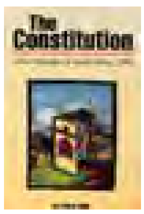
ANNUAL REPORT

2015/16

PSCBC

PUBLIC SERVICE CO-ORDINATING BARGAINING COUNCIL

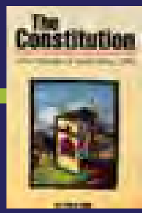


The Constitution


INKUNDLA YOMGAQOSISEKO
INKANTOLO YOMTHETHOSISEKELO
INKANTOLO YEMTSETFOSISEKELO
KGOROTSHEKO YA MOLAOTHEO
CONSTITUTIONAL COURT
LEKGOTLA LA DINYEWE LA MOLAOTHEO


CONSTITUTION
OF THE REPUBLIC OF SOUTH AFRICA 1996


The Freedom Charter



VISION

A Bargaining Council positioned to advance and influence change in the labour market environment.

MISSION

Promoting sound labour relations through collective bargaining and dispute management, locally and internationally.

VALUE STATEMENTS

Integrity

Efficiency

Accountability

Good governance

Equity

Public Service Bargaining Centre, 260 Basden Ave, Lyttelton, Centurion, Pretoria, 0176
P.O. Box 3123, Lyttelton South, 0176
Tel: (012) 644-8100 • Fax: 086 619 7884
E-mail: info@pscbc.org.za • Website: http://www.pscbc.org.za

Table of Contents

1. Foreword: Vice-Chairpersons

We have great pleasure in presenting to you the PSCBC Annual Report for the financial period 1 April 2015 – 31 March 2016. It is with a sense of pride that we testify that this report details yet another year of further significant successes for the Public Service Co-ordinating Bargaining Council (PSCBC).

In May 2015, following 8 months of demanding negotiations, parties assisted each other in arriving at several amicable conclusions which resulted in 8 Collective Agreements being signed.

Thereafter, parties participated in a debriefing exercise to critically, scrutinize and analyse the negotiations process and identify the pitfalls and recourses to them. Committees arising out of the aforementioned Collective Agreements continue to work tirelessly in giving effect to the intentions detailed within the Resolutions. Of significant note was the admirable manner in which negotiators conducted themselves throughout the negotiations process, and we look forward to continue the camaraderie and goodwill during the next round of negotiations.

The 17th ILERA World Congress was another highlight in the PSCBC Calendar for 2015. The PSCBC played a pivotal role in the Congress and took a formidable delegation to participate in the various sessions.

This Congress vigorously debated the developments and implications of innovative labour and employment relations, labour law and social security, social protection, and the decent work agenda within the theme "The Changing World of Work: Implications for Labour and Employment Relations and Social Protection."

The Congress was a resounding success and the PSCBC felt indeed privileged to support this joint collaboration of the Industrial Relations Association of South Africa (IRASA) and the International Labour and Employment Relations Association (ILERA) as also being the first time that this event was hosted in Africa. In Cape Town, the most Southern tip of Africa.

The event also culminated under the leadership of the first black President of ILERA, Professor Evance Kalula. As the PSCBC we would like to also congratulate him on this achievement. Our own General Secretary, acted as Chairperson of the Local Organising Committee and we want to commend him on his leadership shown in the success of this event. He now also represents the PSCBC, South Africa and Africa on the EXCO of ILERA Internationally.

The achievement of a 19th clean audit report yet again alludes to the competence and tenacity of PSCBC's management and corporate governance structure in the face of trying economic forecasts.

This report will further detail the vastness and quality of the operations within the PSCBC and how they find themselves placed in terms of the strategic objectives of the organization. A further area of comment, must be the investment Council made in empowering members of Council through ILO and other training programs.

We are humbled and extremely proud to be leading a Council which in its daily operations makes great strides in upholding its vision, mission and values.

To this end special commendation goes out to the Council members, the General Secretary and the staff of the PSCBC for their dedication to the various projects and initiatives that were undertaken during the period under review. Allow us also to thank the family members of these individuals, who at times had to spend alone hours at home, while we were tasked with delivering on the strategies of Council.

Mpfariseni Phophi
Vice Chair- Employer

Mathews Sebiloane
Vice Chair- Labour

2. Message: Accounting Officer

It is my privilege to present to you the annual report of the Public Service Coordinating Bargaining Council (PSCBC).

This year we celebrate the 20th Anniversary of the signing of the Constitution of the Republic of South Africa. In celebrating this, Council has adopted for this annual report the theme of, ***"The Constitution, 20 years of advancing supreme justice".***

The Constitution

The Constitution is the supreme *Law* of our Country. It provides the legal foundation for the existence of the *Republic*, sets out the *rights* and *duties* of its citizens, and defines the structure of the *Government*.

Our former President Nelson Mandela signed the Constitution into Law in Sharpeville, Vereeniging, on 10 December 1996.The road leading to this started on the 4th and 5th March 1993, when the negotiations-planning conference was held at the World Trade Centre in Kempton Park. Twenty-Six Parties and Organisations attended the session.

South Africa's first democratic election took place on 27 April 1994.

In June 1994, the Constitutional Committee was established, a multiparty negotiating body led by the current, Deputy President Cyril Ramaphosa (The then ANC Secretary General and Chief Negotiator) and Roelf Meyer (The former Minister of Constitutional Affairs), tasked to finalise the Constitution.

The South African Constitution is said to be one of the most progressive Constitutions in the world and enjoys high acclaim internationally.

We further acknowledge and recognise the importance the Constitution plays, through enabling Legislation, ensuring that institutions like the PSCBC came into existence and remain in existence as to defend the rights of the Working Class on issues of Collective Bargaining and Dispute Resolution.

Performance of the Council

Council in the reporting period achieved substantially on a strategic and operational level. The report will amongst others refer to the following;

COLLECTIVE BARGAINING

Council entered into and signed the following Agreements in the reporting period;

Resolution 2 of 2015: Agreement on salary adjustments and improvements on conditions of service in the Public Service for the period 2015/16 – 2017/18 amended by **Resolution 8 of 2015**;

Resolution 3 of 2015: Agreement on the review of the Government Employees Medical Scheme (GEMS);

Resolution 4 of 2015: Agreement on the Review of Annexure A of PSCBC Resolution 1 of 2017 (Danger Allowance);

Resolution 5 of 2015: Agreement on the new Danger Dispensation;

Resolution 6 of 2015: Agreement on the Review of the Post Retirement;

Resolution 7 of 2015: framework Agreement for the Establishment of a Government Employees Housing Scheme (GEHS).

Resolution 1 of 2016: Agreement on the Amendment of PSCBC Resolution 9 of 1998: Designation of the health Sector for Establishment of a Bargaining Council.

These Agreements were workshopped in all of the Provinces and with National Departments as to facilitate implementation and to act proactively to prevent Disputes.

Council also undertook a training initiative in

collaboration with the International Labour Organization (ILO) focusing on training in "Negotiation Skills for the World of Work".

DISPUTE MANAGEMENT

The report will emphasise the state of Dispute Management within the PSCBC, focusing on the importance of establishing a process of efficient and effective Dispute Resolution, prevention mechanisms and the enforcement of Collective Agreements, rather than the attempt at interpretation and application of these Disputes.

The Dispute Resolution rules were also amended in line with the new amendments to the Labour Relations Act 66 of 1995 as amended, these rules are pending adoption by the PSCBC structures.

Included in the report is also a summary of the status of Dispute Management in Sectoral Councils.

CORPORATE SERVICES

PSCBC recorded a net surplus of R6, 211, 738 for the 2015/2016 financial year. Council in the reporting period also approved a capital bond settlement amount of R1 507 179 million being made towards the Standard Bank bond facility and therefore settling the bond facility within a 3 year period from the initial 10 year period.

During the year under review Council adopted a new Organisational Structure with a view of enabling Council to function at an optimal level, to meet its current and future needs, and further to mitigate against identified significant risk areas.

In the process of adopting an Organisational Structure, Council approved the implementation and filling of posts in a phased approach so as to allow for a specified budgetary forecast on total Human Resources (HR) expenditure against income. During the year under review 5 (five) current, funded and vacant posts were filled and 9 (nine) newly created and recommended posts were also filled.

MANAGEMENT SERVICES

Management Services reflects on the effectiveness of the Website, the use of Social Media and the promotion of the Council's Brand. The report will also capture the various events/projects, development of strategic partnerships and our commitment towards Corporate Social Responsibility during the reporting period.

Management Services also committed to provide administrative support to the ILERA2015 World Congress, the Report includes a detailed account of the Congress. In the reporting period ahead, Council will reassess its Vision, Mission, Values and Strategic Objectives. This review coincides with the 20th anniversary of Council in 2017.

Council will therefore be undergoing a holistic assessment as to assess the importance the PSCBC has played in democratizing the workplace towards economic development, social justice and achieving labour peace.

Frikkie De Bruin
General Secretary

3. Legislative Mandate:

Overview

The Public Service Co-ordinating Bargaining Council (PSCBC) (the Council), whose Constitution was registered on the 13 October 1997, was established in terms of Section 35 of the Labour Relations Act, No. 66 of 1995 (LRA) as amended. The Constitution was periodically reviewed and amended to accommodate the needs of Council.

In performing its functions, the Council has a legislative mandate as per Section 37 of the LRA to deal with matters that:

(a) are regulated by uniform rules, norms and standards that apply across the Public Service;

(b) apply to terms and conditions that apply to two or more Sectors; and

(c) are assigned to the State as Employer in respect of the Public Service and that are not assigned to the State as Employer in any other Sector.

In establishing the Council, the LRA sought to provide a platform for the State as the Employer, and the Public Service Unions as Social Partners to engage constructively over matters of Mutual Interest.

Objectives

The Constitution, lists the following objectives for the Council:

The objectives of the *Council*, within its registered scope, are to—

(a) generally enhance labour peace in the *Public Service*;

(b) promote a sound relationship between the *Employer* and its *Employees*;

(c) in terms of *the Act* and its constitution, negotiate and bargain collectively to reach agreement on matters of *mutual* interest to the *Employer* and *Employees* represented by admitted *Trade Unions* in the *Council*;

(d) provide mechanisms for the prevention and resolution of *Disputes* between—

  (i) the *Employer* and *Trade Unions* admitted to the *Council*;

  (ii) the *Employer* and *Trade Unions* not admitted to the *Council*; and

  (iii) the *Employer* and *Employees*, where the *Employer* has the requisite authority to resolve such Disputes;

(e) conclude, supervise and enforce Collective Agreements;

(f) comply with its powers and duties in terms of *the Act* and its constitution;

(g) consider and deal with such other matters as may affect the interests of the Parties to the *Council*; and

(h) promote effective communication and co-ordination between the *Council* and *sectors* designated in terms of **clause 21.3.** of its Constitution.

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 the 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; Clause 5 of the Councils Constitution;

(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 Resource 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.

4. Governance Structure:

Leadership:

The Constitution, Clause 13.2. provides for the election/appointment of a Chairperson and Vice-Chairpersons of Council who serve for a 24 month term.

Mr Mpfariseni Erasmus Phophi
(Vice-Chairperson-Employer)

•

Mr Mathews Mhlupheki Sebiloane
(Vice Chairperson -Labour)

The PSCBC Constitution, Clause 14.1 provides for the appointment of a General Secretary by the Council:

•

Mr Frederik Johannes De Bruin
(General Secretary)

5. Executive Committee (EXCO)

The Constitution, Clause 19.1 provides for the appointment of the EXCO. The EXCO is responsible for the day to day management of the Council. The following members served on the Executive Committee for the reporting period (4 Labour Representatives, 4 Labour alternatives, 4 Employer Representatives and 4 Employer Alternatives):

LABOUR ORGANISATION

K Sodidi

Democratic Nursing Organisation of South Africa (DENOSA)

D Mavuso

National Education, Health and Allied Workers' Union (NEHAWU)

L Gilbert

Public Servants Association of South Africa (PSA)

M Galorale

South African Democratic Teachers Union (SADTU)

LABOUR ALTERNATE

H Hendriks

01/04/15-31/12/15

B Manuel

01/01/16-31/03/16

National Professional Teachers' Organisation of South Africa (NAPTOSA)

A Makape

National Education, Health and Allied Workers' Union (NEHAWU)

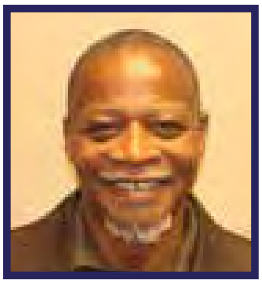
T Sematle

South African Democratic Teachers Union (SADTU)

D Madiba

South African Medical Association (SAMA)

EMPLOYER ORGANISATION



W Kutumela

Department of Basic Education (DBE)

R Adams

Department of Justice(DOJ)

C Skosana

Department of Labour (DOL)

M Ntshikila

Department for Public Service & Administration (DPSA)

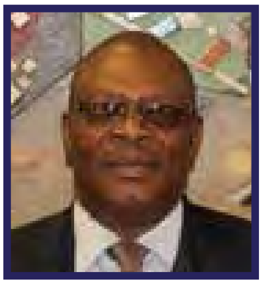
EMPLOYER ALTERNATE

J Slater

Department of Higher Education & Training (DHET)

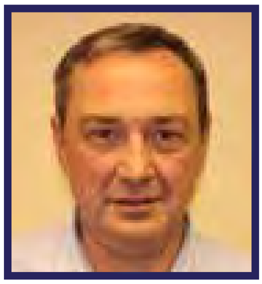
M Mntuyedwa

Department of Health (DOH)



T Siko

Department for Public Service & Administration (DPSA)



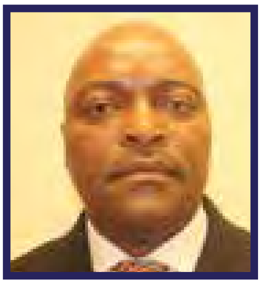
J Griesel

South African Police Service (SAPS)

Financial Committee (FINCOM)

The FINCOM is a sub-committee of the EXCO of the Council. It will make recommendations to the EXCO on financial matters. The following members served on the FINCOM for the reporting period (4 Labour Representatives and 4 Employer Representatives):

LABOUR



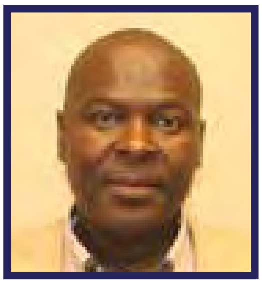
M Sebiloane

Vice Chairperson-

Labour

T Sonyathi

Democratic Nursing Organisation of South Africa (DENOSA)



C Marule

National Education, Health & Allied Workers Union (NEHAWU)

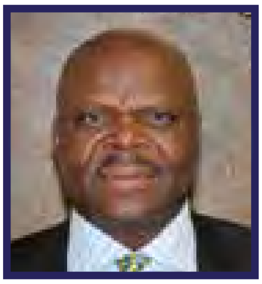
T Ngwenya

Police & Prisons Civil Rights Union (POPCRU)

L Motshwane

South African Democratic Teachers' Union (SADTU)

EMPLOYER ORGANISATION



M Phophi

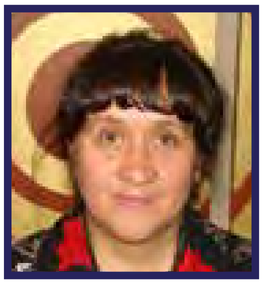
Vice Chairperson-Employer

H Brynard

Department for Public Service & Administration (DPSA)

L Reutener

Department for Public Service & Administration (DPSA)



F Van Vuuren

Department for Public Service & Administration (DPSA)

6. PERFORMANCE REPORTS

PROGRAMME 1
COLLECTIVE BARGAINING



Overview

The Collective Bargaining Unit (CBU) is a core component of the PSCBC which is key in ensuring that Council achieves its Strategic Objectives. It offers support to the Council and its various structures – Executive Committee (EXCO), Task Teams/Committees, and Provincial Chambers - to create an effective forum for Collective Bargaining processes to unfold. All support, administrative, research, and coordination processes for Collective Bargaining are managed by the CBU.

