in the Public Service

8.4 PSCBC Involvement in Industrial Relations Association of South Africa (IRASA)

The General Secretary of PSCBC, Ms Shamira Huluman, serves on IRASA Executive Committee.

The developments in IRASA during the past year can be summarised as follows:

- The contract of the Interim CEO, Rhode van Rensburg, ended on 15 December 2006.
- The President of IRASA, Edwin Molahlehi, has informed IRASA of his unavailability due to his acting as Judge in the Labour Court. Mr Dhaya Govender of the ELRC has been appointed as Acting President of IRASA until the appointment of a President.
- The National Secretary, Dala Greyling, has subsequently resigned as of 28 February 2007.
- The offices of IRASA have been moved to the ELRC office as an interim measure.
- Proposals to appoint an Events/ Marketing Co-ordinator on a contract basis have been made to IRASA Exco.
- The strategy is to appoint someone to turn around the organisation's membership to improve its financial situation before any permanent appointments are made.
- IRASA has been informed by IIRA that South Africa has won the bid to host the 5th African Regional Congress. The IIRA General Secretary, Dr. Guiseppe Casale (from Italy) and the IIRA Exco member from South Africa (Prof Evance Kalula) have both been in contact with Ms Huluman in respect of assistance with arrangements.
- To date, the three members have worked on a concept theme and sub-themes for the Congress. The intention is to print this in a brochure as the first announcement to be made in New Delhi, at the IIRA Asian Regional Congress.
- The envisaged date for the Congress is April 2008, and the venue is Cape Town.
- Ms Huluman's involvement has ensured that the Congress focuses on Public Sector labour relations issues, amongst other pertinent issues affecting Africa.
- This is believed to have the desired impact in influencing other IIRA Congresses to focus on public sector issues.
- Ms Huluman's involvement in both IRASA and IIRA will ensure the PSCBC mandate, namely, influencing the IIRA's agenda to focus on Public Sector issues and bridging the gap between academia and practitioners will be carried out.

TRADE UNION MEMBERSHIP TO COUNCIL

9. TRADE UNION MEMBERSHIP TO COUNCIL

9.1 Clause 7.1 and 7.2 of PSCBC Constitution

“7.1 Any single trade union party may apply for admission to the Council if it:

- (a) meets the threshold requirement of 50 000 members; and
- (b) is admitted to a Sectoral Council.

7.2 Any two or more trade unions acting together as a single party (referred to as a combined trade union party), may apply for admission to the Council if:

- (a) their combined membership meets the threshold requirement of 50 000 members; and
- (b) each constituent party of the combined trade union party, on its own or acting together (as a single party), is admitted to a Sectoral Council.”

9.2 Admitted Trade Unions to Council

In terms of the annual review of membership, the following trade unions were admitted to Council in terms of Clause 7 and 8 of PSCBC Constitution for the period July 2006 to June 2007:

- DENOSA acting together with SAMA, as DENOSA
- HOSPERSA, NUPSAW and NATU acting together as HOSPERSA/NUPSAW/NATU
- NAPTOSA acting together with SAOU, as NAPTOSA (as of 1 November 2006)
- NEHAWU acting together with PAWUSA, as NEHAWU
- POPCRU acting together with SASAWU and SADNU, as POPCRU
- PSA acting together UNIPSA and NPSWU, as PSA.
- SADTU acting together with CTPA, as SADTU.
- SAPU acting together with PEU, as SAPU.

9.3 PSCBC Vote Weights and Membership

During the period July 2006 to June 2007, the following trade unions were admitted to the PSCBC:

PSCBC MEMBERSHIP STATISTICS AS AT 31 DECEMBER 2005

TRADE UNION	MEMBERSHIP CLAUSE 10					VOTE WEIGHT	REPS
	PHW	GP	SS	EDUCATION	TOTAL		
	SECTOR	SECTOR	SECTOR	SECTOR		CLAUSE 11	CLAUSE 12
DENOSA	44,881				44,881		
SAMA	5,355				5,355		
TOTAL	50,236	-	-	-	50,236	5.031%	4
HOSPERSA*	41,953	4,905		4,390	51,248		
NATU		10		27,736	27,746		
NUPSAW	10,049	13,005	25	3,756	26,835		
TOTAL	52,002	17,920	25	35,882	105,829	10.599%	5
NAPTOSA							
APEK				4,991	4,991		
ITUSA				3,312	3,312		
NUE				16,039	16,039		
OFSATA				4,335	4,335		
SAOU				20,599	20,599		
SAUVSE		1,249		5,047	6,296		
USAPE				7,770	7,770		
TOTAL	-	1,249	-	62,093	63,342	6.344%	4
NEHAWU	65,738	88,133			153,871		
PAWUSA	6,143	10,469		187	16,799		
TOTAL	71,881	98,602	-	187	170,670	17.093%	5
POPCRU		27,520	67,615		95,135		
SASAWU	2,665	6,771			9,436		
SADNU	9,376				9,376		
TOTAL	12,041	34,291	67,615	-	113,947	11.412%	5
PSA	37,469	113,812	13,105	7,161	171,547		
UNIPSA		2,825			2,825		
NPSWU	8,078	1,219			9,297		
TOTAL	45,547	117,856	13,105	7,161	183,669	18.395%	5
SADTU				221,582	221,582		
CTPA				5,833	5,833		
TOTAL	-	-	-	227,415	227,415	22.776%	5
SAPU			63,440		63,440		
PEU				19,933	19,933		
TOTAL	-	-	63,440	19,933	83,373	8.350%	5
GRAND TOTAL	231,707	269,918	144,185	352,671	998,481	100.000%	38

* Name - HOSPERSA/ NUPSAW/ NATU – in terms of acting together agreement
The above was revised in November 2006 to reflect the amalgamation of APEK, ITUSA, NUE, OFSATA, SAUVSE AND USAPE into a registered trade union - NAPTOSA

TRADE UNION MEMBERSHIP TO COUNCIL (cont.)

9.4 PSCBC Provincial Vote Weights and Membership

MEMBERSHIP STATISTICS - EASTERN CAPE PROVINCE AS AT 31 DECEMBER 2005				
TRADE UNION	MEMBERSHIP			VOTE WEIGHT
	NON EDUCATORS	EDUCATORS	TOTAL	
DENOSA	6,233		6,233	
SAMA	376		376	
TOTAL	6,609	0	6,609	5.677%
HOSPERSA*	5,832		5,832	
NATU		598	598	
NUPSAW	1,337		1,337	
TOTAL	7,169	598	7,767	6.672%
NAPTOSA				
APEK	1	3,672	3,673	
ITUSA			0	
NUE		2,585	2,585	
OFSATA			0	
SAOU		1,292	1,292	
SAUVSE		415	415	
USAPE			0	
TOTAL	1	7,964	7,965	6.842%
NEHAWU	20,531		20,531	
PAWUSA	2,722		2,722	
TOTAL	23,253	0	23,253	19.974%
POPCRU	164		164	
SASAWU	4,850		4,850	
SADNU	3,222		3,222	
TOTAL	8,236	0	8,236	7.075%
PSA	12,331		12,331	
UNIPSA			0	
NPSWU	22		22	
TOTAL	12,353	0	12,353	10.611%
SADTU		48,957	48,957	
CTPA		1,254	1,254	
TOTAL	0	50,211	50,211	43.131%

**MEMBERSHIP STATISTICS - EASTERN CAPE PROVINCE
AS AT 31 DECEMBER 2005 (cont.)**

TRADE UNION	MEMBERSHIP			VOTE WEIGHT
	NON EDUCATORS	EDUCATORS	TOTAL	
SAPU	1		1	
PEU		19	19	
TOTAL	1	19	20	0.017%
GRAND TOTAL	57,622	58,792	116,414	100%

* NAME - HOSPERSA/ NUPSAW/ NATU - IN TERMS OF ACTING TOGETHER AGREEMENT

TRADE UNION MEMBERSHIP TO COUNCIL (cont.)

MEMBERSHIP STATISTICS - FREESTATE PROVINCE AS AT 31 DECEMBER 2005				
TRADE UNION	MEMBERSHIP			VOTE WEIGHT
	NON EDUCATORS	EDUCATORS	TOTAL	
DENOSA	1,834		1,834	
SAMA	237		237	
TOTAL	2,071	0	2,071	3.826%
HOSPERSA*	2,590		2,590	
NATU		31	31	
NUPSAW	16		16	
TOTAL	2,606	31	2,637	4.872%
NAPTOSA				
APEK	-	589	589	
ITUSA			0	
NUE		270	270	
OFSATA		4,202	4,202	
SAOU		3,368	3,368	
SAUVSE		399	399	
USAPE			0	
TOTAL	0	8,828	8,828	16.311%
NEHAWU	12,179		12,179	
PAWUSA	497		497	
TOTAL	12,676	0	12,676	23.421%
POPCRU	459		459	
SASAWU	583		583	
SADNU	1,481		1,481	
TOTAL	2,523	0	2,523	4.662%
PSA	11,212		11,212	
UNIPSA			0	
NPSWU	-		0	
TOTAL	11,212	0	11,212	20.716%
SADTU		13,982	13,982	
CTPA		186	186	
TOTAL	0	14,168	14,168	26.177%

MEMBERSHIP STATISTICS - FREESTATE PROVINCE AS AT 31 DECEMBER 2005 (cont.)				
TRADE UNION	MEMBERSHIP			VOTE WEIGHT
	NON EDUCATORS	EDUCATORS	TOTAL	
SAPU	5		5	
PEU		3	3	
TOTAL	5	3	8	0.015%
GRAND TOTAL	31,093	23,030	54,123	100%
* NAME - HOSPERSA/ NUPSAW/ NATU - IN TERMS OF ACTING TOGETHER AGREEMENT				

TRADE UNION MEMBERSHIP TO COUNCIL (cont.)

MEMBERSHIP STATISTICS - GAUTENG PROVINCE AS AT 31 DECEMBER 2005

TRADE UNION	MEMBERSHIP			VOTE WEIGHT
	NON EDUCATORS	EDUCATORS	TOTAL	
DENOSA	8,196		8,196	
SAMA	1,353		1,353	
TOTAL	9,549	0	9,549	9.673%
HOSPERSA*	9,289		9,289	
NATU		222	222	
NUPSAW	1,062		1,062	
TOTAL	10,351	222	10,573	10.710%
NAPTOSA				
APEK	88	656	744	
ITUSA		9	9	
NUE		7,093	7,093	
OFSATA		3	3	
SAOU		6,555	6,555	
SAUVSE		1,820	1,820	
USAPE		0	0	
TOTAL	88	16,136	16,224	16.435%
NEHAWU	22,116		22,116	
PAWUSA	442		442	
TOTAL	22,558	0	22,558	22.851%
POPCRU	335		335	
SASAWU	774		774	
SADNU	966		966	
TOTAL	2,075	0	2,075	2.102%
PSA	12,951		12,951	
UNIPSA			0	
NPSWU	812		812	
TOTAL	13,763	0	13,763	13.942%
SADTU		20,961	20,961	
CTPA		34	34	
TOTAL	0	20,995	20,995	21.267%

**MEMBERSHIP STATISTICS - GAUTENG PROVINCE
AS AT 31 DECEMBER 2005 (cont.)**

TRADE UNION	MEMBERSHIP			VOTE WEIGHT
	NON EDUCATORS	EDUCATORS	TOTAL	
SAPU	5		5	
PEU		2,977	2,977	
TOTAL	5	2,977	2,982	3.021%
GRAND TOTAL	58,389	40,330	98,719	100%

* NAME - HOSPERSA/ NUPSAW/ NATU - IN TERMS OF ACTING TOGETHER AGREEMENT

TRADE UNION MEMBERSHIP TO COUNCIL (cont.)