One of the functions and powers of Council is to 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.

EXCO needs to, amongst others, exercise and perform the powers, functions and duties of the Council relating to the supervision and control of the day-to-day management and administration of the Council.

The Council may from time to time establish Committees in terms of Section 55 of the Act subject to such conditions as it may determine, and may delegate any of its functions to any such Committee.

The key Strategic Objectives for Collective Bargaining as a core function of the Council for the reporting period were:

(i) To review structures and strengthening processes of Collective Bargaining in the Public Service as to ensure improved delivery of services. In fulfilling its main Strategic Objective, Council established Task Teams/Committees to research and come up with findings and recommendations in terms of the research conducted;

(ii) To monitor, evaluate and ensure compliance with Collective Agreements;

(iii) To develop and implement a research strategy within the Organisation.

The CBU is also responsible for amongst others, the implementation of the provisions of the PSCBC Constitution, relevant sections of the Procedure Manual, and the provisions as contained in Council Resolutions.

The period under review is characterized by several important accomplishments for the CBU. The PSCBC Strategic Planning Session held in August 2014 set the tone for Negotiation Support Services (NSS) to make every effort to strengthen its various support functions with a view to better serve the Council, Provincial Chambers, Committees, Task Teams and the public at large.

During the period under review the CBU was fortunate to have appointed 4 additional staff members filling the critical posts of Senior Officer: Research and Officer: Provincial Chambers. Also appointed was a Senior Administrator & Administrator. The aforementioned appointments allowed the Unit to fulfil Council's mandate with renewed vigour and focus.

The following report highlights the work done by the CBU for the period under review.

Meetings

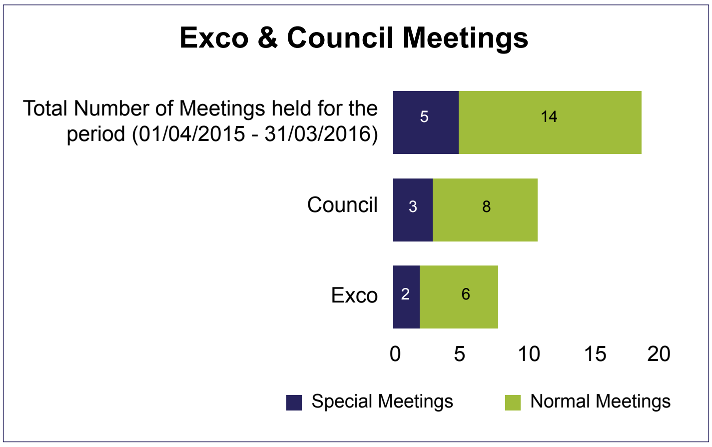
The Council must meet once every month, unless it decides otherwise. One such meeting must be the Annual General Meeting.


The Constitution


Vision
Mission

Figure 1 below illustrates the number of meetings held during the period under review:

Figure 1:



Negotiations on Salaries and improvement of Conditions of Service, and outstanding issues

The negotiations process commenced in September 2014 with Labour tabling their demands. Parties agreed on a pre-negotiations process to resolve technical issues before the actual process of negotiations commenced.

In March 2015 the Employer declared a dispute, and the matter was referred to conciliation. Mediators were appointed to deal with the impasse. The conciliation process commenced in April 2015 and was concluded in May 2015 with parties signing 7 Collective Agreements.

Negotiations Debriefing Session:

After the finalization of the Council's Negotiations process in May 2015, parties took a decision to conduct a debriefing exercise, where parties would be able to analyse, evaluate and identify the following:

- Things that went well in the Conciliation Process
- Things which did not go well and

- What needs to change

Independent Facilitators (Mr. Kaiser Thibedi & Ms. Tersia Ströh) were appointed to facilitate the process.

A two day session was held with parties from 20 to 21 January 2016. Parties had an opportunity to conduct a self-evaluation as well as evaluation of the other side (Labour/Employer). The process will continue in the next Financial Year to allow parties to come up with recommendations.

Parties remain committed to the process.

2015/2016 Resolutions

The following 8 Resolutions were concluded during the year under review:

Agreement on salary adjustments and improvements on conditions of service in the Public Service for the period 2015/16 – 2017/18

The Parties to Council agreed to a multi-year Agreement for the period 2015/16 - 2017/18 on the following terms:

Salary Adjustments amended by Resolution 8 of 2015

The salary adjustment for the period 1 April 2015 to 31 March 2016, effective from 1 April 2015, will be 7% (based on the average projected CPI of 4.8% plus 2.2%). The salary adjustment, for the period 1 April 2016 to 31 March 2017, effective from 1 April 2016, will be based on the average projected CPI plus 1%. The salary adjustment for the period 1 April 2017 to 31 March 2018, effective from 1 April 2017, will be based on the average projected CPI plus 1%.

Other benefits and Conditions of Service that are part of the agreement include; family responsibility leave, paternity leave, medical assistance, payment of 13th cheque/ service bonus, recognition of prior learning(RPL) and a bursary scheme.

Framework agreement for the establishment of a Government Employees Housing Scheme (GEHS)

The objective of this Agreement is to; introduce a Government Employees Housing Scheme (GEHS) to support, educate and advise Employees on housing options and opportunities, enhance Employees' access to affordable housing, promote home ownership and facilitate asset security among Employees, assist Employees to access affordable housing loans and finance, assist employees to rent houses with a view to buy and own homes and provide transitional arrangements towards the GEHS. The amount of the Housing Allowance paid to eligible employees shall increase from R 900 to R 1,200 per month. Employees who are eligible to receive the Housing Allowance but do not own a house shall continue to receive R900 per month. The difference between the total Housing Allowance and the R900 shall be diverted into and accumulated in an individual-linked savings facility.

Agreement on the review of annexure "A" of PSCBC Resolution 1 of 2007: Danger Allowance

The purpose of this Agreement is to; review the provisions contained within the Danger Allowance. Annexure A of this Agreement replaces Annexure A of PSCBC Resolution 1 of 2007 which reflects the Occupational categories which will be eligible for the payment of a danger allowance.

Agreement on the Review of the Government Employees Medical Scheme (GEMS)

The Parties agree on the following; the parties will jointly conduct a comprehensive review on the efficacy of the operating model of the GEMS, the Parties will also review whether the objectives for which GEMS was set up are being fulfilled.

Agreement on the New Danger Dispensation

Parties agree that the Employer shall undertake a comprehensive review of the danger dispensation applicable to the Public Service and the modality for the payment of danger allowance and such shall be tabled at the PSCBC for negotiations. The sectors will identify and agree on new Categories that may be included under the new Danger Dispensation. The process must be finalised within six (6) months from the date of signature of the Agreement.

Agreement on the Review of the Post Retirement

The parties agree that; the employer undertakes to investigate the feasibility of extending the **post-retirement** medical subsidy, to more than one dependant as is currently the case, the employer further undertakes to investigate the feasibility of extending the Housing Allowance to cover retired Employees, the parties agree that the process outlined in clause 3.1 and 3.2 of the Agreement, will be placed on the agenda for discussion at the Public Service Co-ordinating Bargaining Council and the process for review must be finalised within 18 months from the date of signature of this Agreement.

Agreement on the amendment of PSCBC Resolution 9 of 1998: Designation of the Health Sector for Establishment of a Bargaining Council

The purpose of this agreement is to amend clause 4 (c) of PSCBC Resolution 9 of 1998 in amending and adding of occupational definitions to schedule 1 of PSCBC Resolution.

Workshops on Implementation of 2015 Resolutions

Council successfully held workshops on implementation of the resolutions on salaries and conditions of service for 2015-2018 immediately after the Agreements were signed.

Task Teams

Task Teams were established in terms of clause 18 of the PSCBC Constitution to assist and provide support to the Collective Bargaining process. In this regard, Task Teams provides for a more informed and constructive engagement in dealing with complex and often highly technical tasks facing Council.

Some of the Task Teams were created to implement aspects of collective agreements of Council while others carry out specific tasks of Council.

The following Task Teams / Technical Working Committees were established during the reporting period:

Consultative Committee on Government Employees Housing Scheme (GEHS)

GEHS Consultative Committee was established by Resolution 7 of 2015 with the aim of giving effect to clause 4.4.4 of the agreement.

The Committee at its first meeting agreed to the terms of reference which were subsequently adopted by Council.

The mandate of the committee is as follows:

- GEHS Administration arrangements
- GEHS Governance architecture
- Information exchange in relation to the GEHS

The Committee reports to the PSCBC on the progress of its work at every meeting of Council.

The Committee shall cease to exist once the GEHS entity is established and operational.

Committee on Disciplinary Code for Public Service

The Disciplinary Code Task Team was established by Council to deal with the amendments to the Disciplinary Code and Procedure for the Public Service.

It is expected that the Task Team will finalise its work in the next financial year.

Government Employee Medical Scheme (GEMS)

GEMS Task Team was established in terms of Resolution 3 of 2015: *Agreement on Review of Government Medical Scheme.*

In the Agreement, Parties agreed to jointly conduct a comprehensive review of the efficacy of the operating model of the GEMS and review on whether the objectives for which GEMS was set up are being fulfilled. They agreed to place the aforesaid on the agenda of the PSCBC and to finalise the review in 12 months after the signing of the Agreement.

Capacity Building for parties to Council:

Council identified the need for capacity building for its Negotiators as per the Birchwood and Public Service Summit Collective Agreements.

The following Capacity building programmes were identified:

- ILO- Negotiations Skills for the World of Work
- ILO- Building effective Labour Dispute prevention and resolution systems
- Dispute Resolution Practitioners Training (CCMA Commissioners)
- Mediation Training (CCMA)

Council commenced with the Negotiation Skills course during the reporting period. The remaining aforementioned Training Programmes will commence in the next financial year.

Negotiations Skills for the World of Work programme/course: ILO Training – Turin

The ILO presents various training programs amongst other a course in Negotiations Skills.

The International Training Centre of the ILO (ITC/ILO) courses on Negotiation Skills provides those involved in negotiations a first-hand knowledge and practice of negotiation skills techniques. The aim of the course was to develop participants capabilities to improve their Negotiations Skills and therefore to reach satisfactory outcomes in negotiations.

The objective of the Course was to develop participants' knowledge and understanding of consensus-building approaches to conflict management and dispute resolution.

Emphasis was placed on how to move from a traditional style of adversarial negotiating to a negotiation style that allows mutual gains and strengthened relationships among parties.

The duration of the course was five (5) days and classes commencing daily at 9:00 and ended at 17:00.

Over 30 participants from different countries around the world attended the course. The classes were structured in such a way that the students participated to their maximum ability.

At the end of the Course the following was acquired:

- A better understanding of:
    - » The development of conflict and disputes
    - » The different approaches to conflict management
    - » The range of dispute resolution processes
    - » Modern negotiation theory and best negotiation practice
    - » The negotiation process and how to prepare for negotiations
    - » The essential skills and behaviors of effective Negotiators
    - » Conducting effective meetings.

The following skills were gained:

- » Negotiating Skills
- » Conflict Management Skills

Pensions Redress Programme

Pensions Redress is the provision of compensation to Government Employees who suffered various forms of discrimination by Government Pension Funds during the Apartheid era. These Pension Funds were disestablished and amalgamated into the Government Employees Pension Fund on 1st May 1996. Council signed two Agreements: Resolutions 7 and 12 adopted in 1998 and 2002 respectively, to compensate affected employees.

The discrimination was based on race, gender, physical criteria, status of employment, and punitive measures arising from industrial action. The basis of discrimination varied but they had in common the same purpose and effect: to recognize as pensionable only part of the years of service that employees rendered.

This discrimination amongst others includes the following; **female teachers and other female employees in the Public Service who had to resign to give birth and upon return were admitted to the Temporary Employees Pension Fund (TEPF), RSA citizens employed in former *Transkei, Bophuthatswana, Venda*, and *Ciskei* (the so-called "TBVC States") and Employees admitted to temporary pension funds due to their medical/physical status.**

Council took a decision in 2009 to implement the two aforementioned Resolutions. The programme for implementation was launched by the former DPSA Minister, Honourable Minister Baloyi in 2010. Possible beneficiaries were invited to complete the relevant application forms. Different forms of media were used inviting former and current Public Service who were affected to apply. In 2012 Council concluded and signed Resolution 3 of 2012 closing the programme on 31 March 2012.

The application forms were submitted via the PSCBC, which forwarded all the forms to Government Pensions Administration Agency (GPAA) for verification purposes. All the forms that GPAA declared as non-qualifying were handed over to independent service provider for re-verification. The verification process was completed in March 2016.

The current status is that Council has established a Task Team of five (5) Representatives each from Labour and Employer to consider and draft a close out Collective Agreement.

The Collective Agreement will be based on the qualifying categories once the final costing process is concluded. Pensions benefits for applicants who have already exited the service would be recalculated and the members will be

duly compensated. Additional years of service will be recognised for those employees who are still in service.

It is envisaged that the programme will be finalised in the ensuing financial year.

PROVINCIAL CO-ORDINATING CHAMBERS OF THE PSCBC

The Provincial Co-ordinating Chambers of the PSCBC were established during April-June 2004 in all nine Provinces in terms of Resolution 9/2003 as amended by Resolution 2 of 2005, which provides guidelines on the functioning of the Provincial Chambers.

The PSCBC provides Secretariat Services to all Provinces except the Free State and Limpopo, which are serviced by the Employer representative in the respective Provinces.

The figure below illustrates the Management Committee responsible for co-ordination of Chambers at Provincial levels.