MEMBERSHIP STATISTICS - KWAZULU NATAL PROVINCE AS AT 31 DECEMBER 2005

TRADE UNION	MEMBERSHIP			VOTE WEIGHT
	NON EDUCATORS	EDUCATORS	TOTAL	
DENOSA	9,664		9,664	
SAMA	1,058		1,058	
TOTAL	10,722	-	10,722	6.959%
HOSPERSA*	13,196		13,196	
NATU		25,656	25,656	
NUPSAW	9,420		9,420	
TOTAL	22,616	25,656	48,272	31.329%
NAPTOSA				
APEK	1	8,317	8,318	
ITUSA		1	1	
NUE		58	58	
OFSATA		1	1	
SAOU		777	777	
SAUVSE		701	701	
USAPE		-	-	
TOTAL	1	9,855	9,856	6.397%
NEHAWU	16,584		16,584	
PAWUSA	1,024		1,024	
TOTAL	17,608	-	17,608	11.428%
POPCRU	66		66	
SASAWU	193		193	
SADNU	1,195		1,195	
TOTAL	1,454	-	1,454	0.944%
PSA	17,129		17,129	
UNIPSA			-	
NPSWU	8,779		8,779	
TOTAL	25,908	-	25,908	16.815%
SADTU		40,159	40,159	
CTPA		2	2	
TOTAL	-	40,161	40,161	26.065%

**MEMBERSHIP STATISTICS - KWAZULU NATAL PROVINCE
AS AT 31 DECEMBER 2005 (cont.)**

TRADE UNION	MEMBERSHIP			VOTE WEIGHT
	NON EDUCATORS	EDUCATORS	TOTAL	
SAPU	17		17	
PEU		82	82	
TOTAL	17	82	99	0.064%
GRAND TOTAL	78,326	75,754	154,080	100%
* NAME - HOSPERSA/ NUPSAW/ NATU - IN TERMS OF ACTING TOGETHER AGREEMENT				

TRADE UNION MEMBERSHIP TO COUNCIL (cont.)

MEMBERSHIP STATISTICS - LIMPOPO PROVINCE AS AT 31 DECEMBER 2005				
TRADE UNION	MEMBERSHIP			VOTE WEIGHT
	NON EDUCATORS	EDUCATORS	TOTAL	
DENOSA	6,656		6,656	
SAMA	347		347	
TOTAL	7,003	0	7,003	6.854%
HOSPERSA*	4,619		4,619	
NATU		48	48	
NUPSAW	1,302		1,302	
TOTAL	5,921	48	5,969	5.842%
NAPTOSA				
APEK	43	512	555	
ITUSA		67	67	
NUE		186	186	
OFSATA			0	
SAOU		980	980	
SAUVSE		195	195	
USAPE			0	
TOTAL	43	1,940	1,983	1.941%
NEHAWU	17,069		17,069	
PAWUSA	145		145	
TOTAL	17,214	0	17,214	16.849%
POPCRU	568		568	
SASAWU	42		42	
SADNU	854		854	
TOTAL	1,464	0	1,464	1.433%
PSA	13,776		13,776	
UNIPSA	2,798		2,798	
NPSWU	54		54	
TOTAL	16,628	0	16,628	16.275%
SADTU		40,447	40,447	
CTPA			0	
TOTAL	0	40,447	40,447	39.589%

**MEMBERSHIP STATISTICS - LIMPOPO PROVINCE
AS AT 31 DECEMBER 2005 (cont.)**

TRADE UNION	MEMBERSHIP			VOTE WEIGHT
	NON EDUCATORS	EDUCATORS	TOTAL	
SAPU	10		10	
PEU		11,450	11,450	
TOTAL	10	11,450	11,460	11.217%
GRAND TOTAL	48,283	53,885	102,168	100%

* NAME - HOSPERSA/ NUPSAW/ NATU - IN TERMS OF ACTING TOGETHER AGREEMENT

TRADE UNION MEMBERSHIP TO COUNCIL (cont.)

MEMBERSHIP STATISTICS - MPUMALANGA PROVINCE AS AT 31 DECEMBER 2005

TRADE UNION	MEMBERSHIP			VOTE WEIGHT
	NON EDUCATORS	EDUCATORS	TOTAL	
DENOSA	2,564		2,564	
SAMA	285		285	
TOTAL	2,849	0	2,849	5.443%
HOSPERSA*	1,977		1,977	
NATU		1,017	1,017	
NUPSAW	159		159	
TOTAL	2,136	1,017	3,153	6.024%
NAPTOSA				
APEK	56	619	675	
ITUSA		44	44	
NUE		1,120	1,120	
OFSATA			0	
SAOU		1,608	1,608	
SAUVSE		155	155	
USAPE			0	
TOTAL	56	3,546	3,602	6.882%
NEHAWU	13,901		13,901	
PAWUSA	78		78	
TOTAL	13,979	0	13,979	26.709%
POPCRU	434		434	
SASAWU	229		229	
SADNU	530		530	
TOTAL	1,193	0	1,193	2.279%
PSA	6,316		6,316	
UNIPSA	1		1	
NPSWU	41		41	
TOTAL	6,358	0	6,358	12.148%
SADTU		18,103	18,103	
CTPA		3	3	
TOTAL	0	18,106	18,106	34.594%

**MEMBERSHIP STATISTICS - MPUMALANGA PROVINCE
AS AT 31 DECEMBER 2005 (cont.)**

TRADE UNION	MEMBERSHIP			VOTE WEIGHT
	NON EDUCATORS	EDUCATORS	TOTAL	
SAPU	2		2	
PEU		3,096	3,096	
TOTAL	2	3,096	3,098	5.919%
GRAND TOTAL	26,573	25,765	52,338	100%
* NAME - HOSPERSA/ NUPSAW/ NATU - IN TERMS OF ACTING TOGETHER AGREEMENT				

TRADE UNION MEMBERSHIP TO COUNCIL (cont.)

MEMBERSHIP STATISTICS - NORTH WEST PROVINCE AS AT 31 DECEMBER 2005

TRADE UNION	MEMBERSHIP			VOTE WEIGHT
	NON EDUCATORS	EDUCATORS	TOTAL	
DENOSA	3,343		3,343	
SAMA	236		236	
TOTAL	3,579	0	3,579	5.833%
HOSPERSA*	1,863		1,863	
NATU			0	
NUPSAW	2,029		2,029	
TOTAL	3,892	0	3,892	6.344%
NAPTOSA				
APEK	72	469	541	
ITUSA		3,106	3,106	
NUE		587	587	
OFSATA		3	3	
SAOU		1,848	1,848	
SAUVSE		234	234	
USAPE			0	
TOTAL	72	6,247	6,319	10.299%
NEHAWU	12,717		12,717	
PAWUSA	250		250	
TOTAL	12,967	0	12,967	21.135%
POPCRU	361		361	
SASAWU	533		533	
SADNU	696		696	
TOTAL	1,590	0	1,590	2.592%
PSA	10,203		10,203	
UNIPSA			0	
NPSWU	-		0	
TOTAL	10,203	0	10,203	16.630%
SADTU		20,838	20,838	
CTPA		13	13	
TOTAL	0	20,851	20,851	33.985%

**MEMBERSHIP STATISTICS - NORTH WEST PROVINCE
AS AT 31 DECEMBER 2005 (cont.)**

TRADE UNION	MEMBERSHIP			VOTE WEIGHT
	NON EDUCATORS	EDUCATORS	TOTAL	
SAPU	13		13	
PEU		1,940	1,940	
TOTAL	13	1,940	1,953	3.183%
GRAND TOTAL	32,316	29,038	61,354	100%
* NAME - HOSPERSA/ NUPSAW/ NATU - IN TERMS OF ACTING TOGETHER AGREEMENT				

TRADE UNION MEMBERSHIP TO COUNCIL (cont.)

MEMBERSHIP STATISTICS - NORTHERN CAPE PROVINCE AS AT 31 DECEMBER 2005

TRADE UNION	MEMBERSHIP			VOTE WEIGHT
	NON EDUCATORS	EDUCATORS	TOTAL	
DENOSA	987		987	
SAMA	87		87	
TOTAL	1,074	0	1,074	6.468%
HOSPERSA*	1,219		1,219	
NATU			0	
NUPSAW	3		3	
TOTAL	1,222	0	1,222	7.359%
NAPTOSA				
APEK		158	158	
ITUSA			0	
NUE		169	169	
OFSATA			0	
SAOU		1,122	1,122	
SAUVSE		115	115	
USAPE			0	
TOTAL	0	1,564	1,564	9.419%
NEHAWU	3,013		3,013	
PAWUSA	1,683		1,683	
TOTAL	4,696	0	4,696	28.281%
POPCRU	84		84	
SASAWU	24		24	
SADNU	344		344	
TOTAL	452	0	452	2.722%
PSA	3,029		3,029	
UNIPSA			0	
NPSWU	-		0	
TOTAL	3,029	0	3,029	18.242%
SADTU		3,808	3,808	
CTPA		751	751	
TOTAL	0	4,559	4,559	27.456%

**MEMBERSHIP STATISTICS - NORTHERN CAPE PROVINCE
AS AT 31 DECEMBER 2005 (cont.)**

TRADE UNION	MEMBERSHIP			VOTE WEIGHT
	NON EDUCATORS	EDUCATORS	TOTAL	
SAPU	1		1	
PEU		8	8	
TOTAL	1	8	9	0.054%
GRAND TOTAL	10,474	6,131	16,605	100%

* NAME - HOSPERSA/ NUPSAW/ NATU - IN TERMS OF ACTING TOGETHER AGREEMENT

TRADE UNION MEMBERSHIP TO COUNCIL (cont.)

MEMBERSHIP STATISTICS - WESTERN CAPE PROVINCE AS AT 31 DECEMBER 2005

TRADE UNION	MEMBERSHIP			VOTE WEIGHT
	NON EDUCATORS	EDUCATORS	TOTAL	
DENOSA	4,517		4,517	
SAMA	848		848	
TOTAL	5,365	0	5,365	8.944%
HOSPERSA*	5,723		5,723	
NATU		1	1	
NUPSAW	2,204		2,204	
TOTAL	7,927	1	7,928	13.217%
NAPTOSA				
APEK	-	245	245	
ITUSA		1	1	
NUE		3,628	3,628	
OFSATA			0	
SAOU		2,756	2,756	
SAUVSE		967	967	
USAPE			0	
TOTAL	0	7,597	7,597	12.665%
NEHAWU	7,521		7,521	
PAWUSA	6,537		6,537	
TOTAL	14,058	0	14,058	23.437%
POPCRU	177		177	
SASAWU	6		6	
SADNU	45		45	
TOTAL	228	0	228	0.380%
PSA	8,613		8,613	
UNIPSA			0	
NPSWU	-		0	
TOTAL	8,613	0	8,613	14.359%
SADTU		12,692	12,692	
CTPA		3,497	3,497	
TOTAL	0	16,189	16,189	26.990%

**MEMBERSHIP STATISTICS - WESTERN CAPE PROVINCE
AS AT 31 DECEMBER 2005 (cont.)**

TRADE UNION	MEMBERSHIP			VOTE WEIGHT
	NON EDUCATORS	EDUCATORS	TOTAL	
SAPU	4		4	
PEU			0	
TOTAL	4	0	4	0.007%
GRAND TOTAL	36,195	23,787	59,982	100%
* NAME - HOSPERSA/ NUPSAW/ NATU - IN TERMS OF ACTING TOGETHER AGREEMENT				

ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2007

10. ANNUAL FINANCIAL STATEMENTS

The reports and statements set out below comprise the annual financial statements presented to the members:

10.1	Report of the Independent Auditors	71
10.2	Report of the Council	72
10.3	Balance Sheet	73
10.4	Income Statement	74
10.5	Statement of Changes in Funds	75
10.6	Cash Flow Statement	76
10.7	Notes to the Financial Statements	77
10.8	Detailed Income Statement	84

Approval

The financial statements which appear on pages 3 to 14 were approved by the Executive Committee on 29 June 2007 and signed on their behalf by:



10.1 REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF PSCBC

We have audited the accompanying annual financial statements of Public Service Co-Ordinating Bargaining Council which comprise the balance sheet as at 31 March 2007, and the income statement, statement of changes in accumulated funds and cash flow statement for the year then ended, a summary of significant accounting accounting policies and other explanatory notes.

Council's responsibility for the Financial Statements

Council is responsible for the preparation and fair presentation of these financial statements in accordance with generally accepted accounting practice. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedure that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of financial statements. We believe that audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the council as at 31 March 2007 and of its cash flows for the year then ended in accordance with generally accepted accounting practice, and in the manner required by the bargaining council's constitution.



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

Per: Aneel Darmalingam
Centurion
29 June 2007

ANNUAL FINANCIAL STATEMENTS *(cont.)*

for the year ended 31 March 2007

10.2 PSCBC REPORT OF THE COUNCIL

The Council presents their report for the year ended 31 March 2007. This report forms part of the audited financial statements.

10.2.1 Principal activities of the organisation

Public service co-ordinating bargaining council.

10.2.2 General review

The organisation's business and operations and the results thereof are clearly reflected in the attached financial statements. No material fact or circumstance has occurred between the accounting date and the date of this report.

10.2.3 Statement of responsibility

The Council is responsible for the maintenance of adequate accounting records and the preparation and integrity of the financial statements and related information. The auditors are responsible to report on the fair presentation of the financial statements. The financial statements have been prepared in accordance with generally accepted accounting practice and in the manner required by the Council's constitution.

The Council is also responsible for the organisation's system of internal financial control. These are designed to provide reasonable, but not absolute, assurance as to the reliability of the financial statements, and to adequately safeguard, verify and maintain accountability of assets, and to prevent and detect misstatement and loss. Nothing has come to the attention of the Council to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The financial statements have been prepared on the going concern basis, since the Council has every reason to believe that the organisation has adequate resources in place to continue in operation for the foreseeable future.

10.2.4 Financial results

The results of the organisation and the state of its affairs are set out in the attached financial statements and do not, in our opinion, require further comments.

10.2.5 Property, plant and equipment

There have been no major changes in the property, plant and equipment during the period or any changes in the policy relating to their use.

10.3 PSCBC BALANCE SHEET

Assets

Non-current assets

Property, plant and equipment

Current assets

Accounts receivable

Cash and cash equivalents

Total assets

Funds and liabilities

Capital and reserves

Accumulated funds

Non-current liabilities

Special Projects

Current liabilities

Accounts payable

Trade unions funds

Total funds and liabilities

Notes	2007 R	2006 R
2	1,422,452	696,143
	42,107,789	44,222,558
3	200,184	228,930
	41,907,605	43,993,628
	43,530,241	44,918,701
	13,327,492	10,701,864
4	10,537,094	10,877,616
	19,665,655	23,339,221
	262,747	99,186
	19,402,908	23,240,035
	43,530,241	44,918,701

ANNUAL FINANCIAL STATEMENTS *(cont.)*

for the year ended 31 March 2007

10.4 PSCBC INCOME STATEMENT

	Notes	2007 R	2006 R
Levies received	7	12,731,991	12,595,421
Other income		746,568	4,800
Operating costs		11,530,499	9,316,897
Operating surplus	8	1,948,060	3,283,324
Investment income		836,067	490,842
Finance costs		(158,499)	(68,000)
Surplus		2,625,628	3,706,166

10.5 PSCBC STATEMENT OF CHANGES IN FUNDS

Balance at 01 April 2005

Net surplus for the year

Balance at 01 April 2006

Net surplus for the year

Balance at 31 March 2007

**Accumulated
funds
R**

6,995,698

3,706,166

10,701,864

2,625,628

13,327,492

ANNUAL FINANCIAL STATEMENTS *(cont.)*

for the year ended 31 March 2007

10.6 PSCBC CASH FLOW STATEMENT

Cash flows from operating activities

Cash receipts

Cash paid to suppliers and employees

Cash (utilised in)/generated by operating activities

Interest received

Interest paid

Cash flows from investing activities

Expenditure to maintain operating capacity

Property, plant and equipment acquired

Cash flows from financing activities

Movement in Special Projects

(Decrease)/increase in cash and cash equivalents

Cash and cash equivalents at beginning of the year

Cash and cash equivalents at end of the year

Notes	2007 R	2006 R
	(443,124)	11,640,485
	13,478,559	12,600,221
	(14,599,251)	(1,382,578)
11.1	(1,120,692)	11,217,643
	836,067	490,842
	(158,499)	(68,000)
	(1,302,378)	(572,357)
11.2	(340,521)	26,752
11.1	(2,086,023)	11,094,880
11.2	43,993,628	32,898,748
	41,907,605	43,993,628

10.7 PSCBC NOTES TO THE FINANCIAL STATEMENTS

10.7.1 Basis of preparation

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

10.7.1.1 Revenue recognition

Levies received are recorded on the date of receipt.

10.7.1.2 Property, plant and equipment

All property, plant and equipment are initially recorded at cost and any impairment in value- 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 as follows:

– Motor vehicles	5 years
– Furniture and fittings	5 years
– Computer equipment	3 years
– Computer software	2 years

Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining operating surplus.

10.7.1.3 Leased assets

Leases of assets under which all the risks and benefits of ownership are effectively retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight-line basis over the period of the lease.

10.7.1.4 Provisions

Provisions are recognised when the organisation has a present legal or constructive obligation as a result of past events, it is probable that an out-flow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

Employment entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

10.7.1.5 Financial instruments

Financial instruments carried on the balance sheet include cash and cash equivalents, payables, receivables, special projects and trade union funds.

Measurement

Financial instruments are initially measured at cost, which includes transaction costs. Subsequent to initial recognition, these instruments are measured as set out below.

Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. Cash and cash equivalents comprise cash on hand, deposits held at call with banks and favourable current bank accounts.

ANNUAL FINANCIAL STATEMENTS *(cont.)*

for the year ended 31 March 2007

Trade and other receivables

Trade and other receivables is recognised as assets when the entity becomes a party to the contract and as a consequence has a legal right to receive cash. Trade and other receivables originated are carried at original amount less an estimate made for impairment losses based on a review of all outstanding amounts at year-end.

Financial liabilities

Financial liabilities is recognised as liabilities when the entity become a party to the contract and as a consequence has a legal obligation to pay cash. Financial liabilities are recognised at amortised cost, which is original debt less principal payments and amortisation's.

Gains and losses on subsequent measurement

Gains and losses arising from change in fair value of all financial instruments are recognised in net surplus or deficit for the period in which the change arises.

10.7.2 Property, plant and equipment

	2007			2006		
	Cost/ valuation	Accumulated depreciation	Carrying value	Cost/ valuation	Accumulated depreciation	Carrying value
<i>Owned assets</i>						
Motor vehicles	179,152	71,661	107,491	179,152	35,830	143,322
Furniture and fittings	1,629,155	720,145	909,010	634,395	440,776	193,619
Office equipment	77,386	6,728	70,658	-	-	-
Computer equipment	1,014,332	783,664	230,668	836,498	670,995	165,503
Computer software	770,192	671,161	99,031	723,788	530,089	193,699
Recording equipment	5,994	400	5,594	-	-	-
	3,676,211	2,253,759	1,422,452	2,373,833	1,677,690	696,143

The carrying amounts of property, plant and equipment can be reconciled as follows:

	Carrying value at beginning of year	Additions	Depreciation	Carrying value at end of year
2006				
<i>Owned assets</i>				
Motor vehicles	179,152	-	(35,830)	143,322
Furniture and fittings	137,762	147,507	(91,650)	193,619
Computer equipment	184,303	169,253	(188,053)	165,503
Computer software	35,365	255,597	(97,263)	193,699
	536,582	572,357	(412,796)	696,143
2007				
<i>Owned assets</i>				
Motor vehicles	143,322	-	(35,831)	107,491
Furniture and fittings	193,619	994,760	(279,369)	909,010
Office equipment	-	77,386	(6,728)	70,658
Computer equipment	165,503	177,834	(112,669)	230,668
Computer software	193,699	46,404	(141,072)	99,031
Recording equipment	-	5,994	(400)	5,594
	696,143	1,302,378	(576,069)	1,422,452

ANNUAL FINANCIAL STATEMENTS *(cont.)*

for the year ended 31 March 2007

10.7.3 Accounts receivable

Accounts receivable is made up of the following:

Sectors

Study loans and bursaries

Deposits

Accrued interest

Staff loans

Total

2007 R	2006 R
82,120	31,411
63,622	51,735
48,644	48,643
-	97,141
5,798	-
200,184	228,930

10.7.4 Special projects

General funds

Opening balance

Interest received

Bank charges

Conference expenses

Balance at year end

10,877,616	10,850,865
595,292	441,904
(1,112)	(1,027)
(934,702)	(414,126)
10,537,094	10,877,616

10.7.5 Accounts payable

Accounts payable is made up of the following:

Accrued expenses

Leave pay provision

Total

40,198	36,414
222,550	62,772
262,748	99,186

10.7.6 Trade union funds

	Allo- cations 2007 R	Distri- butions 2007 R	Amount due 2007 R	Allo- cations 2007 R	Distri- butions 2007 R	Amount due 2007 R
DENOSA	4,102,881	(5,771,285)	1,004,628	4,197,882	(2,649,554)	2,673,032
HOSPERSA	8,300,251	(7,725,492)	1,054,788	7,153,967	(7,591,666)	480,029
NAPTOSA	5,408,276	(6,695,987)	1,459,143	5,920,162	(5,333,279)	2,746,854
NEHAWU	13,285,003	(17,520,406)	3,252,188	11,289,764	(6,525,800)	7,487,591
POPCRU	8,828,677	(8,453,875)	2,614,089	7,171,313	(6,479,165)	2,239,286
PSA	14,349,758	(13,822,006)	3,473,583	12,180,552	(12,047,972)	2,945,831
SADTU	17,925,449	(17,374,345)	4,161,088	15,354,480	(15,067,313)	3,609,984
SAPU	6,198,479	(4,872,506)	2,383,401	4,435,235	(4,398,235)	1,057,428
	78,398,774	(82,235,902)	19,402,908	67,703,355	(60,092,984)	23,240,035

10.7.7 Levies received

Resolution 5 of 2003 (Levy fee agreement): employer and employee contributes R0.50 each.