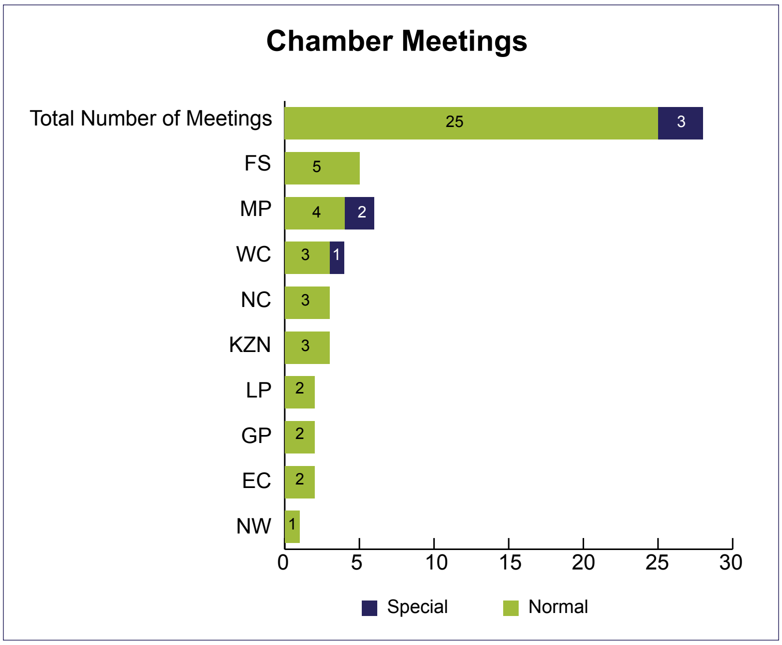
Figure: A

Province	Management Committee Members
Gauteng	Chairperson: Maki Daku (Labour) Vice-Chairperson: S Masekela (Employer) Vice- Chairperson: (Labour) Acting Secretariat: R Msiza (PSCBC)
North West	Chairperson: M Mayinganya Vice-Chairperson: W Gaelisiwe (Employer) Vice- Chairperson: vacant (Labour) Acting Secretariat: R Msiza (PSCBC)
Western Cape	Chairperson: D Jacobs Vice-Chairperson: S Faker (Employer) Vice- Chairperson: vacant (Labour) Acting Secretariat: R Msiza (PSCBC)
Eastern Cape	Chairperson: D Jaxa (Employer) Vice-Chairperson: vacant (Employer) Vice- Chairperson: T Koya (Labour) Acting Secretariat: R Msiza (PSCBC)
Northern-Cape	Chairperson: K Motebe Vice-Chairperson: T Ntsheno (Employer) Vice- Chairperson: W Koopman (Labour) Acting Secretariat: R Msiza (PSCBC)

Province	Management Committee Members
Kwazulu-Natal	Chairperson: A Van Schalkwyk (Labour) Vice-Chairperson: Vice- Chairperson: C Lekgoathi (Labour) Acting Secretariat: R Msiza (PSCBC)
Mpumalanga	Chairperson: S Monareng Vice-Chairperson: Vacant (Employer) Vice- Chairperson: M Khumalo (Labour). Acting Secretariat: R Msiza (PSCBC)
Limpopo	Chairperson: M Chilwane Vice-Chairperson: S Ntwampe (Employer) Vice- Chairperson: J Marumo (Labour). Secretary: I Kutama (Seconded by Employer)
Free State	Chairperson: A Matiwane (Employer) Vice-Chairperson: M Sani (Employer) Vice- Chairperson: L Strydom (Labour). Secretary: R Thurston (Seconded by Employer)

The graph below illustrates the number of meetings held at various Provincial Chambers.

Figure 2:



Provincial Strategic planning workshops

In fulfilling one of the Council strategic objectives, to enhance and optimize Collective Bargaining within the PSCBC through the configuration of Bargaining Structures and processes, the Secretariat embarked on Strategic Planning workshops for all the nine co-ordinating Provincial Chambers to review the value of chambers in relation to centralized Collective Bargaining.

An independent facilitator (Mr. Patrick Williams) was appointed to facilitate a two day session in all the Provinces.

The Government Employees Pension Fund (GEPF) was also invited to brief the representatives of the chambers about the operations within the GEPF. The following issues were covered on their presentation:

- Overview of GEPF
- Operating Model
- Fund Growth
- Financial Position and
- Retirement Reform

The information provided was informative and it clarified most of the issue that the Chambers always enquire about with regard to Pensions

Day one of the programme included presentations by the GEPF and the General Secretary, clarity-questions and plenary session. Day two commenced with a reflection on day one, and proceeded to adopt a draft Resolution and concluded with representatives completing a questionnaire prepared by the Secretariat.

The General Secretary's presentation set the scene for the deliberations in the Commissions, which were honest, relatively robust yet genuinely constructive. The brief of the Commissions were (a) the value of the chambers within centralised Collective Bargaining and (b) initiatives to improve inter-party relationships.

The year ahead

A priority for the next reporting year would be to conclude on research and give effect to the provisions as contained in Resolution 1 of 2015 – Outsourcing & Agentisation in the Public Service.

The CBU is proud to have efficiently and successfully carried out the core business of the PSCBC notwithstanding staff limitations and time constraints.

The new staff complement allows us to welcome the ensuing financial year geared up with renewed enthusiasm. This is especially true in terms of our research component and how it will bear fruit for the PSCBC at the level of the most critical African debates and beyond.

The CBU as the core unit is committed to playing a key role in rocketing the PSCBC to be a player in the International Arena and in realizing the ideals of its Vision and Mission.

PROGRAMME 2

DISPUTE RESOLUTION MANAGEMENT

Overview

The Dispute Resolution Unit is also responsible for the delivery of core support to the Council in achieving its strategic objectives, which include; the reviewing of dispute resolution procedures, rules and admin processes, the recruitment of Panellists, monitoring of compliance by Panellist with the Service Level Agreement, development of dispute prevention program (training), to monitor evaluate and ensure compliance to collective agreements.

The Dispute Resolution and prevention function is a core delivery mechanism towards attaining labour peace. The function is regulated by Chapter vii (Section 112) of the Labour Relations Act and Section 21 of schedule 1 of the establishment of Public Service Coordination Bargaining Councils.

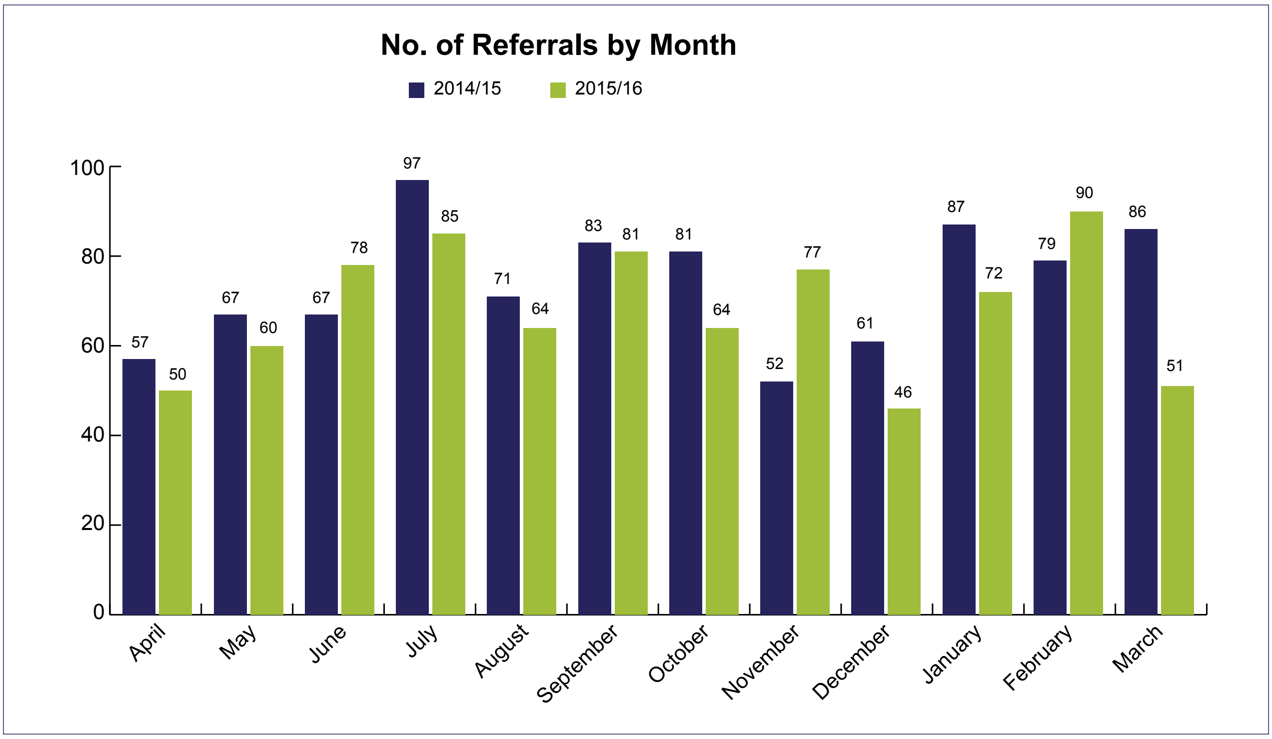
The Report covers the referred cases for the period from 01 April 2015 to 31 March 2016 in comparison to the 2014/2015 financial year.

Statistics[1]

1. Number of referrals received

The graph below illustrates the number of Referrals received for the year. A total number of 818 Referrals were received for the period from 01 April 2015 to 31 March 2016, when compared to 888 referrals received in the same period in 2014/15 resulting in an overall referral decrease of 7%.

Graph: One

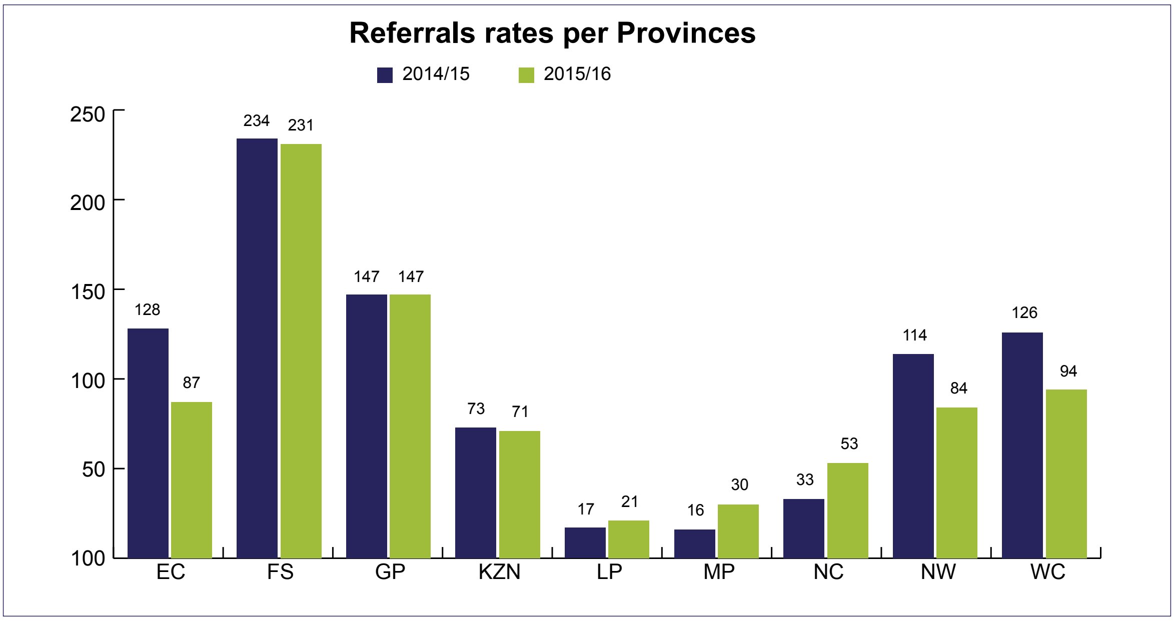


1 Drawn from the Case Management System (CMS) report as provided by the CCMA

1.1. A breakdown of Cases referred by all Provinces

The graphic representation below shows a breakdown of cases that were referred by the various Provinces. A similar pattern as the previous year is reflected in terms of the referral rate per Province. Mpumalanga, Limpopo and Northern Cape remain the provinces that have the lowest referral rate. It must however be highlighted that there has been a significant referral increase of 87% in the Mpumalanga Province and an increase of 60% in the Northern Cape Province. The following provinces demonstrate a significant decrease in the referral rate; Eastern Cape Province - 32%, North West - 26% and Western Cape- 25%.

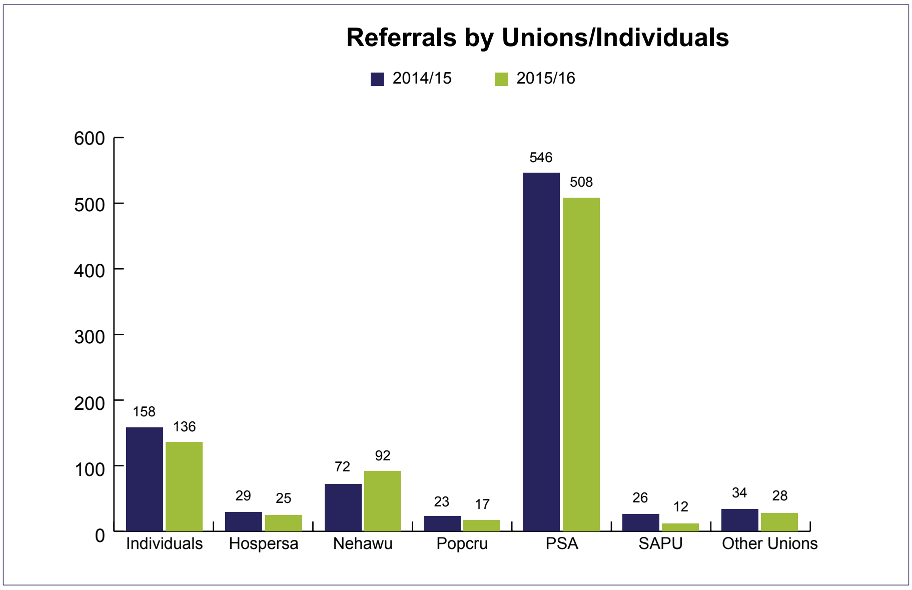
Graph: Two



1.2 Referrals by Trade Unions/Individuals

The graphic illustration below shows the referral by the various Trade Unions and individuals. The trend in the number of Disputes referred remains similar to that of last year. The PSA is the Trade Union that refers the highest number of disputes- 62%. The disputes referred by individuals are relatively high and are featured at second- 16%.

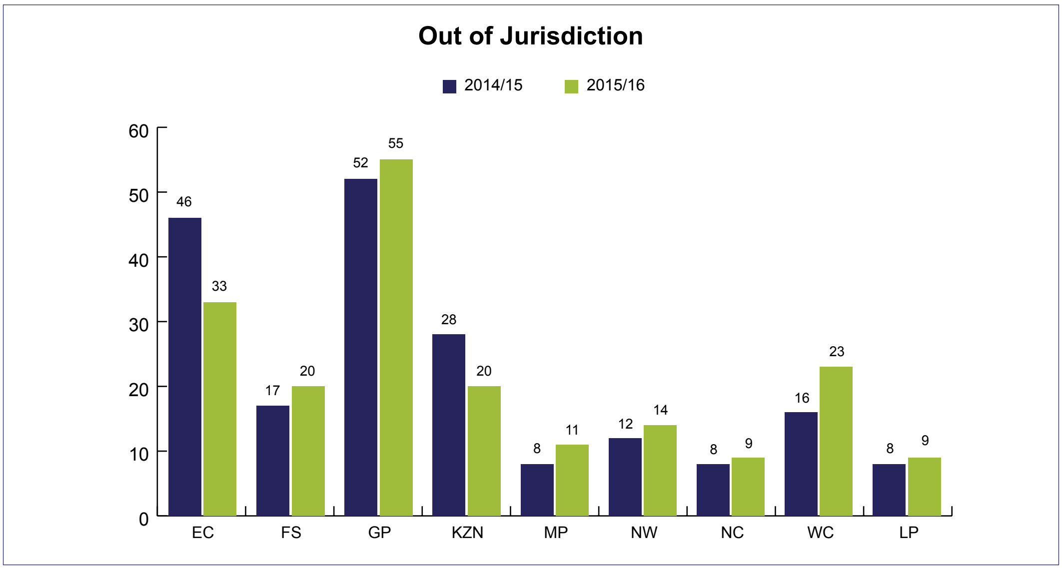
Graph: Three



1.3 Out of jurisdiction referred cases[2]

The diagram below illustrates cases that were referred "out of jurisdiction." A total number of 818 referrals were received, 23% of the referred cases were screened "out of jurisdiction" prior to any processes being conducted, this compares to 22% of the 888 for the previous period. The Eastern Cape and Gauteng refer the highest number of cases. It is noteworthy that the Case Management System (CMS) has been configured to classify disputes that are not properly referred[3] as "out of jurisdiction." As a result, the following cases were transferred to the PSCBC; ten by the CCMA, five by the SSSBC, one by the PHSDSBC and one by the ELRC.