2007 R	2006 R
78,090	58,140
576,068	412,796
2,346,220	2,054,881
2,027,526	1,658,922
318,694	395,959

10.7.8 Operating surplus

Operating surplus is stated after:

Expenditure

- Auditors' remuneration
- Audit fee
- Depreciation
- Property, plant and equipment
- Lease rentals
- Premises
- Equipment

ANNUAL FINANCIAL STATEMENTS *(cont.)*

for the year ended 31 March 2007

10.7.9 Commitments

Operating lease commitments

The future minimum lease payments under non-cancellable operating leases are as follows:

Not later than 1 year
Later than 1 year and not later than 5 years

Balance at year end

2007 R	2006 R
1,878,345	1,707,586
9,589,139	11,467,484
11,467,484	13,175,070

10.7.10 Financial instruments

10.7.10.1 Fair values

The carrying amounts of financial instruments are approximate to their fair values.

Interest rate risk

The bargaining council adopts a policy of ensuring that its exposure in interest rates is on a combination of floating and fixed rate basis.

Credit risk

The bargaining council has no significant concentrations of credit risk. Cash is placed with substantial financial institutions.

10.7.11 Notes to the cash flow statement

10.7.11.1 Cash (utilised in)/generated by operating activities

Net surplus	
Adjustments for:	
Depreciation	
Investment income	
Finance costs	
 Movements in working capital	
Decrease in accounts receivable	
(Decrease)/increase in accounts payable	

Total

10.7.11.2 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:

Cash and cash equivalents

2007 R	2006 R
2,625,628	3,706,166
576,068	412,796
(836,067)	(490,842)
158,499	68,000
2,524,128	3,696,120
28,746	160,177
(3,673,566)	7,361,346
(120,692)	11,217,643
 41,907,605	 43,993,628

ANNUAL FINANCIAL STATEMENTS *(cont.)*

for the year ended 31 March 2007

10.8 PSCBC DETAILED INCOME STATEMENT

Gross revenue

Levies

Other income

Admin fee received

Donations

Interest received

Workshop costs recovered

Total income

Expenditure

Advertising and recruitment

Arbitration and conciliation costs

Auditors' remuneration

Bank charges

Case management fees

Cleaning

Computer expenses

Condolence fund

Consulting fees

Depreciation

Insurance

Interest

Lease rentals

Legal fees

Media and resource centre

Meetings, conferences, workshops and seminars

Motor vehicle expenses

Postages

Printing and stationery

Provincial Chambers

RSC Levies

Refreshments

Repairs and maintenance

Salaries

Security

Staff Training

Telephone and fax

Training parties

Travel - secretariat

Surplus

2007 R	2006 R
12,731,991	12,595,421
1,582,635	495,642
67,772	4,800
500,000	-
836,067	490,842
178,796	-
14,314,626	13,091,063
11,688,998	9,384,897
52,110	80,232
364,015	463,944
78,090	58,140
30,480	24,743
248,100	14,275
103,264	70,948
334,591	165,853
20,927	1,675
161,220	66,982
576,068	412,796
62,879	56,831
158,499	68,000
2,346,220	2,054,881
1,710	35,270
181,556	114,580
1,589,564	1,662,014
23,536	20,673
313	20,490
168,546	179,243
773,391	374,342
2,024	6,517
18,469	14,842
334,637	28,697
3,222,232	2,746,704
20,679	15,379
68,627	83,515
351,418	459,560
364,344	56,766
31,489	27,005
2,625,628	3,706,166

10.9 Departmental Report

10.9.1 Terms of reference of the Financial Committee

The following duties are assigned to the Financial Committee:

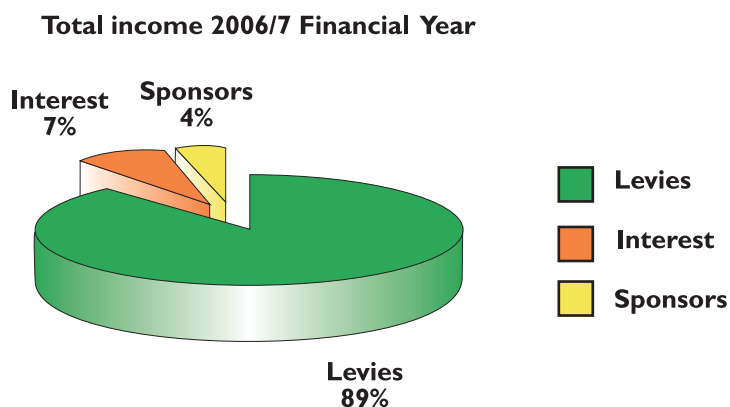
- Formulate financial policies and procedures
- Recommend practical ways of implementing these policies
- Review budgets and recommend to Council
- Review financial statements and ensure that financial policies and procedures are adhered to
- Discuss the audited financial statements and management report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

10.9.2 Financial analysis

a. Total income – Levy account

The overall income for the Council during the 2006/2007 financial year was R14 314 626 of which:

- 89% is generated out of the levies from the Public Service as per the PSCBC Levy Agreement (Resolution 5 of 2003),
- 7% is the interest earned from those levies,
- 4% is the R500 000 sponsored by Alexander Forbes specifically towards the Joint PSCBC/ PSC Labour Relations Conference held in March 2007.



b. Total expenditure – Levy Account

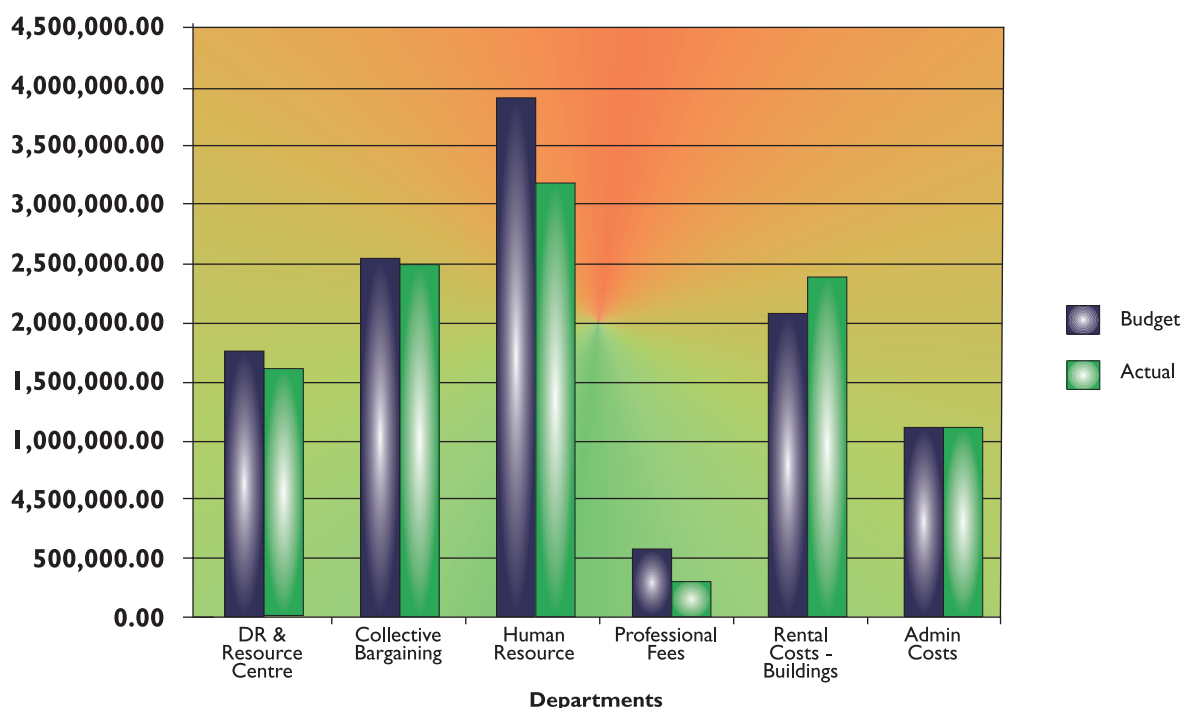
The overall expenditure for the Council during the 2006/2007 financial year amounts to R11 688 998 still below the projected expenditure of R12 053 937. This expenditure gives us an increase of about 24% in our expenditure from 2005/2006 to 2006/2007 Financial year. The increase on the expenditure of about R2.3m from 2005/2006 financial year to 2006/2007 financial year is almost the same as the increase from 2004/2005 to 2005/2006 financial year and this could be the result of organizational growth and the increase in general prices (inflation) from year to year.

ANNUAL FINANCIAL STATEMENTS *(cont.)*

for the year ended 31 March 2007

During the period under review, all the departmental expenditures were within the approved budgets except the rental costs for the buildings because this expenditure was under budgeted as illustrated in the graph below:

Budgeted vs Actual Expenditure 2006/7 Financial Year



The illustration above leaves us with a net surplus of R2.6m for the 2006/2007 financial year.

c. **Special Projects Account**

The Special Projects Account was created by Council to provide funding for projects related to research, training and development, implementation of partnerships and international relations.

The closing balance of this account as at the end of the financial year was R10.5 million.

Expenditure during the past year was related to the attendance of Council representatives at the International Industrial Relations Associations (IIRA) World Congress held in Lima, Peru of which the cost was approximately R500 000.

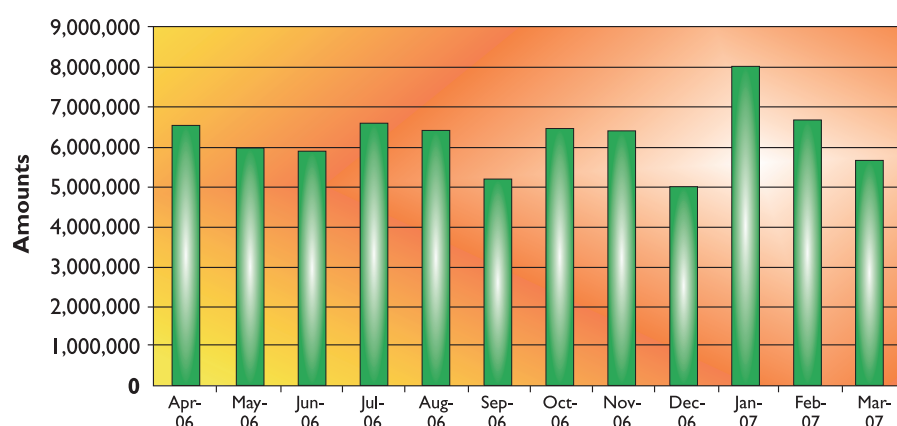
d. **Agency Shop Fee Account – Disbursements to Admitted Trade Unions**

The income (allocations) for the period under review was R78 398 774 and we distributed R82 235 902 which left us with the balance of R19 402 908 due to trade unions.

For the period under review there were approximately ±120 000 agency fee payers.

Below is the graph illustration per month how much was distributed to unions, in terms of the Resolution 1 of 2005.

Agency fee Payments 2006/7 Financial Year



PSCBC requires unions to submit audited financial statements of the separate agency fee accounts by June of each year. Those unions that do not comply with this deadline request for extension till end of September. Should unions not submit such reports, a penalty of withholding of agency fee payments is imposed, until such reports are submitted to Council.

These statements are submitted to Council's auditors to monitor compliance with the requirements of the collective agreement and the provisions of the Labour Relations Act, with regard to the usage of the funds.

e. Investment Call Account

Council has invested surplus funds into a Call Account. A balance of R10.8 million is reflected in the account as at the end of the financial year.

SECRETARIAT PROFILE

II . SECRETARIAT PROFILE 2006/2007

II.1 Secretariat

Position	Incumbent
General Secretary	Shamira Huluman
PA	Shimonay April
Section Head: Negotiations and Human Resources	Valencia Kola
Negotiations and Committee Officer	David Rambau
Negotiations and Committee Officer	Phumeza Maposa
Manager: Dispute Resolution and Support Services	Yolanda le Roux
Senior Case Management Officer	Thandi Mnisi
Section Head: Media and Information	Madeleine Theron
Information Officer	Faith Hosana
Section Head: Information Technology	Oomang Parag
Manager: Finance and Administration	Zolisa Magocoba
Senior Finance Officer	Sipho Dladla
Finance Officer	Mamokali Makoli
Driver	Phillip Kgoadi
Receptionist	Ruth Molaudzi

II.2 Staff Movement

II.2.1 Internal promotions

The following employees were promoted to higher levels:

Oomang Parag – promoted to Section Head: IT

Mamokali Makoli – promoted to Finance Officer

II.2.2 Vacancies

The following approved vacancies exist in PSCBC and are to be filled in the coming financial year:

Manager: Negotiations Support and Human Resource Services

Senior Officer: Human Resources

Senior Officer: Negotiations Support

Negotiations Support Services Officers (2 posts)

Information Technology Engineer

The following vacancies were filled during this financial year:

Manager Finance and Administration:

Zolisa Mogocoba appointed on 1 July 2006.

Information Officer:

Faith Hosana appointed on 3 April 2006.

11.2.3 Representivity profiles

Race

Race	%
African	66%
Coloured	7%
Indian	13%
White	13%

Gender

Gender	%
Male	33%
Female	67%

Senior Management

At this level, the Council is headed by the General Secretary, who acts as the Chief Executive Officer of the Organisation.

Race

Race	%
Indian	(01) 100%

Gender

Gender	%
Female	(01) 100%

Middle Management

There are two (2) Heads of Department, i.e. Dispute Resolution Manager and Finance and Administration Manager.

Race

Race	%
African	(01) 50%
White	(01) 50%

Gender

Gender	%
Female	(01) 50%
Male	(01) 50%

SECRETARIAT PROFILE *(cont.)*

Other Staff

This group of employees consists mainly of administrative support staff, the Negotiations Support and Committee Work section, Senior Dispute Resolution officer; Media, Resource and Information section, Information Technology section, Finance & Admin section, PA to the General Secretary, Receptionist and Driver.

Race

Race	%
African	73%
Coloured	9%
Indian	9%
White	9%

Gender

Gender	%
Male	36%
Female	64%

Employees with disabilities

The PSCBC has not succeeded in attracting people with disabilities in any of its categories of employment.

11.2.4 Skills profile

During the 2006/2007 financial year, the following bursaries and study loans were awarded to staff members:

Bursary/study loan awarded	Employee
LLB	Yolanda le Roux
Post Graduate Diploma in Labour Law	Valencia Kola
N Dip: Human Resources Management	Thandi Minisi
Dev Programme: Labour Relations (DPLR)	David Rambau
B Compt	Mamokali Makoli
B Compt	Sipho Dladla
Certificate in Labour Relations	Shimonay April
N Dip: Human Resource Management	Phillip Kgodi
BA Commerce	Zolisa Magocoba
Certificate in Knowledge and Information Management	Madeleine Theron
Certificate in Knowledge and Information Management	Faith Hosana

Secretariat



In Remembrance of Phumeza Maposa (PSCBC: 1998 – 2007)

In January 2007, the PSCBC sadly lost one of its first appointed staff members.



Every year upon return after the December holidays, it is a celebration of the reunion of a family. However, this year wasn't the same. People were shocked and rallied around in disbelief, as Phumeza's passing away was like a break in the link of a chain and the loss of a dear friend.

The sudden passing away of Phumeza not only robbed her family of a mother, daughter and a caring family member, but was also a great loss to the PSCBC. Phumeza was a diligent and dedicated employee who was always willing to walk the extra mile. She was a quiet person who kept to herself. Her sole aim was to please and excel in her daily tasks.

Some staff members used to call Phumeza by her second name – Blossom. She was indeed a blossom as she started in this organization as a bud and blossomed into a beautiful and rare flower.

Phumeza may have left us, but she remains in our hearts and memories...

SECTORAL BARGAINING COUNCILS

12. REPORTS OF SECTORAL BARGAINING COUNCILS

12.1 Education Labour Relations Council (ELRC)

This is not a performance report, but rather, highlights from the Accounting Officer's report. A performance report, in terms of the PFMA, will be tabled at the ELRC AGM on 12 July 2007.

This report highlights key activities of the ELRC for the financial year 1 April 2006 to 31 March 2007.

12.1.1. The Council

The Education Labour Relations Council (ELRC) derives its authority from the Labour Relations Act (LRA) as amended, and from its constitution, and is a registered public entity which complies with the Public Finance Management Act (PFMA) of 1999, as well as the Treasury Regulations.

The overriding aim of the ELRC is to provide labour relations services to its key stakeholders in their pursuit of providing quality services in public education.

The **core business** of the council is:

1. To provide an independent and impartial forum for the resolution of disputes in the sector; and
2. To provide a forum for negotiations and consultations in matters of mutual interest in the sector at both national and provincial levels.

12.1.2. New ELRC Constitution

One of the significant developments during the period under review was the certification, by the Registrar of Labour Relations at the Department of Labour, of the amended constitution of the ELRC as agreed to in Collective Agreement 1 of 2006.

The new constitution makes provision for:

- Governance and accountability in terms of the PFMA;
- Compliance with CCMA rules, adapted for ELRC use in dispute resolution; and
- Adaptation of the 2002 amendments to improve efficiency in ELRC dispute resolution

12.1.3. Further Education and Training Sector

The promulgation of the **Further Education and Training Colleges Act, No. 16 of 2006** (the Act) on 11 December 2006, has as its objective the establishment of a coordinated further education and training system.

All educational institutions which have been established or declared a public college, or registered as a private college, are covered by the Act. In the process of transforming and restructuring the current system, the Act also makes provision for the employment of staff at further education and training colleges. Consequently, the regulation of labour relations is an important element in the process of the implementation of the Act.

It thus becomes imperative for the ELRC to facilitate the implementation of the Act to ensure a smooth transition, and to fulfil its envisaged role in the Act of providing an interim forum for collective bargaining and the effective resolution of labour disputes, until the parties in the FET sector decide otherwise.

It is envisaged that the ELRC would create an independent bargaining unit for the FET sector within the ELRC, making it a bargaining council for the education sector; as envisaged in the LRA.

12.1.4. Dispute Resolution and Support Services

12.1.4.1 Dispute Resolution Services

This is the core function of the ELRC as expressed in its constitution, which sets out the objectives of the Council. These are, inter alia, to maintain and promote labour peace and to prevent and resolve labour disputes.

In 2006, the ELRC constitution and the Dispute Resolution Procedures were amended to provide the best labour relations services in terms of the LRA, which entails the following:

- Enforcement of BCEA provisions;
- Enforcement of settlement agreements and awards;
- Resolution of discrimination disputes;
- Referral of disputes to Labour Court for declaratory decisions;
- Enforcement of collective agreements through the Bargaining Council inspectors and agents; and
- Resolution of promotions, appointments and transfer disputes in an expeditious manner.

The majority of disputes referred to the Council relate to:

• Promotions and/or appointments	50%
• Terms and conditions	19%
• Dismissals	16%
• Salary and benefits	12%
• Other	03%

The caseload breakdown per province was as follows:

• KwaZulu-Natal	25%
• Western Cape	21%
• Gauteng	10%
• Limpopo	10%
• Eastern Cape	9%
• Free State	8%
• North West	8%
• Mpumalanga	6%
• Northern Cape	2%
• National (DOE)	1%

SECTORAL BARGAINING COUNCILS (cont.)

12.1.4.2. Dispute Resolution Support Services: Training and Development of Dispute Resolution Practitioners on the CCMA Commissioners' Accreditation Course.

During the period under review, the General Secretary of the ELRC had activated the training of dispute resolution practitioners from both employer and employee parties, by using the CCMA training programmes on conciliation and arbitration processes.

The purpose of the training was to empower the dispute resolution practitioners in discharging the roles on behalf of their principals. This, in turn, would benefit the ELRC with regard to efficiency in the dispute resolution process.

Some 240 officials enrolled, and it is the view of the General Secretary and the ELRC that this training would be an innovative and hands-on opportunity for every delegate to proactively participate in this process, and to emerge with the knowledge and practical skills that could be applied confidently in the workplace.

12.1.5 Negotiation Support Services

The ELRC facilitates negotiations at both national and provincial level in accordance with its vision to promote labour peace within the public education sector:

12.1.5.1 National

For the period under review, the ELRC was instrumental in facilitating the signing of the following collective agreement at national level:

- Collective agreement 1 of 2007: Vote Weights for the trade unions that are Parties to the Council.