Graph: Four



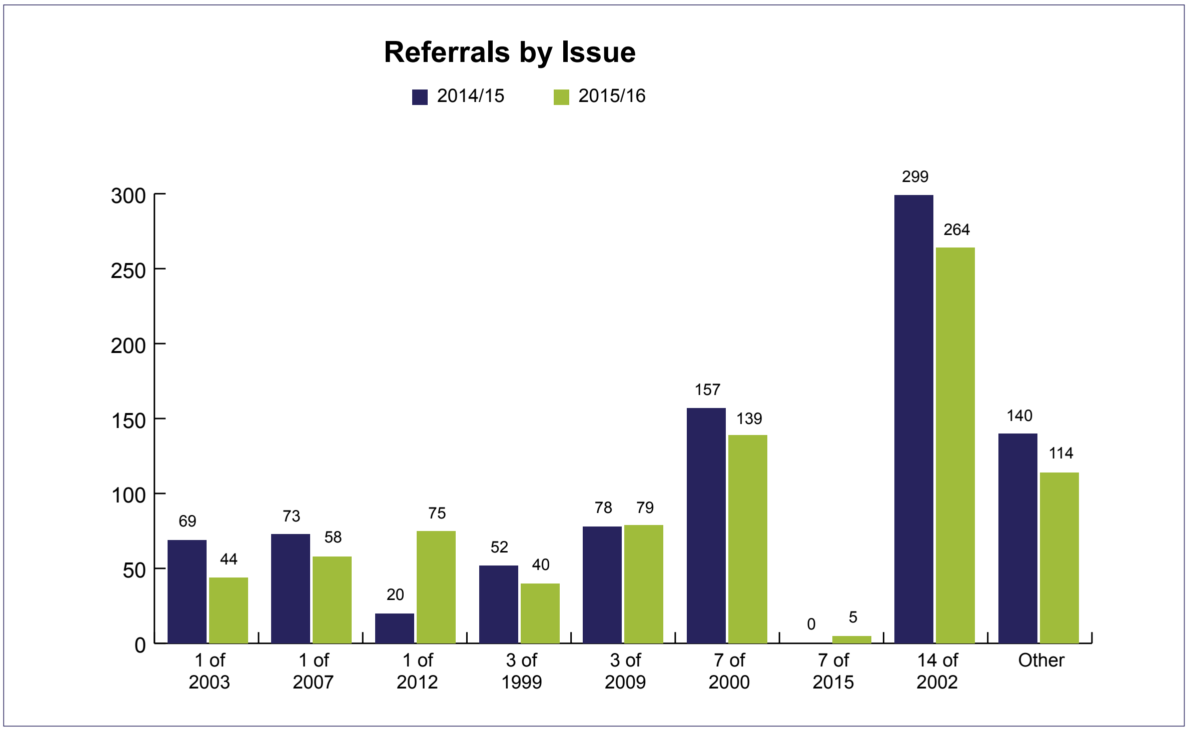
2 Disputes relating to unfair labour practice, unfair dismissals, unilateral change to terms and conditions of employment, Sector resolutions etc.

3 In terms of the LRA, a party who refers a dispute must satisfy the Council that a copy of the referral has been served on all parties to the dispute; the PSCBC DR procedures also require that internal procedures be exhausted prior to referral of a dispute.

1.4 Disputes referred to conciliation by issue

The graph below shows the disputes referred to conciliation by issue. The disputes referred to in terms of Resolution 14 of 2002 constituted 32% of the total caseload[4] in comparison to 33% in the previous year. The disputes relating to Resolution 7 of 2000 read together with Resolution 5 of 2001 accounted for 17% in the current year against 18% in the previous year period.[5] The disputes relating to remuneration and benefits in terms of Resolution 3 of 1999 account for 5% of the caseload[6] as to 6% in the previous year. The disputes relating to Resolution 1 of 2007 read with Resolution 2 of 2004 accounted for 7% and 8% when compared to the previous year.[7] The disputes relating to Resolution 1 of 2003 accounted for 5% while it was 7% during the 2014/15 period.[8] The disputes relating to Resolution 3 of 2009 accounted for 10% as to 8% in the previous year.[9] The disputes relating to Resolution 1 of 2012 account for 9% less than 2% in the previous year.[10] Various Disputes emanating from other Resolutions and other disputes accounted for 15% were also referred.

Graph: Five



1.5 Issues referred by Provinces

The table below displays the issues referred by the various Provinces. The Disputes relating to Resolution 14 of 2002 are predominantly referred by the Free State, Gauteng and the North West Provinces. Disputes relating to Resolution 7 of 2000 are mainly referred in the Western Cape Province. As indicated in the table below, the referral rate of these disputes has gradually increased in the Eastern Cape and Free State Provinces.

4 Non-adherence to grievance time frames
5 Leave provisions
6 Various issues including job evaluation, overtime, resettlement allowance, qualification bonus, housing allowance
7 Provision on overtime and benefits for contract workers
8 Non-adherence to the disciplinary code and procedure
9 Disputes relating salary level structure
10 Improvements on conditions of service

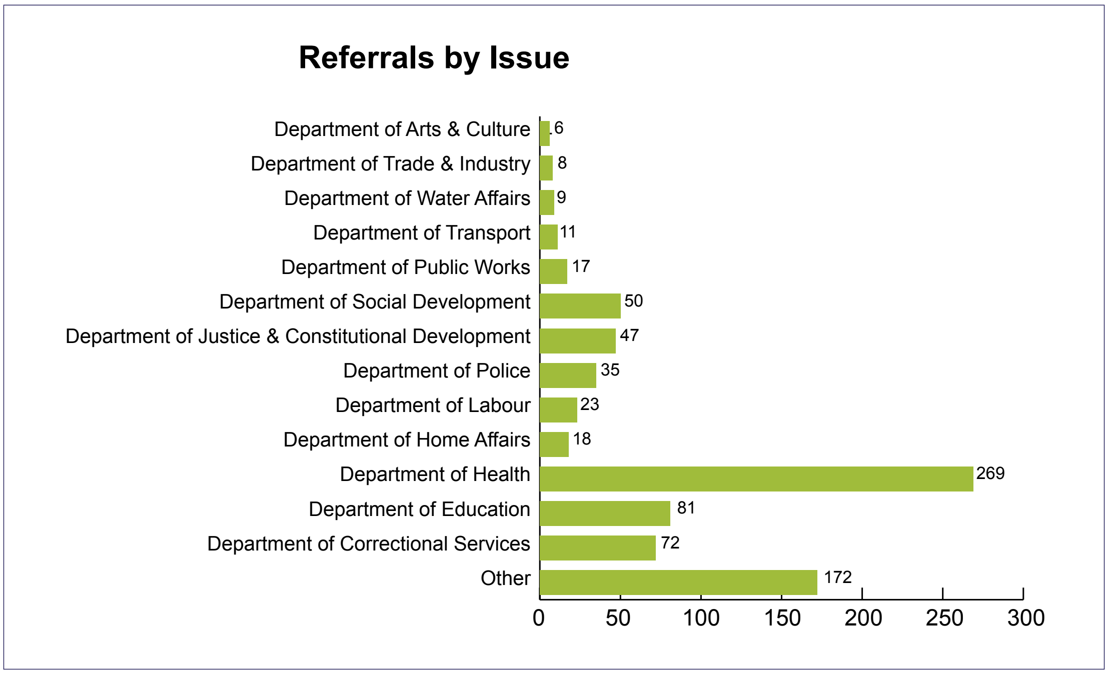
Table A: A breakdown of referrals by Issue per Province

Issue	EC	FS	GP	KZN	MP	LP	NC	NW	WC	Total
1 of 2003	6	19	7	1	1	4	0	3	3	**44**
1 of 2007	6	25	6	5	0	3	0	3	10	**58**
1 of 2012	6	4	29	7	3	1	13	9	3	75
3 of 1999	5	16	2	7	1	1	1	3	4	**40**
3 of 2009	11	10	11	5	10	4	3	18	7	**79**
7 of 2000	28	23	11	15	1	1	5	8	47	**139**
7 of 2015	0	2	3	0	0	0	0	0	0	**5**
14 of 2002	13	115	45	15	8	2	27	35	4	**264**
Other	12	17	33	16	6	5	4	5	16	**114**
Total	**87**	**231**	**147**	**71**	**30**	**21**	**53**	**84**	**94**	**818**

1.6 Referrals against the Departments

The table below shows a breakdown of referrals received against the various Departments. From the table it is evident that the referrals against the Department of Health is the highest, this accounts for 33% of the total amount of referrals. This is followed by the Department of Education who received 10% of the referrals. The Department that received the third highest number of referrals is the Department of Correctional Services who receive 9% of the referrals. The other Departments who made up 21% of the referrals are made up of various other departments who do not fall within the stipulated departments below.

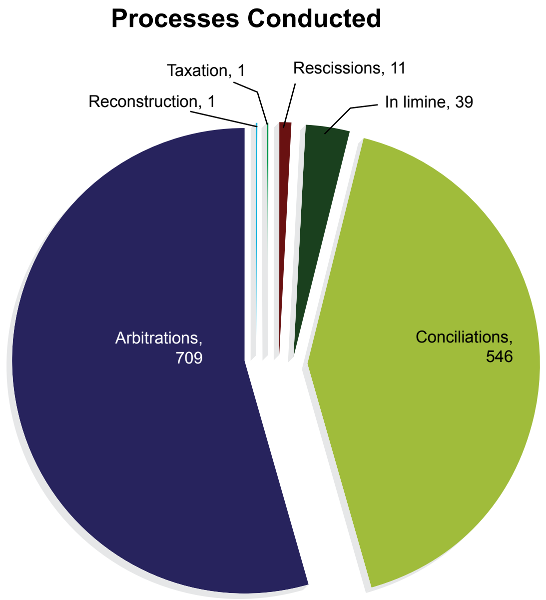
Graph: Six



2. Processes conducted/scheduled

A total number of 1307 processes were scheduled/conducted during this period. The breakdown is as follows; 39 in limine, 11 rescissions, 1 taxation, 1 reconstruction, 546 conciliations and 709 arbitrations. The pie graph below is a diagramatic illustration of the processes.

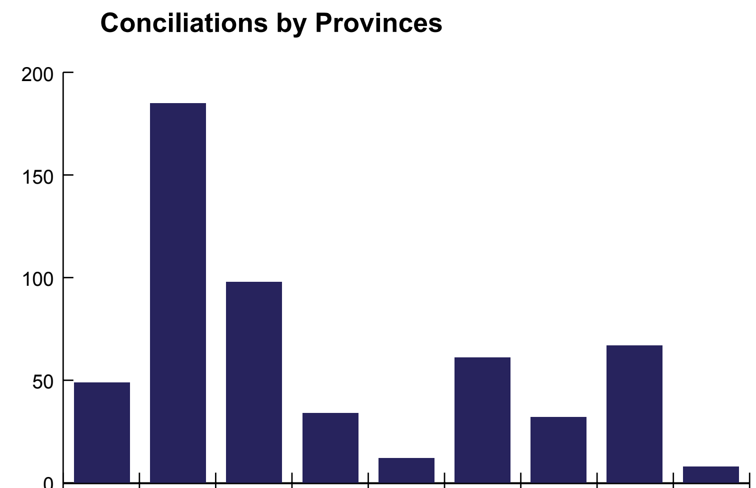
Diagram A: A breakdown of processes conducted



2.1 Number of conciliations scheduled / set down

The bar graph below highlights the number of Conciliations that are scheduled/ set down. A total of 546 conciliations were scheduled/ set down. As illustrated in the graph, the Free State has the highest number of Conciliations scheduled/conducted – 39%, this is followed by the Gauteng Province 18% and the third highest Province is the Western Cape with 12%.

Graph: Seven

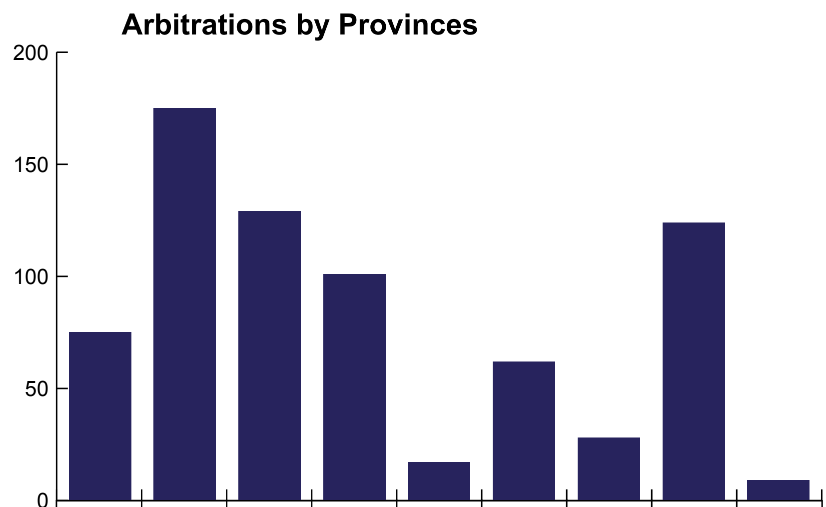


	EC	FS	GP	KZN	MP	NW	NC	WC	LP
Conciliations	49	185	98	34	12	61	32	67	8

2.2 Number of arbitrations scheduled / set down

The bar graph below shows the number of Arbitrations scheduled/ set down. There were a total of 720 Arbitrations by the Province. The Free State Province- 24% has the highest number of arbitration hearings scheduled followed by the Gauteng Province- 18% and third is the Western Cape with 17%. The number of Arbitration hearings scheduled in the Western Cape is relatively high, this could be as a result of postponements and “part heard” by the Province.

Graph: Eight

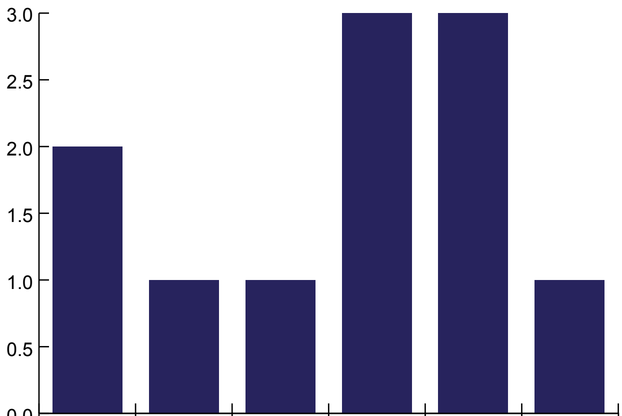


	EC	FS	GP	KZN	MP	NW	NC	WC	LP
Arbitrations	75	175	129	101	17	62	28	124	9

2.3 Number of rescission scheduled / set down

A total number of 11 rescissions were scheduled in this period. The highest being the Eastern Cape and KZN followed by Gauteng. Below is a graphic illustration of these figures.