12.1.5.2 Provincial

The following collective agreements were signed in the provincial chambers:

Eastern Cape Chamber

- Collective Agreement 1 of 2006: Protocol Agreement

KwaZulu-Natal Chamber

- Collective Agreement 1 of 2006: Permanent Appointment of Temporary Educators serving continuously for 12 months or more.
- Collective Agreement 2 of 2006: Finalisation of the Post Establishment of Public schools in KZN for 2006.
- Collective Agreement 3 of 2006: Determination and Distribution of the Educator Post Establishment of Public Schools in KZN for 2007.
- Collective Agreement 4 of 2006: Distribution and Curriculum Redress Posts to Public schools in KZN for 2006.
- Collective Agreement 5 of 2006: Procedures for the Appointment and Promotion of Educators in FET Colleges.

Limpopo Chamber

- Collective Agreement 2 of 2006: Amendment of Collective Agreement 1 of 2006 "Permanent appointment of Temporary Educators."

Mpumalanga Chamber

- Collective Agreement 1 of 2006: Change of pay date for Institution Based Educators ;
- Collective Agreement 2 of 2006: Permanent Appointment of Temporary Educators

North West Chamber

- Collective Agreement I of 2006: Permanent Appointment of Temporary Educators

Western Cape Chamber

- Collective Agreement I of 2006: Procedure with regard to the matching and placing of WCED Educators attached to FETCs in the WCED

12.1.6 Support Services

12.1.6.1. International Comparative Research in Public Education

The ELRC undertook meaningful research, "ELRC International Study Visits", with the assistance of the HSRC.

The aim of the research was to distill lessons on improving education quality through implementable policies for public educators.

Thirteen countries were visited: Botswana, Brazil, Cameroon, Chile, Cuba, Ghana, Jamaica, India, Mexico, Tanzania (including Zanzibar), Thailand, Togo and Zimbabwe.

Main findings

In most of the 13 countries visited, it was found that policy-making is highly centralised. Although the centralisation of policy-making seems to be the norm, there are exceptions where considerable policy decision-making powers are devolved to lower levels. In many countries, there is a high level of involvement of teacher unions in policies relating to salaries and conditions of service.

A key finding is that teacher provisioning is determined largely by budgetary considerations, using teacher-pupil ratios as a criterion. Teacher education, that is pre-service training, constitutes an important dimension, and most countries devote considerable resources to this aspect.

Countries with well-developed information management systems are able to monitor the performance of the education system far more effectively. However, a key challenge is the maintenance and updating of EMIS systems and the associated cost implications.

In most countries, employee-employer relations are governed by some form of legislation, but not all countries have formal mechanisms to facilitate collective bargaining and/or consultations between Government and teacher organizations. With regard to salaries and benefits, in some countries the Public Service Commission plays a role in determining salary levels and conditions of service for all public servants, including teachers.

12.1.6.2. The 16th Conference of Commonwealth Education Ministers (CCEM) and its Teachers' Forum: 10-14 December 2006

The 16th CCEM was successfully held in Cape Town from 10-14 December 2006, and the ELRC was afforded the opportunity to market the Council to the commonwealth countries through having a presentation at the Teachers Forum and by participating at the exhibition. The ELRC was a sponsor of the Teachers' Forum tract of the 16th CCEM.

In addition to the Ministers of Education, other stakeholders, namely: senior education officials, educators, youth and other stakeholders from the 53 member countries were invited by the Commonwealth Secretariat to participate in separate forums and to interact with the Ministerial Conference. Ministers thus had the opportunity to interact with Teachers, Youth and Stakeholder forums.

The theme for the Ministerial Conference was **"Access to Quality Education: For the Good of All"**. The conference focused on what happens to learners once they are enrolled in education. The conference theme also suggested that attention to access, retention and progression needs to be accompanied by improvements in the quality of the educational experiences, as well as the actual learning acquisition and outcomes.

SECTORAL BARGAINING COUNCILS (cont.)

12.1.6.3 ELRC International Education Labour Relations Seminar: 14 – 15 December 2006

Supporting the Teachers' Forum of the 16th CCEM, the ELRC International Education Labour Relations Seminar was held on 14-15 December 2006 and focused on: "The role of labour relations in improving the quality of learning outcomes in public education." The seminar presented an ideal opportunity for countries in the Commonwealth, as well as the SADC Region, to engage on a number of inter-related issues in the broad arena of education labour relations and quality of education.

Approximately 150 delegates from 39 countries participated in the ELRC International Seminar. Included were officials from Government departments, teacher union representatives and ordinary teachers.

Critical issues and debates for the ELRC Seminar included:

- Performance Management Systems in Public Education;
- Professional Development and Performance Management of Educators;
- Health of Educators: Input of Conditions of Service;
- Promoting Labour Peace in Public Education; and
- The Role of Teachers in Eradicating Illiteracy in Countries of the South.

The full report on the ELRC International Labour Relations Seminar contains many resolutions, on the 5 key tracts, that were adopted by the delegates at the Seminar:

12.1.6.4. International Industrial Relations Association (IIRA) 14th World Congress: 11-14 September 2006

The ELRC is a member of the Industrial Relations Association of South Africa and a direct member of the International Industrial Relations Association (IIRA), an organisation associated with the International Labour Organisation (ILO).

The ELRC sent a delegation to participate in the 14th IIRA World Congress that was held in Lima, Peru from 11 to 14 September 2006. The delegation of nine comprised three representatives from the Department of Education, three from CTU- SADTU, two from CTU-SAOU, and one from the Secretariat of the ELRC.

12.1.7. Financial and Management Accountability

The ELRC, in complying with the PFMA, Treasury Regulations and other Treasury prescripts, is audited by the Auditor-General. Our financial and management reporting is in accordance with Generally Recognised Accounting Practices (GRAP).

The Auditor-General performs a total audit, inclusive of a performance audit. The internal audit services are shared with UMALUS, under the direction of the Audit Committee and the Accounting Officer.

The Audit Committee, an independent committee appointed by the Council, draws its authority from the PFMA and the constitution of the ELRC. It ensures financial and management compliance and accountability.

The Accounting Officer and the Chief Financial Officer of the ELRC had presented the Council's Annual Report and its Three-Year Strategic Plan to the Education Portfolio Committee of the National Assembly in Parliament in November 2006.

Once again, the Auditor-General and Parliament was satisfied with the excellent planning and reporting of the ELRC and its contribution to public education in South Africa and Africa.

12.1.8. Conclusion

The Accounting Officer is satisfied with the output and delivery of the core business services of the Council. This report demonstrates the commitment of the Council to the principles of transparency, accountability and service delivery.

D Govender
General Secretary: ELRC

SECTORAL BARGAINING COUNCILS *(cont.)*

12.2 General Public Service Sectoral Bargaining Council (GPSSBC)

12.2.1 Overview

The General Public Service Sectoral Bargaining Council (GPSSBC) was designated in terms of the PSCBC Resolution 10 of 1999.

Subsequent to its designation by the PSCBC in 1999, the GPSSBC was registered with the registrar of Labour Relations at the Department of Labour. The registration is effective from 28 July 1999. The GPSSBC was inaugurated on 7 September 1999. It was accredited to do dispute resolution with effect from 1 June 2000.

The GPSSBC has the following core objectives:

- The promotion of an environment for collective bargaining;
- Creating and maintaining effective and efficient administration;
- Promoting effective and expeditious dispute management;
- Improving the governance model by inculcating best practice in all aspects of the work; and
- Developing an effective communication strategy.

Vision

To be the leading Sectoral Bargaining Council in the Public Service.

Mission

To promote sound labour relations and to ensure industrial stability within the sector through effective collective bargaining, dispute management and good governance.

Scope

The GPSSBC covers employees who fall within the scope of the PSCBC, but who do not fall within the scope of the Education Labour Relations Council (ELRC), the Public Health and Social Development Sectoral Bargaining Council (PHSDSBC), or the Safety and Security Sectoral Bargaining Council (SSSBC).

Its scope covers 257 553 public servants, eighty-two (82) Provincial Departments, and thirty-one (31) National Departments.

12.2.2 Parties to Council

The scope of the GPSSBC includes the State as employer and admitted trade unions. The employer and the trade unions collectively represent 50% of the votes in Council. The trade unions admitted to Council are NEHAWU, POPCRU and PSA.

As per the provision of the Constitution, registered trade union parties may enter into working-together arrangements. In the 2005/2006 reporting period, the following working-together arrangements were applicable in Council:

- NEHAWU, PAWUSA;
- POPCRU, DENOSA, SASAWU; and
- PSA, UNIPSA, NPSWU, NUPSAW

Vote weights of Parties to Council for 2006/2007

Trade unions	Audited membership figures	Vote weights	Number of representatives
NEHAWU	88 133		
PAWUSA	10 469		
TOTAL	98 602	37.12%	5
POPCRU	27 520		
DENOSA	1 853		
SASAWU	6 771		
TOTAL	36 144	13.61%	3
PSA	113 812		
NPSWU	1 219		
NUPSAW	13 005		
UNIPSA	2825		
TOTAL	130 861	49.27%	5
TOTAL	265 607	100.00%	13

12.2.3 Collective Bargaining

For the period under review, the GPSSBC was instrumental in facilitating the signing of the following collective agreements:

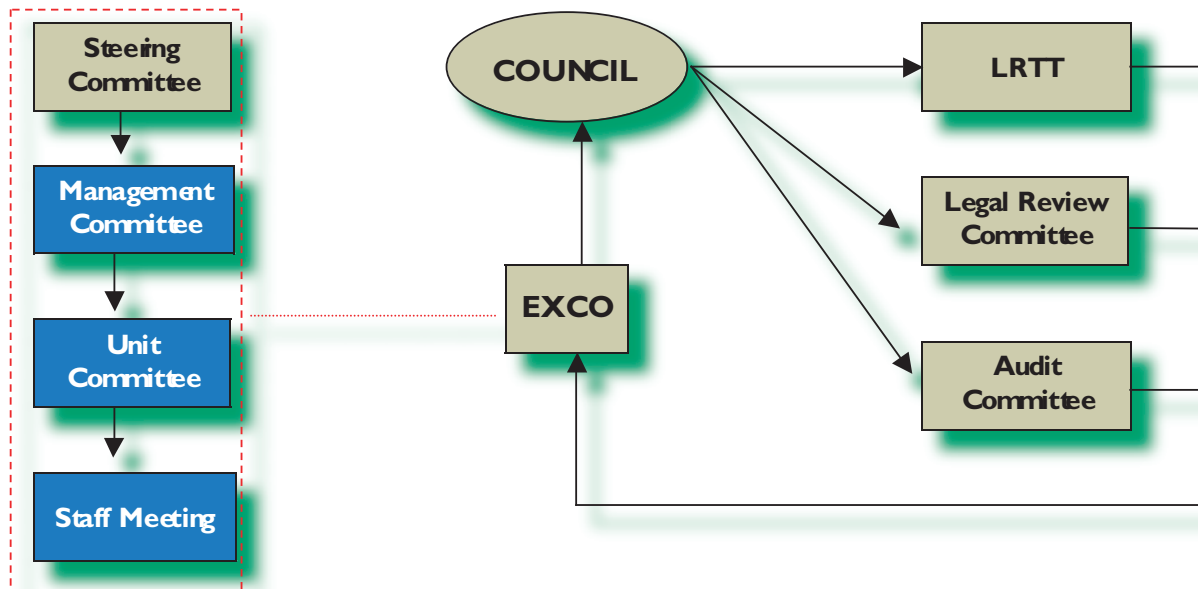
Resolution No	Chamber	Resolution Name
Resolution 1 of 2006	Department of Correctional Services	Disciplinary Code and Conduct
Resolution 2 of 2006	Department of Correctional Services	Amendment to Departmental Bargaining Chamber Resolution 2/2005: Translation Agreement towards the implementation of the 7-day establishment

Review of Task Teams

One of the strategic objectives of Council is to create an enabling environment for collective bargaining. In achieving this, the key result area is the optimisation of processes and systems to ensure efficiency and effectiveness of the organization in delivering on its mandate. It was found necessary to review the committees and task teams of Council in order to achieve this objective.