Graph: Nine

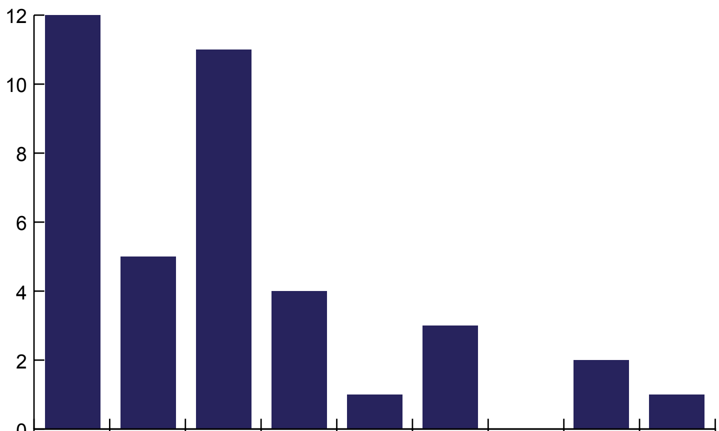


	GP	NC	LC	EC	KZN	NW
Rescissions	2	1	1	3	3	1

2.4 Number of in limine scheduled / set down

A total number of 39 in limine processes were scheduled during this period. The highest number is in the Eastern Cape, followed by the Gauteng Province and in the third place is KZN. Below is a graphic illustration of this.

Graph: Ten



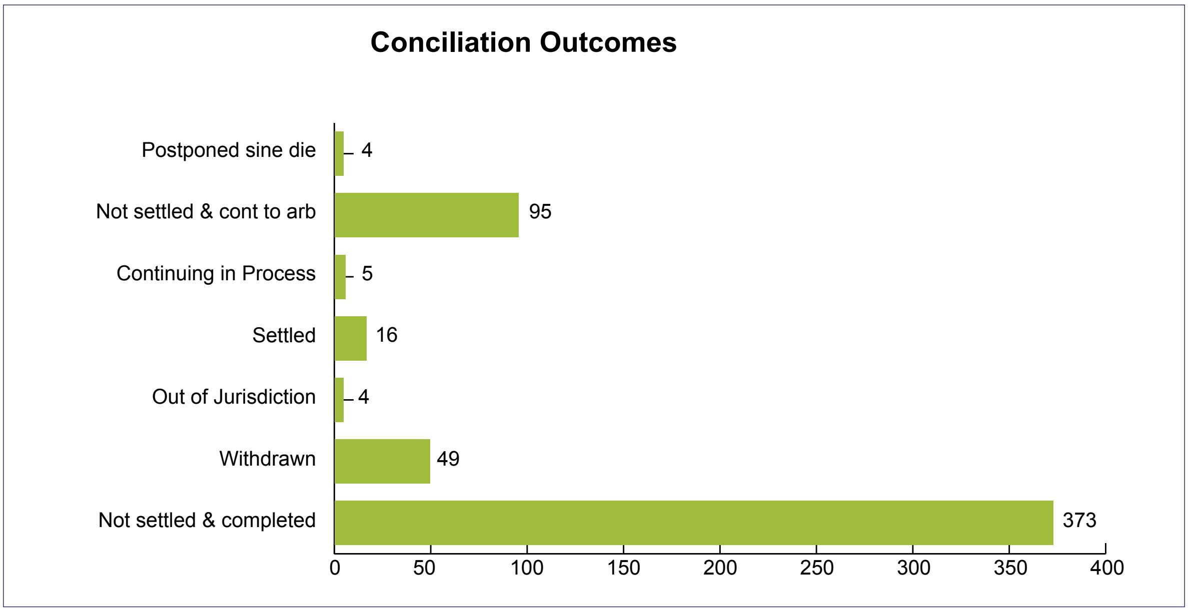
	EC	FS	GP	KZN	MP	NW	NC	WC	LP
In limine	12	5	11	4	1	3	0	2	1

3. Process outcomes

3.1 Conciliation outcomes

The previous Annual Reports, including the current indicate that the number of withdrawals during hearings is higher than the number of withdrawals prior to any process. During this period 9% of the cases were withdrawn at conciliation, 3% settled, 16% unresolved and referred to Arbitration and 69% closed pending the request to arbitration. Below is a graphic illustration of the outcomes.

Graph: Eleven



3.2 A breakdown of conciliation outcomes by Provinces

The graph below illustrates a breakdown of the conciliation outcomes by Province. The overall statistics indicate that there is a relatively low rate or less than 50% rate of settlement at conciliation in all provinces.

Table B: A breakdown of conciliation outcomes by Provinces

	Not settled & completed	Withdrawn	Out of Jurisdiction	Settled	Continuing in Process	Not settled & cont. to arb	Postponed sine die	Total
EC	29	5	1	0	0	14	0	49
FS	122	15	0	1	0	47	0	185
GP	69	4	2	2	5	15	1	98
KZN	27	4	0	0	0	3	0	34
MP	8	1	0	1	0	2	0	12
NW	31	14	0	7	0	6	3	61
NC	24	2	0	4	0	2	0	32
WC	58	2	1	1	0	5	0	67

	Not settled & completed	Withdrawn	Out of Jurisdiction	Settled	Continuing in Process	Not settled & cont. to arb	Postponed sine die	Total
LP	5	2	0	0	0	1	0	8
Total	**373**	**49**	**4**	**16**	**5**	**95**	**4**	**546**

3.3 Arbitration outcomes

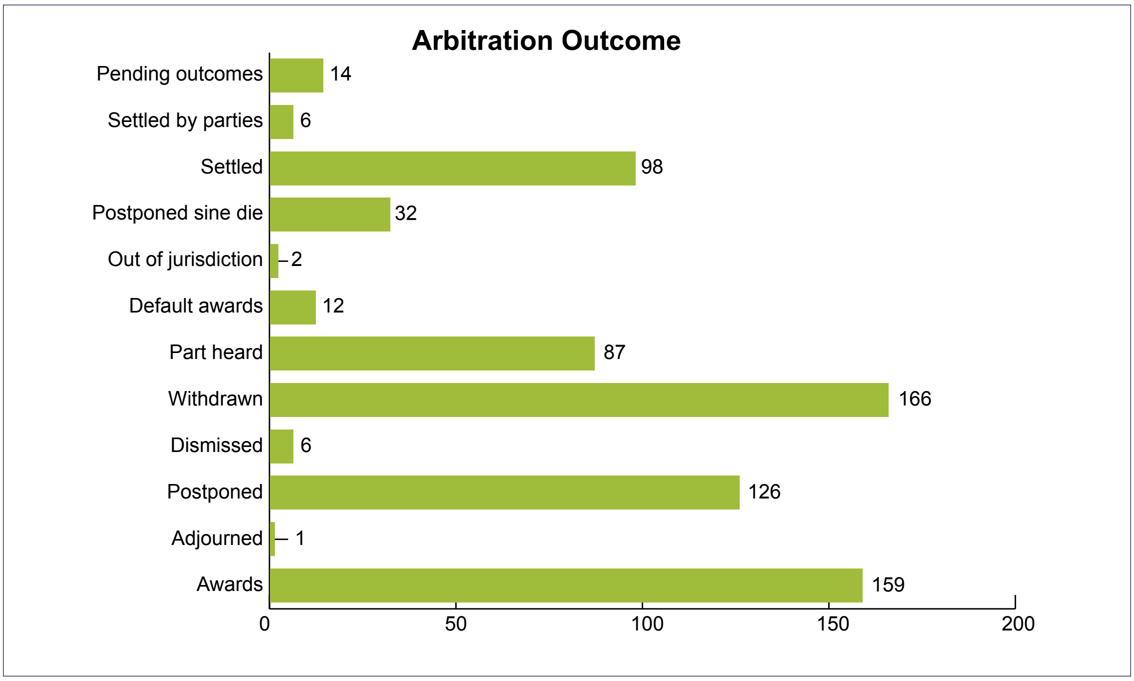
A total number of 709 arbitrations were conducted/scheduled during this period. There were; 159 awards rendered, 126 postponed matters, 166 withdrawn matters, 98 settled matters, 6 matters were settled by the parties, 87 were part-heard, 32 matters were postponed "sine die," 6 matters were dismissed, 12 default awards were issued, 2 matters were out of jurisdiction, 1 matter was adjourned and there were 14 pending outcomes. It is to be noted that 23% of the disputes were withdrawn at arbitration level. The statistics indicate that there is a 19% rate of postponement.

The reasons for postponements occasioned by parties and panellists range from the following:

- Postponed "sine die" pending the further submissions of documents and investigation
- By agreement between the parties – no reasons advanced.
- Parties to attempt settlement
- Postponed pending discussions between the parties.

The pre-arbitration process as included in the DR Procedure is barely used by the parties11. A very low usage of less than 1% has been recorded.

Graph Twelve: The graph below illustrates the outcomes of the arbitrations scheduled/conducted



11 Clause 5.4 of the PSCBC DR Procedure

Table C: The table below portrays a breakdown of arbitration outcomes by Provinces

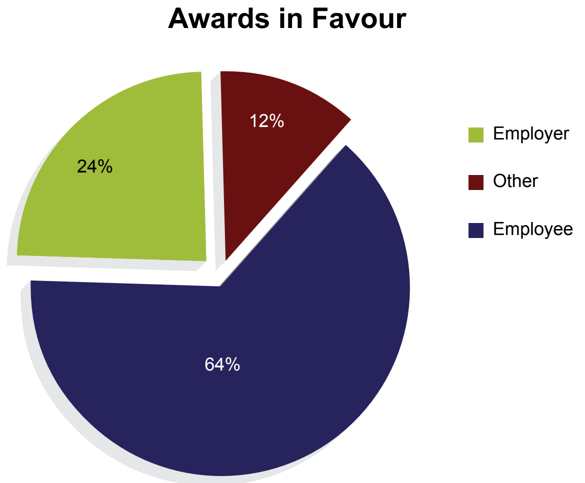
OUTCOMES	EC	FS	GP	KZN	LP	MP	NC	NW	WC	Total
Awards	16	49	18	8	1	3	4	13	47	159
Adjourned	0	0	0	0	0	0	0	0	1	1
Postponed	20	13	25	24	1	3	10	8	22	126
Dismissed	0	1	0	4	0	0	0	0	1	6
Part heard	15	9	21	14	0	1	2	6	19	87
Withdrawn	6	79	10	16	4	6	4	19	22	166
Settled	11	15	28	11	2	4	4	12	11	98
Settled by Parties	1	0	4	1	0	0	0	0	0	6
Out of Jurisdiction	0	0	2	0	0	0	0	0	0	2
Default Award	0	6	0	3	1	0	1	1	0	12
Postponed sine die	5	2	9	10	0	1	1	2	2	32
Pending Outcome	0	1	4	7	0	0	1	0	1	14
Total	**74**	**175**	**121**	**98**	**9**	**18**	**27**	**61**	**126**	**709**

3.5 Arbitration awards in favour of Employee, Employer and other

A total number of 159 Arbitration Awards were rendered from 01 April to 31 March 2016.

Of the 159 Arbitration Awards rendered, 102 were found to be in favour of the Trade Unions / Employees, this represents 64% of the Arbitrations heard and finalised. There were 38 in favour of the Employer which represented 24% and there were 19 which were ruled out of jurisdiction or other which makes up 12%.

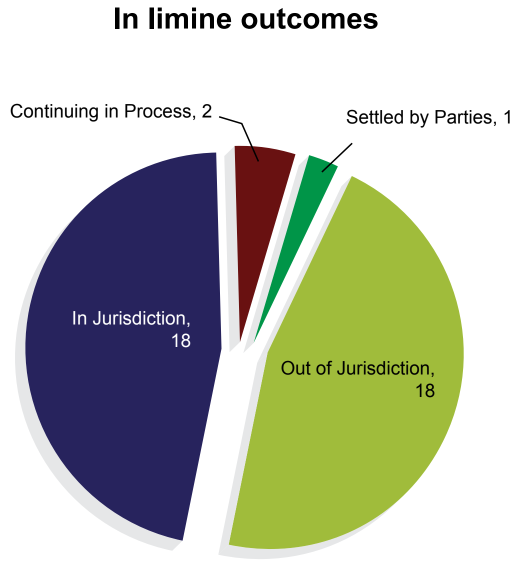
Diagram B: The diagram below shows a breakdown of arbitration award in favour of employee, employer and other



3.6 Outcomes of "in limine" processes

There were 39 "in limine" processes conducted during this period; 1 was settled by parties, 2 are continuing in process, 18 were ruled in jurisdiction and 18 were ruled out of jurisdiction.

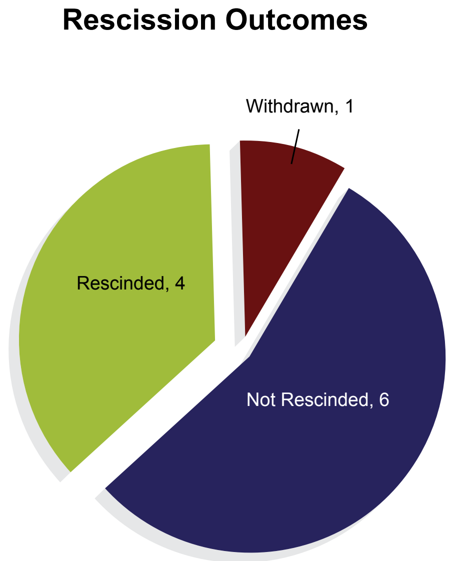
Diagram C: Illustrates a breakdown of in limine outcomes



3.7 Outcomes of rescission processes

There were 11 rescission processes that were conducted during this period; 6 were not rescinded, 4 were rescinded and 1 withdrawn.

Diagram D: shows a breakdown of rescission outcomes



4. Cases on review

A total of 12 cases have been taken on review during this period. Case number, PSCBC425-14/15 was set aside by the Agreement. The table below illustrates cases that are still on review:

Case	Employer	Employee	Panelists	Region
PSCB150-15/16	Department of Rural Development & Land Reform - Gauteng	PSA obo Gashe, Z & 40 Other (Res 3 of 2009)	KhomotjoM	Gauteng
PSCB277-14/15	Department of Correctional Services	PSA obo Werner, ESMS (Res 7 of 2000)	PrakashR	North West
PSCB391-14/15	Department of Justice & Constitutional Development - Western Cape	NUPSAW obo Pangwa, F (Res 7 of 2000)	MofsowitzH	Western Cape
PSCB425-14/15	Department of Health - Eastern Cape	Nhlapo (Res 7 of 2000)	MalusiM	Eastern Cape
PSCB872-14/15	Department of Arts, Culture & Tourism - Kwazulu Natal	HOSPERSA obo Govender, V (Res 7 of 2000)	IlseS	Kwazulu Natal
PSCB828-14/15	Department of Public Works	PSA obo Poswa, N B (Res 3 of 2009)	IlseS	Western Cape
PSCB782-14/15	Department of Correctional Services	POPCRU obo Phetlhu, M E (Res 1 of 2012)	KobusE	Gauteng
PSCB745-14/15	Statistics South Africa	Netshivhungululu (Res 1 of 2012)	ThembekileN	Gauteng
PSCB722-14/15	Department of Correctional Services	POPCRU obo EM Mkhabela (Res 1 of 2012)	JoyceT	Gauteng
PSCB716-14/15	Department of Economic Development, Tourism, Environmental Affairs & Small Business Vacancies	King (Res 3 of 1999)	MartinusV	Mpumalanga
PSCB421-14/15	Department of Police - Eastern Cape	Gerber (Res 7 of 2000)	MalusiM	Eastern Cape
PSCB264-14/15	Department of Defence	PSA obo Campbell, BE (Res 7 of 2000)	MartinusV	Free State

WAY FORWARD:

The Dispute Resolution rules of the Council will be reviewed together with the Sectors, this will be aligned with current Legislation. A co-ordination strategy will be developed as to ensure quality Public Service dispute resolution. Relevant training needs will be identified in order to address aspects of relationship building, conflict management and effective grievance management. A Dispute Prevention Strategy will be developed and implemented that will encompass capacity building of stakeholders and enhancement of the Dispute Resolution Procedure. The monitoring, evaluation and ensuring of compliance to Collective Agreements will continue to be conducted. A framework will be developed in order to ensure the monitoring, compliance and evaluation of Collective Agreements. An audit on the implementation of Collective Agreements will be conducted.

PROGRAMME 3

FINANCIAL SERVICES

Overview

The Constitution of the Public Service Co-ordinating Bargaining Council provides for the functions and powers of the Council in relation to the finances, which are as follows:

- Establish and administer a fund to be utilized for resolving Disputes, Collective Bargaining and general Administration of the Council.
- Raise, borrow, lend, levy and invest funds

Financial Committee

The Financial Committee has been established as a sub Committee of the Council. The role of the Finance Committee is to scrutinise the financial activities of the Council and to make recommendations to the Executive Committee on these activities.

The Duties of the Financial Committee listed below are found in the Finance Policy and Procedure Manual

- Formulate Financial Policies and Procedures;
- Recommend practical ways of implementing these policies;
- Review budgets and recommend to the 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).

Meetings

The Financial Committee held four meetings during the financial year, with attendance as follows:

	19 May 15	23 Sep 15	20 Oct 15	12 Feb 16
Adv L. Bono (Chairperson)	✓			
Mr M. Phophi (Vice-Chairperson Employer)	✓	✓	✓	✓
Mr M. Sebiloane (Vice-Chairperson Labour)			✓	
Mr M. Galorale (Vice-Chairperson Labour)	✓			
Mr T. Moralo / Mr C. Marule (NEHAWU)	✓	✓	✓	

	19 May 15	23 Sep 15	20 Oct 15	12 Feb 16
Ms J. Kungwane / Mr T. Ngwenya (POPCRU)	✓	✓	✓	
Ms L. Motshwane (SADTU)	✓		✓	✓
Mr T. Sonyathi (DENOSA)			✓	✓
Mr. D. Madiba (SAMA)	✓	✓		
Ms F. Van Vuuren (DPSA)	✓	✓		✓
Mr H. Brynard (DPSA)	✓		✓	✓
Ms L. Reutener (DPSA)	✓	✓	✓	

Financial analysis

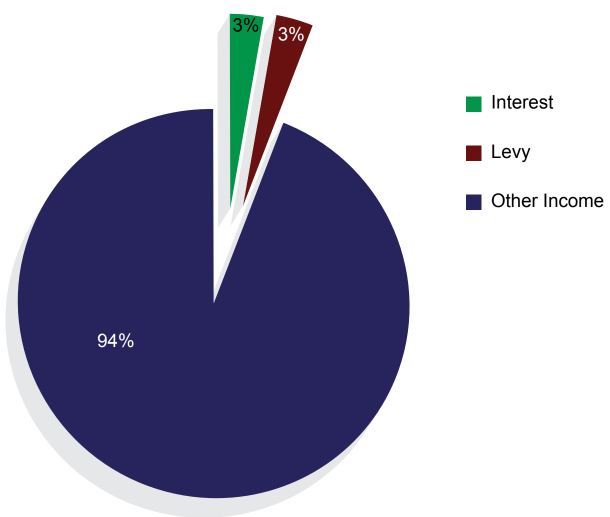
Total Income – Levy Account

The overall income for the Council during the 2015/2016 financial year was R35, 157,283 of which:

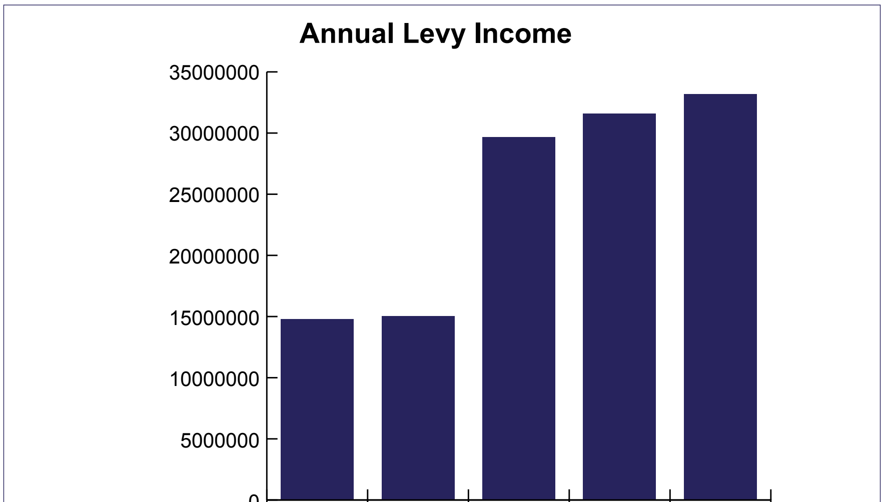
- 94% was generated out of the levies from the Public Service as per the PSCBC Levy Agreement (Resolution 2 of 2013),
- 3% was generated from interest earned on those Levies,
- 3% was generated from other income.

The levies received of R33, 178,544 were slightly lower than the projected income of R33, 664,396. A higher interest income was received due to net surplus that was invested in the current year.

Total Income for the year ended March 2016



The graph below illustrates the significant increase in annual levy income from the conclusion of Resolution 2 of 2013.



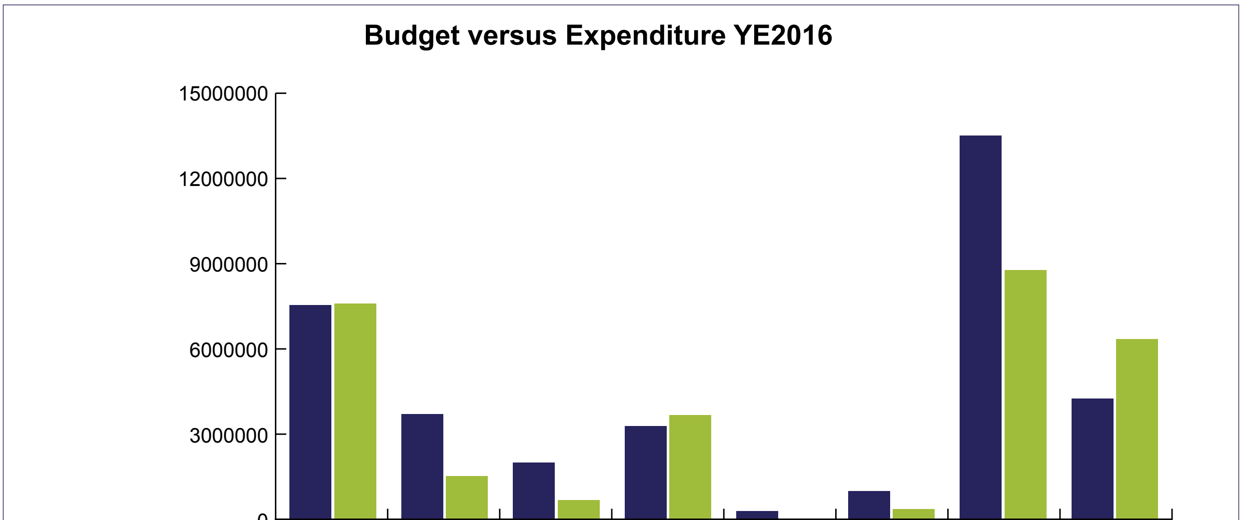
	2012	2013	2014	2015	2016
Levies	14 785 308	15 014 439	29 662 834	31 567 581	33 178 544

Total Expenditure – Levy Account

The overall expenditure for the Council during the 2015/2016 financial year amounts to R28,941,804 which was lower than the projected expenditure of R 35,562,321.

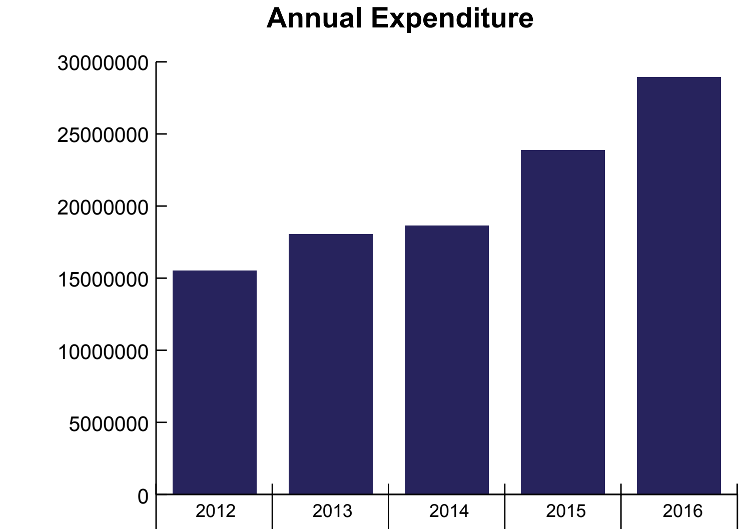
The graph below depicts the Departmental expenditures:

Actual expenses per department were lower than the budget, except for Corporate Services. The budget is understated by the non-inclusion of depreciation amount of R1,624,695 being a non-cash item.



	Collective Bargaining	Dispute Management	Communica-tions	Management Services	Contingency Funds	Information Technology	Human Resources	Corporate Services
Budget	7 537 35	3 698 50	2 000 33	3 274 60	292 694	1 001 32	13 504 6	4 252 83
Actual	7 592 71	1 520 17	679 441	3 677 41	-	352 835	8 773 16	6 349 81

The graph below indicates the expenditure over the last five years. The graph shows that expenditure had remained consistent against inflation prior 2014, largely due to the unavailability of funds. An increase in the expenditure graph in 2016 is expected, due to the levy increase therefore allowing Council to implement its Strategic Objectives with the available funds.

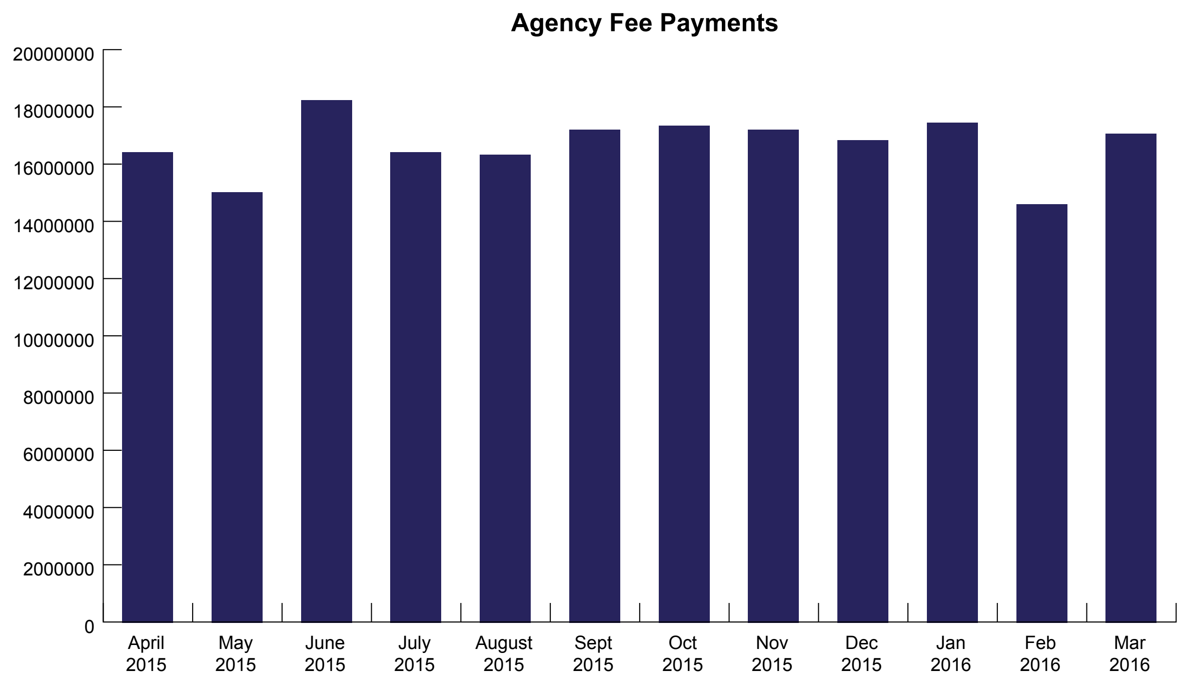


	2012	2013	2014	2015	2016
Series 1	15 504 627	18 063 561	18 638 234	23 864 154	28 945 547

Agency Shop Fee Account – Disbursements to Admitted Trade Unions

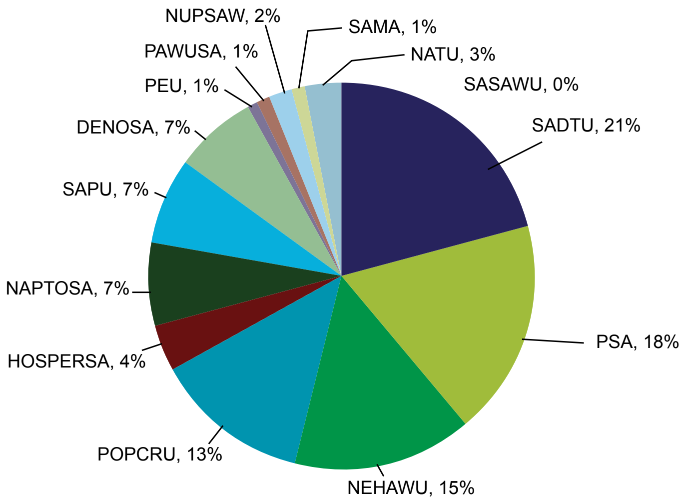
R203, 843,514 was received for the 2016 financial year for distributions to the Trade Unions.

The graph below illustrates the total amount distributed to Trade Unions per month in terms of Resolution 2 of 2010:



The agency fees were distributed according to the vote weights as per the graph below.

Agency Fees Paid



The PSCBC requires Trade Unions to submit Audited Financial Statements of the separate Agency Fee accounts by June of each year. Those Unions which do not meet the deadline are entitled to request an extension until the end of September. Should Unions not submit such statements, Agency Fee payments are forfeited until such statements are submitted to the Council.

The Trade Unions audited financial statements are submitted to the Council's Auditors. The Council Auditors report on the usage of funds, to ensure compliance with Section 25 (3) *(d)* of the Labour Relations Act and PSCBC Resolution 1 of 2005.

Investment Call Account

The Council has invested surplus funds into the PSCBC call accounts, on the 31 March 2016 a total balance of R16, 496,528 million was reflected in the call accounts.

During the current year Council approved a capital bond settlement amount of R1 507 179 million being made towards the Standard Bank bond facility, financed by a withdrawal from Investment Call Account. From the initial 10 year period, Council managed to reduce and fully settle the Bond Facility within a 3 year period.