SECTORAL BARGAINING COUNCILS *(cont.)*

The review has resulted in the following scenario



12.2.4 Dispute Management

Council's strategic objectives also encompass the promotion of effective and expeditious dispute resolution and prevention.

Council is committed to providing excellent Dispute Management services with the ultimate aim of preventing disputes.

The GPSSBC has identified the following dispute prevention programme to achieve the above objective:

- Labour Relations Training
- Identification of issues causing disputes, and reporting on such to the Legal Review Committee/ EXCO and Council
- Departmental / Union Specific intervention- Level of intervention-
- Doing presentations to Employer/ Union Structures- focusing on dispute prevention
- Development of Communication network:
 - o Articles for internal publications of Departments and/or Unions
 - o Development of "posters" dispute prevention information
- Chambers to engage on dispute prevention initiatives

12.2.5 Projects

Extended Labour Relations Training

Council rolled out a training programme in 2004/2005 on Labour Relations. This training programme, which was sector-specific, was developed and accredited by the Services Seta.

The success of the training programme was measurable in the evaluation of referrals received and feedback from panellists on conduct of parties during proceedings.

As part of its commitment to dispute management, Council rolled out the Extended Labour Relations Training to identified Departments.

It was envisaged that this programme will have the following benefits:

- Reduction in the number of disputes referred;
- Reduction in the number of defective referrals;
- Increasing the “pool” of representatives to represent parties;
- More speedy resolution of matters to be heard; and
- Strengthening of the relationship between management and unions.

The training programme was presented over five days and was restricted to 25 delegates per region per week. The intention of this was to allow the facilitator to interact with every learner and to ensure maximum participation. The programme will, however, “run” in more than one region per week.

Once again, this training program has proved to be invaluable and the entire project was a resounding success.

Electronic Correspondence Management System

One of the strategic objectives of the GPSSBC is to create and maintain effective and efficient administration and to promote good governance and effectively manage risk.

In achieving the above, Council needs to manage the workflow of records, documents and correspondence. It is of vital importance in improving service delivery, in ensuring sound administration, and in limiting the risk factor. In order to achieve this, Council has commissioned the implementation of an electronic correspondence management system.

This system will not create a paperless environment. Paper will always be part of the processes of Council. However, the implementation of the electronic workflow solution for records, documents and correspondence will have the following business benefits for Council:

- The design, creation and implementation of a structured electronic file plan;
- Elimination of unnecessary and duplicated paperwork;
- Consolidation of all mailing registers;
- Bring about significant efficiency in the correspondence and mailing processes;
- Control over incoming and outgoing correspondence/ documents;

SECTORAL BARGAINING COUNCILS *(cont.)*

- Create a stable and quick workflow process between various units/ departments;
- Ability to scan, capture, classify, index and file documents into the system;
- Integrated fax ability, allowing for the direct integration of all faxes into the system (Incoming/ Outgoing);
- Automated integration and capturing of e-mail messages directly into the system;
- Integrated workflow to monitor workflows/ workload throughout the organization;
- Status report on every document/ correspondence in the system;
- Full content search capabilities on all documents;
- Comprehensive audit trail;
- Significant savings in the form of a reduction in the use of paper, ink and related administrative cost;
- Remote access by the Secretary to Council in ensuring proper administration;
- Web/ internet based system, allowing access to specific/ identified individuals to work even away from the office; and
- Bring about a transparent, auditable and improved service delivery to parties, membership within the scope of Council, and other market clients.

It is envisaged that this system will be fully installed and functioning within the month of June 2007.

F de Bruin
Secretary: GPSSBC

12.3 Public Health and Social Development Sectoral Bargaining Council (PHSDSBC)

12.3.1 Scope

The scope of PHSDSBC covers:

The state as employer and employees employed in:

- the Department of Health in the national sphere of Government;
- the nine departments of health in the provincial sphere of Government;
- the Department of Social Welfare in the national sphere of Government;
- the nine departments of social welfare in the provincial sphere of Government;
- all other employees who are employed in health and welfare facilities under the Public Service Act and the Correctional Services Act and their employers; and
- other health and welfare workers as defined in schedule I of the PHSDSBC's Constitution and employed under the Public Service Act and their employers.

12.3.2 Core objectives

- promotion of labour peace in the public health and social welfare sector;
- promote and maintain sound relationships between the employer and its employees;
- promote collective bargaining in the public health and social welfare sector;
- promote the effective and expeditious resolution of disputes in the public health and social welfare sector;
- promotion of the effective delivery of service to the community; and
- promotion of effective communication between the employer, its employees and the trade unions in the public health and welfare sector.

The Council's broad mandate:

- negotiate collective agreements on matters of mutual interest;
- implement, monitor and enforce its collective agreements;
- implement and monitor those collective agreements that have been concluded in the PSCBC;
- prevent and resolve labour disputes between trade unions admitted to the Council or its employees;
- administer funds to be used for resolving disputes, collective bargaining, and the general administration of the Council;
- raise, borrow, lend, levy and invest funds;
- develop policy proposals that may affect the sector;
- promote and establish training and education schemes; and
- exercise any other power or perform any other function that may be necessary or desirable to achieve the objectives of the Council.

12.3.3 The Council

- The Council is the highest decision-making structure and is constituted by the following:

The employer in:

- The Department of Health in the national sphere of Government;
- The nine Departments of Health in the provincial spheres of Government;
- The Department of Social Development in the national sphere of Government;
- The nine Departments of social welfare in the provincial sphere of Government; and

Labour:

- DENOSA;
- HOSPERSA;
- NEHAWU;
- PSA; and
- NUPSAW.

SECTORAL BARGAINING COUNCILS *(cont.)*

- In terms of representation, the employer delegation is made up of 22 representatives drawn from the provincial and national spheres of health and welfare government departments;
- Conversely, Labour's representation was determined on the basis of membership figures as at December 2005, and was as follows:

Union	Number of members as at 31 December 2005	Vote weight as at 31 December 2005	Number of representatives
DENOSA (SADNU) (SAMA)	44 881 9 366 5 355 59 602	26.02%	5
HOSPERSA	41 953	18.32%	4
NEHAWU (PAWUSA)	65 738 6 143 71 881	31.38%	5
PSA (NPSWU)	37 469 8 078 45 547	19.89%	4
NUPSAW	10 049	4.39%	3

12.3.4 Collective bargaining and consultative processes

- The context within which to construe the work performed by the collective bargaining component is located within its strategic objective as encapsulated in the Constitution of Council and enhanced by the strategic plan, namely: the promotion of negotiation and collective bargaining to conclude collective agreements on matters of mutual interest to the employer and employees falling within the scope of the Council.
- Pursuant to this, the component co-ordinated not less than six Council and two Special Council meetings which culminated in the signing and adoption of the following watershed resolutions and policies:

Name of Resolution	Purpose
Resolution 3 of 2006: Adoption of the Rules for conduct of the proceedings before the Public Health and Social Development Sectoral Bargaining Council	The objective of this agreement was to effect rules for conduct of the proceedings before the PHSDSBC
Resolution 1 of 2007: Amendments to the Constitution of Council	The objective of this agreement is to effect amendments to the Constitution of the Public Health and Social Development Sectoral Bargaining Council in line with section 57 of the Labour Relations Act 66 of 1995.
Human Resources Policies and Procedure Manual	It serves to communicate, record and administer approved Human Resources related Policy and Procedures in the Council. It also serves to provide assistance in respect of: ⊙ The maintenance of an effective human resources function and a motivated workforce for the Council ⊙ The maintenance of registers and records required ⊙ The compilation of statistics for submission to Council ⊙ The appointment and training of employees and the allocation of responsibilities
Performance Management Development System	The PMDS seeks to establish a performance culture in the PHSDSBC by recognizing performance and rewarding it
Financial Policy and Procedure Manual	The amendments to this manual serve to strengthen the administration, recording and communication of approved financial-related policies and procedures of the Public Health and Social Development Sectoral Bargaining Council.

Inspired by the breakthrough on the aforementioned, the Collective Bargaining component continues to look for sustainable solutions on the following challenges:

- **Increase on Social Workers' Salaries**

The matter is in dispute. Labour is of the view that in terms of the Public Service Regulations Chapter I, part V, par A.1 (b), the objective of compensation of employees should be based on the principle of equal pay for work of an equal value. They allege that in the situation of Social Workers under the scope of the Public Health and Social Development Sectoral Bargaining Council, this objective is not being pursued or applied in that the various Provincial Departments are not remunerating Social Workers on the same salary grades. The Departments are also not complying with DPSA Circular 1/8/P dated 14 March 2005.

SECTORAL BARGAINING COUNCILS *(cont.)*

They contended that the following categories of Social Workers in the various Departments are performing work at the same level and of an equal value:

- Social Worker – Production Level
- Senior Social Worker – Advanced Production
- Principal Social Worker – Specialised Production work and various levels of supervision
- Assistant Social Work Manager – Social Work Supervisor in a larger work environment
- Social Work Manager – Specialist Work of the most advanced nature of middle manager: Social Work

The matter had been to conciliation and a certificate of non resolution was issued.

- **NELOMA Project “ Nurses doing other work out of their scope”**

This matter is in dispute. Labour’s concern is that due to shortage of radiographers in the Public Service, nurses and other categories of public service personnel are required to render radiographic services. They perceive this as misutilisation of personnel. They further contend that the repercussion of such misutilisation is unsafe standards of practice exposing individual staff members to disciplinary action by professional regulatory bodies and possible civil claims for malpractice allegations. It also compromises the quality of health care for the community as a whole.

At the time of concluding this report, the dispute was at the arbitration level.