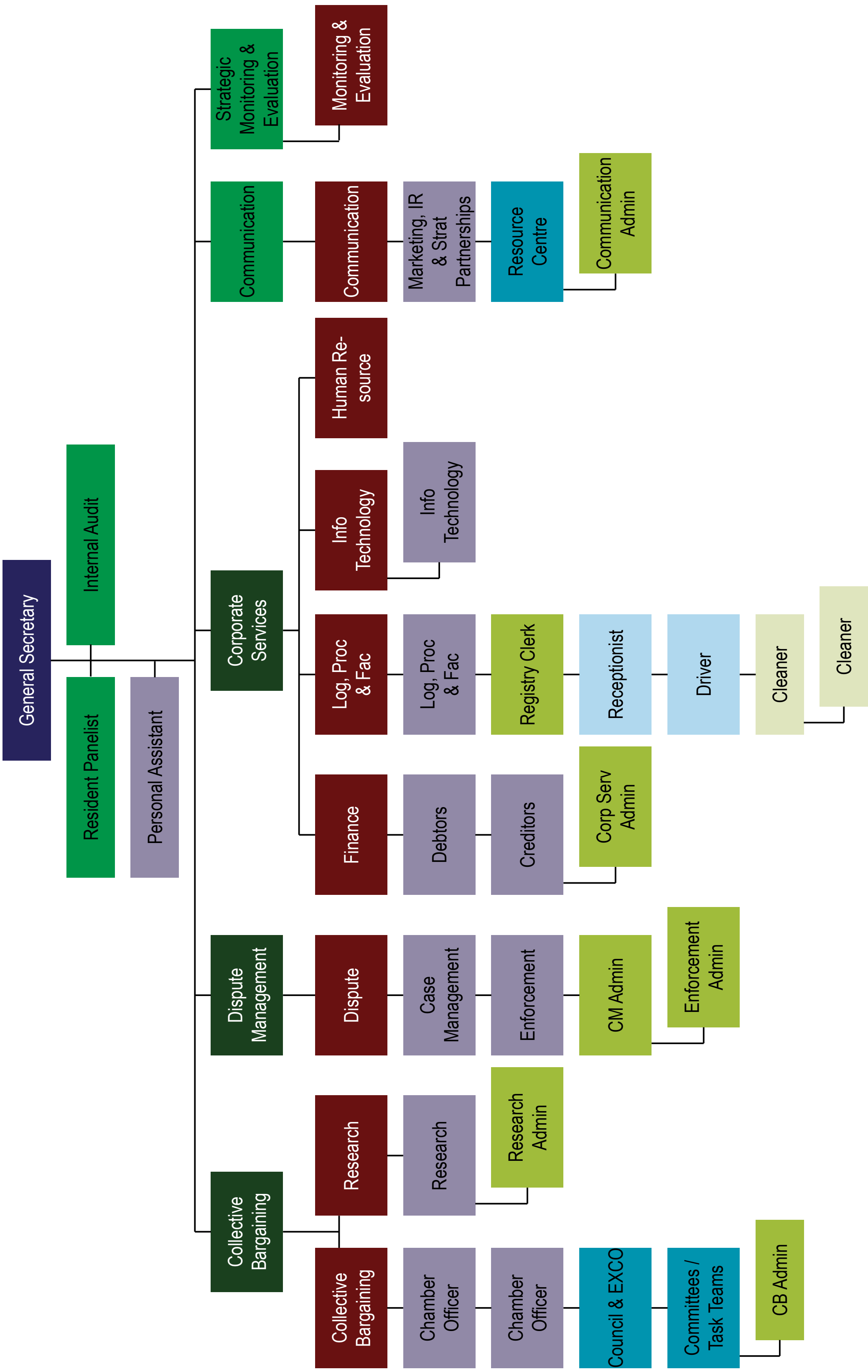
Further, Council approved the acquisition of the remaining vacant stands measuring approximately 975 square meters situated on the township Die Hoewes Ext 213, portion 59 of Farm Highlands 359-JR. These stands were successfully transferred on the 15th January 2016, at a cost of approximately R1, 121,250 financed by a withdrawal from Investment Call Account.

The Year Ahead

The PSCBC recorded a net surplus of R6, 211,735 for the 2015/2016 Financial Year. The budget for the 2017 Financial Year indicates that there will be surplus funds, which will be transferred to the Investment Accounts.

HUMAN RESOURCES

ORGANISATIONAL STRUCTURE



The Organisational Structure was adopted at the Council Meeting of the 30th June 2015.

SECRETARIAT PROFILE 2015/16

OFFICE OF THE GENERAL SECRETARY

Frikkie **De Bruin**

General Secretary

Keegan **Tobin**

Temporary: Executive Assistant

COLLECTIVE BARGAINING

Valencia **Kola**

Senior Manager: Collective Bargaining

Shohana **Toli**

Senior Officer: Collective Bargaining

Mbuso **Mdingi**

Senior Officer: Research

Ntsako **Sibiya**

Officer: Negotiations Support Chambers

Refilwe **Msiza**

Senior Administrator: Council & EXCO support

Setshaba **Mashifane**

Administrator: Collective Bargaining

DISPUTE RESOLUTION MANAGEMENT

Petunia **Bhengani**

Senior Officer: Dispute Management

Dineo **Choshi**

Officer: Case Management

Lebo **Papo**

Administrator: Case Management

Ruth **Molaudzi**

Officer: Enforcement

CORPORATE SERVICES

Wandile **Mgobhozi**

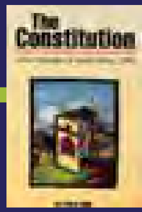
Senior Manager: Corporate Services

Portia **Seeletso**

Senior Officer: Finance

Olumeyiwa **Olomo**

Senior Officer: Information Technology



Sonnyboy **Manyane**

Senior Officer: Logistics, Procurement & Facilities

Bianca **Singh**

Officer Finance: Creditors

Rekha **Sooknunan**

Administrator: Corporate Services

Divine **Ngwenya**

Officer: Logistics, Procurement & Facilities

Tsumbedzo **Tshinavha**

Registry Clerk

Busi **Makgaretsa**

Cleaner

Evelyn **Molaudzi**

Cleaner

Phillip **Kgoadi**

Driver

Debra **Kutumela**

Receptionist

Zanele **Zwane**

Officer Finance: Debtors

COMMUNICATIONS

Oomang **Parag**

Manager: Communications

Tseke **Mphahlele**

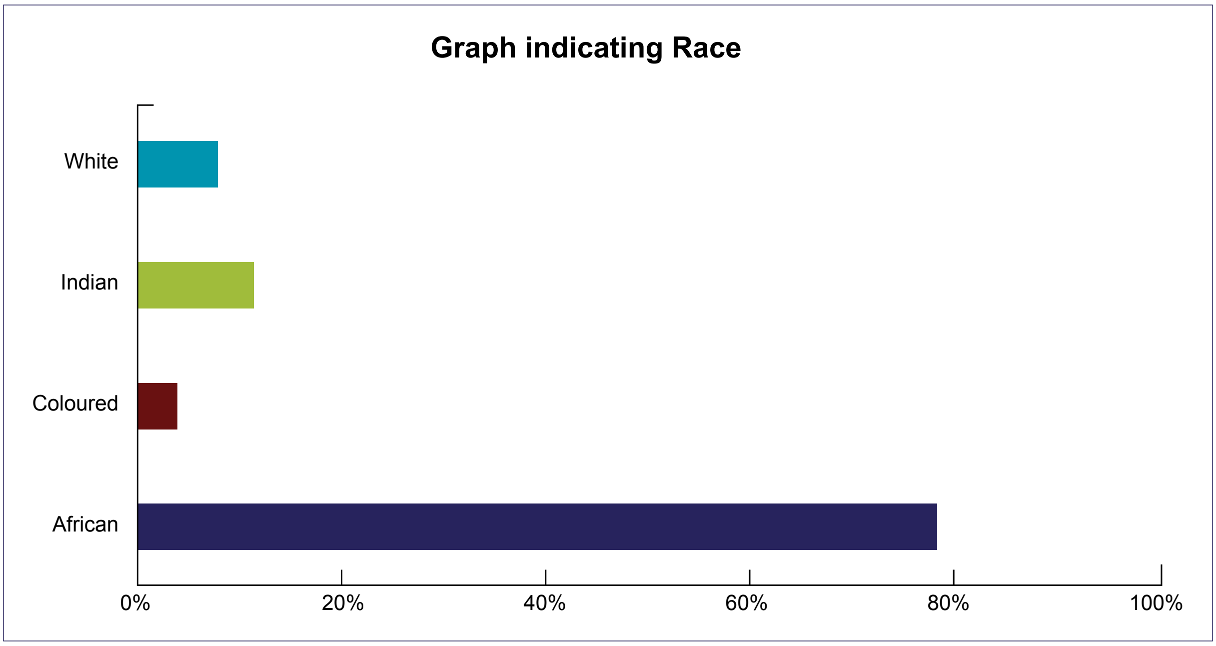
Senior Administrator: Resource Centre

Shana **Trail**

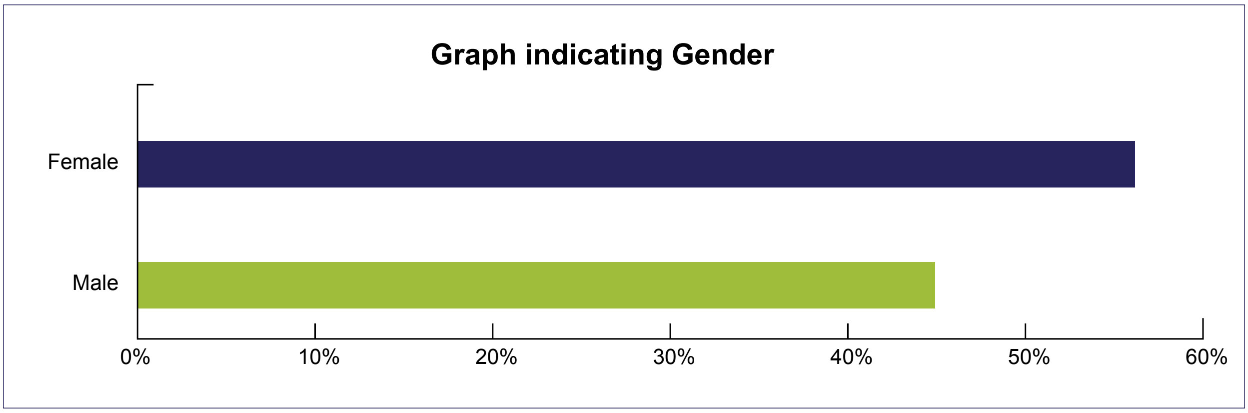
Administrator: Communications

REPRESENTIVITY PROFILES

Race



Gender



STAFF MOVEMENT

Resignations

Council received the following employee resignations during the year under review:

Name	Position	From	To
Henri Kalonji	Information Technology Engineer	01 August 2009	31 May 2015
Obakeng Segoa	Senior Officer: Finance	01 September 2009	11 September 2015

Appointments

Council appointed the following Employees during the year under review:

Name	Position	From
Shohana Toli	Senior Officer: Collective Bargaining	01 December 2015
Tseke Mphahlele	Senior Administrator: Resource Centre	01 December 2015
Refilwe Msiza	Senior Administrator: EXCO / Council	01 December 2015
Setshaba Mashifane	Administrator: Collective Bargaining	01 December 2015
Shana Trail	Administrator: Communications	01 December 2015
Portia Seeletso	Senior Officer: Finance	04 January 2016
Mbuso Mdingi	Senior Officer: Research	04 January 2016
Olumuyiwa Olomo	Senior Officer: Information Technology	04 January 2016
Divine Ngwenya	Officer: Logistics, Procurement & Facilities	04 January 2016
Ntsako Sibiya	Officer: Negotiation Support Chambers	04 January 2016
Zanele Zwane	Officer Finance: Debtors	04 January 2016
Tsumbedzo Tshinavha	Registry Clerk	04 January 2016

Vacant posts

The following posts are funded and vacant:

1. Senior Manager: Dispute Management
2. Resident Panellist
3. Senior Officer: Human Resource
4. Executive Assistant to the General Secretary

These posts are expected to be filled during the next financial year. The remaining vacant posts are to be filled taking into cognisance the budgetary forecast, the operational needs and the strategic objectives of Council.

SKILLS DEVELOPMENT

During the period under review Council continued to show commitment to the Skills Development Act.

The following bursary was awarded:

Bursaries Awarded	Employee
Financial Reporting and Regulatory Frame Work	Bianca Singh

The following Short Courses were attended:

Short Courses Attended	Employee
Labour Relations	Dineo Choshi

The following Workshops and Seminars were attended:

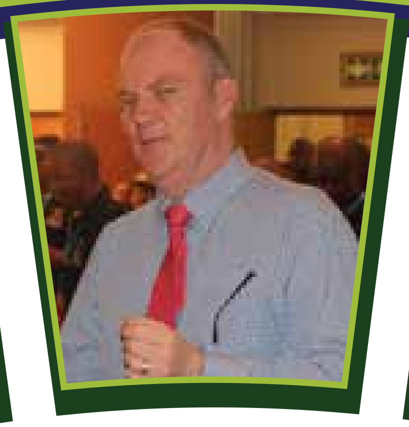
Workshops and Seminars Attended	Employee
Pastel Payroll Seminar	Portia Seeletso Wandile Mgobhozi Bianca Singh Zanele Zwane
Labour Law Seminar	Petunia Bhengani

THE YEAR AHEAD

During the year under review Council adopted a new Organisational Structure with a view to enabling Council to function at an optimal level, to meet its current and future needs and further to mitigate against identified significant risk areas. In the process of adopting an Organisational Structure, Council approved the implementation and filling of posts in a phased approach so as to allow for a specified budgetary forecast on total HR expenditure against income.

Council approved the filling of remaining vacant positions on the organisational structure taking into cognisance the budgetary forecast, the operational needs and the Strategic Objectives of Council.

PROGRAMME 4: MANAGEMENT



Overview:

Marketing and Communication:

The key strategic objective of the Media, Resource and Information Unit, as a support structure of Council, is to refine and enhance the Liaison, Marketing and Communication Strategy as to develop an Organisational brand Nationally and Internationally. This Strategic Objective was operationalized and cascaded into the unit's Business Plan.

The report highlights the key performance areas for the Financial Year 2015/16 as developed in the Media and Information Business Plan.

The Media Section is guided by a number of Marketing and Media Policies and Procedures in executing its duties and responsibilities. These Policies and Procedures have been consolidated into a single Policy: Integrated Marketing and Communication Strategy and re-aligned with the strategic objective of the Council.

Website

The PSCBC Website has been transferred to a new hosting company. We are currently busy with a new look and feel for the website. The Website has been exceedingly busy due to the wage negotiations that were held in 2015. It operates interchangeably with the PSCBC Social Media accounts and posts on the Social Media sites are displayed on the Website landing pages. We have seen a large increase in the number of Facebook users and this may also contribute towards the increase in the number of visits to the Website.

Social Media

The PSCBC continues to use Social Media as a communication tool with its clients and stakeholders. Facebook is being used as the most popular social media platform and we have active engagements in this forum. Our website interfaces with Facebook and Twitter, so posts that are conducted on facebook and twitter displays on our website homepage. Our number of friends have been exhausted on Facebook and we have therefore created a PSCBC page.

Please "like" our Facebook page and follow us on Twitter.