- **Scarce Skills and Rural Allowance**

Parties concluded Resolution 1 and 2 of 2004 which made provision for payment of Scarce Skills and Rural Allowances. The resolutions make provision for annual reviewal of the amount payable and occupational groups that are eligible. The parties have been in discussions and failed to reach an agreement.

Labour applied for a writ of execution.

- **Minimum Service Agreement**

The matter is in dispute. In September 1997, health and nursing services in the public sector were designated by the Essential Service Committee (ESC) as an essential service in terms of section 71 of LRA no 66 of 1995.

Following this designation, the parties are required in terms of section 72 of the LRA to conclude a minimum service agreement which may be ratified by the ESC. Parties were given 18 months following the designation to conclude a minimum service agreement, but to date, parties have failed to conclude such a collective agreement.

Labour has approached the CCMA Essential Service Committee to intervene on the matter:

- **Salary Grading System in the Health and Social Development Sector**

The Employer was of the view that it would be premature to entertain discussions around career pathing prior to the conclusion of the new dispensation for health professionals and Performance Management Development System.

On the other side, Labour asserted that other Sectoral Councils have either concluded or were in the process of concluding the project. The Health and Social Development Sector was no exception.

In light of a difference of opinion, parties reserved their rights.

- **Review of Salary Packages of the Health Sector**

While Labour was of the view that the matter should be spearheaded by Council, the Employer argued that since the matter was an offspring of an agreement concluded at PSCBC, it should be PSCBC that defers it to other Sectoral Councils.

In light of the divergent views, Labour declared a dispute.

- **Revision of entry level of nurses who rejoin the Public Service**

Labour was of the view that Nurses who resigned from the Public Service on a particular level should be considered for reappointment on the same salary level which applied at resignation.

The Employer stated that the Nurses who need to rejoin the Public Service should apply for advertised posts and compete like any other candidates who would have applied. They would be considered based on their qualifications and experience.

- **Review of the PHSDSBC Collective Agreements**

The Council resolved that all collective agreements that were up for review should be reviewed.

However, it would be the responsibility of parties to initiate the process for review.

- **Uniform Allowance**

The Council signed resolution 1 of 2005 on Uniform Allowance. The objectives of the resolution are to:

- provide for an allowance for Professional Nurses, Staff Nurses and Nursing Assistants who are required to wear uniforms in the execution of their duties;
- provide uniforms and protective clothing to all other employees who are required to wear uniforms or protective clothing in the execution of their duties via the Government tender process; and
- to achieve equity in the amount being paid to Professional Nurses, Staff Nurses and Nursing Assistants as allowance for uniforms.

In terms of clause 4.5 of the resolution, a task team was supposed to be established in the PHSDSBC within three months of signing the agreement to review uniform allowance with a view to developing other options that can be implemented. Pursuant to this clause, a task team was established. However, it could not agree on the terms of reference.

12.3.5 Committees and Task Teams

12.3.5.1 Dispute Resolution Committee

There were nine (9) out of eleven (11) convened meetings as per year planner and as a result of special meetings. In all, the Committee had four (4) special and five (5) meetings per year planner that sat.

No. of meetings per year planner	No. of meetings sat	No. of special meetings sat	No quorum
11	5	4	1

The meetings focused mainly on developing a tool or mechanism to appoint panellists. It was recommended that the appointment of vacant posts of panellists would be advertised in the national newspapers and the Provincial Chambers would recommend and appoint panellists of their choice.

SECTORAL BARGAINING COUNCILS *(cont.)*

In appointing panellists, Chambers would formulate their appointments in accordance with the aforementioned Guideline (tool).

Initiated by the Committee, the Guideline highlighted the procedure and requirements that Chambers would adhere to during the appointment exercise.

The adverts were placed in both the Sunday Times and the City Press newspapers twice in succession.

In the process, the finalization of the Rules for conduct in the Council and the Dispute Procedure received detailed attention. All the latter activities ran concurrently with the amendments to the Council's Constitution.

Challenges

The common reason for meetings not to sit or not to quorate was that some members were unable to attend, citing different reasons affecting their diaries.

Achievements

In line with the mandate of the Council, the Committee succeeded, among other projects, in:

- finalising the drafting of the Rules and the Resolution;
- finalizing the drafting of the Dispute Procedure; and
- appointing new panellists for the period 2007-2010.

12.3.5.2 Transformation Committee

The activities of this Committee were suspended for the period under review.

12.3.5.3 Research Committee

Although there was progress regarding the career pathing and the NELOMA findings, the Council also resolved that the Committee should suspend its activities.

12.3.5.4 Staffing Committee

The existence of this Committee is under review.

12.3.5.5 Skills Development Committee

The Committee was inactive.

12.3.5.6 Uniform Allowance Task Team

Parties could not agree on the terms of reference of this task team.

12.3.5.7 Scarce Skills and Rural Allowance Task Team

The activities of this task team had been suspended, pending the application for a writ of execution.

12.3.5.8 Constitutional Amendments Task Team

The Task Team had accomplished its mandate of facilitating the constitutional amendments and this led to the signing of Resolution I of 2007: Amendments to the constitution of Council.

12.3.6 Provincial / Departmental Chambers

The 2006 - 2009 Strategic Plan of Council alluded to the following challenges (but not limited to) facing the chambers:

- Poor support and functioning of Provincial Chambers;
- Poor coordination between National Council and Provincial Chambers and vice versa; and

- Lack of role clarification.

In light of the foregoing, the Council identified the following strategic priorities, inter alia:

- Strengthening of support and coordination between National Council and Provincial Chambers;
- Building of the capacity of Council members; and
- Optimisation of resource allocation.

Pursuant to that, it took a decision that its Executive Committee should manage Provincial Chamber Workshops.

The workshops were informed by the following objectives:

- Understanding challenges faced by the chambers;
- Role clarification;
- Workshopping the constitution; and
- Building capacity and improving the functioning of chambers.

The workshops were held from 5 September 2006 to 7 November 2006 and the following challenges were identified:

- Realignment of chambers;
- Strengthening the coordination and functioning of provincial chambers;
- Improving the quality of minutes and the distribution thereof;
- Screen agenda items before tabling them at the chamber to determine whether they fall within its jurisdiction;
- Capacity Building programmes for members of chambers;
- Developing a budget for the work of the Provincial Chambers;
- Improving the process of ratifying the resolutions of provincial chambers;
- Improving the dispute resolution function of Council;
- Finding venues for meetings of chambers;
- Improve punctuality;
- Clarification of roles of Council and Chambers and improving relationships;
- Improving the feedback mechanism on Council's meetings, international tours and projects;
- Improving the coordination of labour caucuses so as to enable labour to consolidate their positions;
- Develop the monitoring system for the implementation of resolutions;
- Conclude collective agreements within the provisions of the constitution or earlier;
- Strive to secure mandates on matters under discussion;
- Improve the consistence of chamber representatives;
- Market the work of the chambers to principals for their support; and
- Compliance with the constitution.

M Sibiya

Secretary: PHSDSBC

SECTORAL BARGAINING COUNCILS *(cont.)*

12.4 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.

12.4.1 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.

12.4.2 Parties to Council

- South African Police Services (SAPS);
- South African Police Union (SAPU); and
- Police & Prisons Civil Rights Union (POPCRU).

Admission Threshold: Thirty Thousand (30 000)

12.4.3 Accomplishments

• **Regional and International Relations**

Empowerment and continuous capacity building among the parties to Council continues to be one of the priorities of the SSSBC. Council members attended various labour law seminars, as well as regional and international conferences, with the objective of acquiring updates on recent developments in the labour relations arena. This assisted Council in information sharing and setting up networks with organisations that are in the labour relations environment. It is envisaged that the training provided to Council members will improve the pooled skills, and assist in the growth and development of the Council.

• **Provincial Chambers**

Council continues to provide support to the provincial and area chambers in an effort to enhance their capacity and functionality. Nationwide workshops were conducted in the various provinces, with focus directed on the functioning of each chamber and its structures. Furthermore, Council has built capacity at provincial level by providing training to the Secretaries of the Chambers on the administration of the chambers.

• **Collective Bargaining**

The following collective agreements were concluded in Council during the year under review:

Agreement 3 of 2006: Performance & Reduction of Crime

Agreement 1 of 2007: Amendments to Agreement 1 of 2005: Adoption of SSSBC Dispute Resolution Rules

• **Library**

The SSSBC Library was established to provide for the information needs of the Council and staff of the SSSBC. In order to satisfy these information needs, books and other information resources were purchased by the library. The library is

responsible for providing support for the research needs of SSSBC by providing information requested by parties of Council and the staff of Council.

During the past year, the library was used extensively by parties to Council and staff of the SSSBC who required information in the execution of their duties and in preparation for collective bargaining.

- **Transformation Projects**

- *Establishment/Creation of information centres at identified police stations*

The SSSBC identified a need for the creation of information centres at police stations to assist SAPS members whilst dealing with various crimes as well as victims of crimes. In order to achieve this objective, 400 sets of law publications, Bound Statutes for 2006/2007, and Posters were purchased.

- *Upgrading the Environment at Police Stations*

The objective of this project is to enhance the environment with facilities required by various Provincial Police stations in rural areas.

The SSSBC embarked on Police Station Visits to various provinces to assess and verify the needs of the Stations before commencing with the upgrading of Police Stations by installing boreholes, generators, ramps and ablution facilities for people with disabilities.

- *Joint Labour Relations Training*

The SSSBC enrolled 52 members from SAPS and Organised Labour for either the Certificate in Labour Law or the Postgraduate Diploma in Labour Law at the University of Johannesburg.

The members who successfully completed the course will receive a Certificate or Postgraduate Diploma from the University of Johannesburg, which will be presented to members at a Graduation Ceremony held by the University.

- *Women Development – Tactical Driving*

The SSSBC, in consultation with SAPS Training Division, identified Tactical Driving courses as a need for female functional members within SAPS. The main objective of the course is to sufficiently equip drivers to handle a motor vehicle at a higher speed and during dangerous manoeuvres.

A total of 250 functional female members across all nine provinces were nominated to attend the courses.

The courses commenced in September 2006 and will be completed by the end of July 2007.

- *Women Development – UNISA HR Management Course*

The aim of this project is to equip SAPS women with Human Resource Management skills. The Human Resource Management programme is an imperative tool to equip women in the SAPS to deal with personnel issues in an effective and efficient manner.

The SSSBC, in consultation with SAPS Training Division, identified the Human Resource Management course offered by Unisa. 50 Female members were enrolled for the course. The duration of the programme is 12 months and the learners will receive tuition through distance learning.

All members enrolled on the course will be required to write examinations. On successful completion of the course, members will receive a certificate in HR Management on NQF level 6.

K Moseane
Secretary: SSSBC



PUBLIC SERVICE CO-ORDINATING BARGAINING COUNCIL

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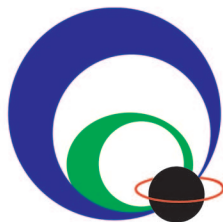
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