Join Us On facebook
Follow Us On twitter

The PSCBC can be found on both:

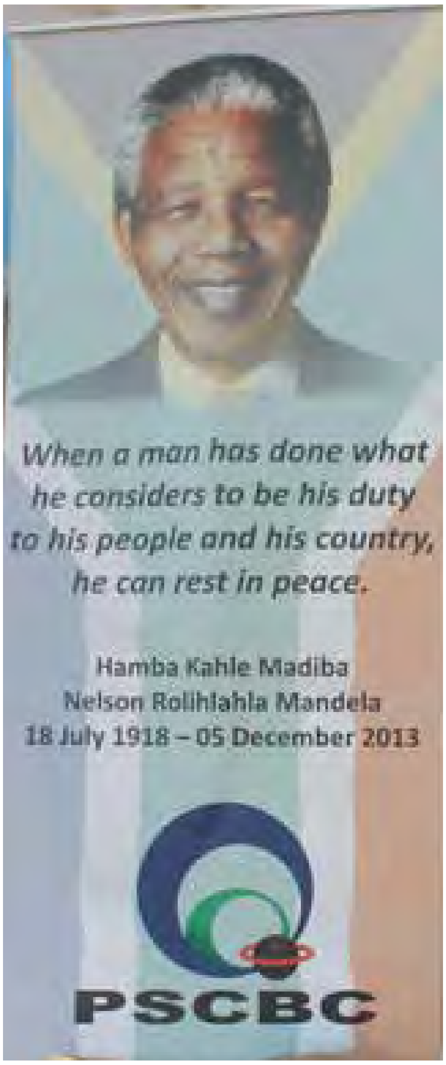
https://www.facebook.com/pages/Pscbc/176402059120855 and

https://twitter.com/search?q=%40pscbcnews&src=typd (PSCBC news on twitter).

The PSCBC has continued with marketing the organisation by exhibiting at Conferences/Congresses hosted by our stakeholders, staff wellness programs continue, as well as Corporate Social Responsibility programs as indicated below:

2ND MANDELA COMMEMORATION

The 5th of December 2015 marked the 2nd anniversary of the passing of our cherished President Mandela. The PSCBC commemorated this day on the 4th of December 2015 by assisting the underprivileged senior citizens at the Margareta Ackerman Old Age Home in Pretoria. The patients enjoyed a delicious meal cooked by the PSCBC staff as well as an outstanding performance given by a few members of the choir.



3rd ANNUAL BATHO PELE AWARDS

PSCBC attended the third annual Batho Pele Excellence Awards on the 13th of November 2015 at the Emperor's Palace in Kempton Park, the annual event was conceptualised as a result of the efforts made by the Department of Public Service and Administration to celebrate those individuals in the Public Service who put people first and in so doing provide service with professionalism, care and most of all Ubuntu. The honourable Deputy Minister for Public Service and Administration, Ayanda Dlodlo presided over the Batho Pele Excellence Awards which are part of a concerted effort by government to intensify the move towards creating a strong and capable State.

The Awards serve to recognise public servants who are selfless, dedicated, committed and who go the extra mile in servicing the citizens. Eligible to Public Servants across the three spheres of Government, the awards seek to entrench the transformation and professionalization of the Public Service. They reward excellent service delivery and recognise the contribution by Public Servants across Government in their service delivery improvement initiatives. The theme for the 2015 awards was: "Batho Pele, putting People first" which affirms Government's position of putting citizens in the forefront of service delivery improvement initiatives, in line with the Ministry of Public Service and Administration's (MPSA's) vision.

The night was a great success and the winners, and all entries, in excess of 140, were adjudicated by a panel of experts. This mammoth accomplishment affirmed the viability of a Civil Service that all South Africans can be proud of.

DENOSA CONFERENCE

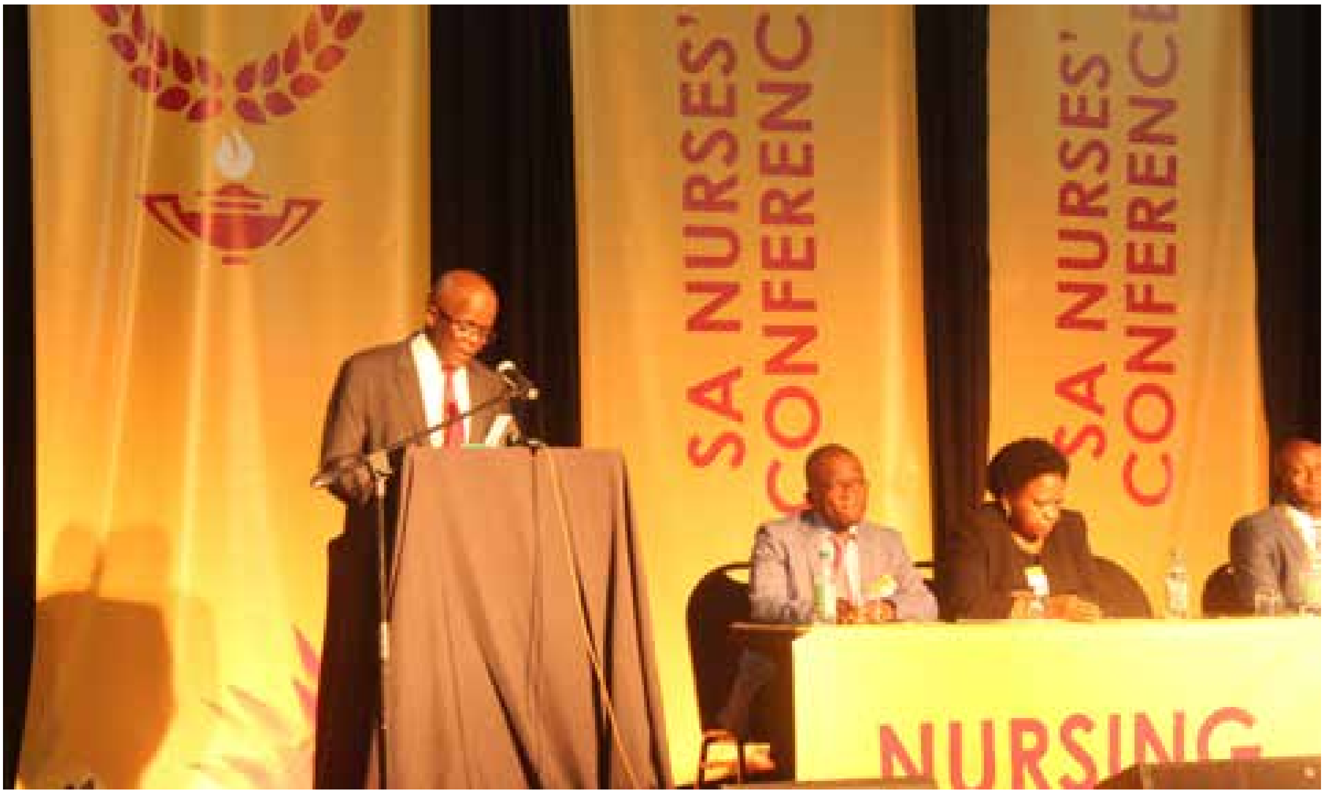
The Democratic Nursing Organisation of South Africa held their 3rd South African Nurses Conference from the 24-26 February 2016 at the Birchwood Hotel in Boksburg, Gauteng. The Conference is held on a biannual basis.

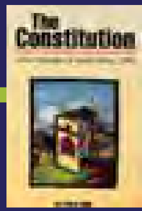
The PSCBC hosted an Exhibition Stand at the Conference. The purpose of this Exhibition Stand was to promote the scope of services and the duties and responsibilities of the Council to the Nurses who are Public Servants and are members of the PSCBC.

According to the registration desk, there were approximately 750 Delegates that attended the Conference. This figure includes exhibitors and speakers.

An information brochure together with a corporate gift was handed to all visitors to the PSCBC stand. There were approximately 500 visitors to the stand, this figure was based on the amount of brochures distributed.

The overall opinion was that the Exhibition Stand was of large benefit to members. The PSCBC team thoroughly enjoyed the interaction with Delegates and the overall experience of the conference.





MANCO PLANNING SESSION

The Management Committee (MANCO) of the PSCBC Secretariat, together with the Senior Officers of the Organisation embarked on a Strategic Planning process for the year 2016/17. This was held from the 13-15 January 2016 at the Hartebeespoort Dam.

The session was facilitated by the General Secretary of the PSCBC, Mr. Frikkie De Bruin. Effective leadership skills, operational and strategic management issues were brainstormed during this session.

The process was fruitful as it provided clarity regarding the operation of the Secretariat and detailed role clarity. The newly appointed Senior Officers were also familiarised with the operations of the Organisation. MANCO members were appreciative for this initiative and thanked the General Secretary and the Council for engaging in the process which resulted in the PSCBC providing quality service delivery to its clients.

OPERATION HYDRATE

The PSCBC participated in the Operation Hydrate initiative. Operation Hydrate is a noble initiative which up to date has distributed over 350 000 litres of water to drought stricken areas in the country.

This initiative is a true embodiment of the spirit of Ubuntu which has led South Africa to become the unique country it is today.

Noting that many parts of South Africa were experiencing extreme drought and were in dire need of water supply, the PSCBC saw fit to take this into consideration and donated 48 bottles of water equating to 240 litres towards operation hydrate. The donations were made by the staff members of the PSCBC.

Operation Hydrate further urges all South Africans to recommit to a culture of prudent water use. This will ensure that the country saves water that is currently in dangerously short supply.

POPCRU CONFERENCE 2016

The Police and Prisons Civil Rights Union (POPCRU) hosted its 6th National Bargaining Conference and 3rd National Political School under the theme "Transforming the Criminal Justice Cluster in defence of the working class struggle for the advancement of the National Democratic Revolution" respectively. The Conference was held at the Holiday Inn Hotel in Boksburg.

The PSCBC hosted an Exhibition Stand at the Conference. The purpose of the Exhibition Stand was to promote the scope of services and the duties and responsibilities of the Council to attendees of the Conference & Political School.

An information brochure together with a corporate gift was handed to all Visitors to the PSCBC stand. There were approximately 150 visitors to our stand; this figure was based on the amount of brochures distributed. The queries were minimal at the Congress as there seemed to be Delegates who were well versed with the activities of the Council. The Management and Delegates expressed their appreciation to the PSCBC for hosting an Exhibition Stand. The conference was thoroughly enjoyed by our PSCBC team.

POPCRU CONGRESS DURBAN

The Police and Prisons Civil Rights Union hosted its 8th National Congress organised under the theme *"Transforming the Criminal Justice Cluster in defence of the working class struggle for the advancement of the National Democratic Revolution"* in Durban from the 15 to the 19 June 2015.

PSCBC hosted an Exhibited Stand at the Congress; the purpose of the Exhibition Stand was to promote the scope of services and the duties and responsibilities of the Council to attendees of the Conference.

Based on the number of information brochures distributed, 1200 delegates visited the stand. Delegates who visited the PSCBC stand were given a PSCBC information brochure which was accompanied by a corporate gift.

The Exhibition Stand proved to be a great success as delegates were able to be assisted with any queries put forth to the exhibitors; some of the most asked questions included questions like; how can I get hold of the PSCBC if I want to lodge a dispute?, where can I obtain forms to lodge disputes? And what is the procedure to follow if I was unfairly dismissed?

UNITED STATES OF AMERICA (USA) FEDERAL MEDIATION AND CONCILIATION SERVICE (FMCS) DEPUTY DIRECTOR: SCOTT BECKENBAUGH'S PRESENTATION

On the 18th of November 2015, the Deputy Director of the FMCS of USA, Mr Scott Beckenbaugh, upon invitation from the Council visited our offices.

The General Secretary of the PSCBC, Mr. Frikkie De Bruin welcomed the Deputy Director of FMCS to the Council and gave a short presentation on how the PSCBC and Sectors work within the Public Service in South Africa and how the Wage Negotiations, Dispute Resolution processes are carried out.

The purpose of the visit was to strengthen relations between the USA and to better understand how the USA deals with matters relating to Labour Relations and how the USA manages its Dispute Resolution Procedures.

Mr Beckenbaugh delivered a thought-provoking presentation wherein he explained that in 1961 Congress enacted the Labor-Management Relations Act of 1947 (Taft-Hartley Act). The Federal Mediation and Conciliation Service is created as an independent agency of the U. S. Government. The agency is given the mission of preventing or minimizing the impact of Labor-Management Disputes on the free flow of commerce by providing mediation, conciliation and voluntary arbitration.

Employment conflicts arising in the federal environment, from harassment to discrimination, can be resolved with third-party mediation. FMCS mediators bring problem-solving experience and best-practice approaches to these conflicts prior to any adjudication. FMCS currently mediates workplace and discrimination complaints within federal agencies that include: the Department of Health and Human Services, the Department of the Interior, the Department of Agriculture, Navy, Equal Employment Opportunity Commission, the Office of Personnel Management, the Internal Revenue Service, the Federal Bureau of Investigation, and the Peace Corps.

In an effort to establish more effective regulatory rules and to decrease potential litigation costs from unilateral rule implementation, many agencies use regulatory negotiations rather than a traditional rulemaking process. In the regulatory negotiation process, FMCS, as a neutral third party, facilitates discussion and assists the negotiating working group to identify and overcome barriers that arise in multiparty negotiations. FMCS convening and facilitation establishes an environment in which negotiated rulemaking working groups can use the expertise of all involved stakeholders to reach a proposed rule by consensus.

WORLD AIDS DAY

World Aids Day (WAD) is commemorated across the globe on the 1st of December annually. In keeping with Corporate Social Responsibility (CSR) it was decided by the Public Service Bargaining Council's (PSBC) to hold a joint event to commemorate the day.

The purpose of the commemoration of WAD is to spread the message "Think Positive: Rethink HIV." The day began with al staff assembling in the form of an AIDS ribbon. This was followed by a session that was held at the PSCBC boardroom, all PSCBC and Sector staff attended. The Programme Director was Mr O Parag of the PSCBC. Mr M Sibiya, GS of the PHSDSBC conducted an inspirational Opening & Welcome. Mr I Zulu, a former nurse who is employed by the PHSDSBC conducted an in depth talk on the dangers and prevention of HIV and AIDS.

The Guest speaker was Ms Saras Arjunan who was a victim of domestic abuse and shared her life experiences. This talk was conducted as part of the observation of "16 Days of Activism for No Violence against Women and Children," This is an international awareness raising campaign.

This session was then followed by a community outreach programme, hosted by Vuselela Drop in Centre located in Diepsloot. A few representatives from the PSBC attended this function. A programme was drafted by Vuselela which PSBC took part in.

STRATEGIC PARTNERSHIPS

National Association of Bargaining Councils (NABC)

The National Association of Bargaining Councils (NABC) was formed in 1993 to unite Industrial Councils and serve as a platform to articulate common challenges faced by both labour and business representatives. Amendments to the Labour Relations Act (LRA) of 1995 greatly changed the face of Industrial Councils (now known as Bargaining Councils) by significantly increasing their role and power. The NABC played a leading role in the implementation of these amendments and ensures that its member councils were geared for these significant changes.

The PSCBC has for the reporting period provided administrative support to the NABC. The NABC Executive Committee (EXCO) and Management Committee (MANCO) meet on a regular basis to administer the NABC. The PSCBC secretariat provides minute taking services and administrative and logistical arrangements for these meetings. The NABC also hold events such as Breakfast Seminars that the PSCBC administers. The General Secretary of the PSCBC serves on the EXCO and MANCO of the NABC.

IRASA (Industrial Relations Association of South Africa)

The Industrial Relations Association of South Africa (IRASA) was founded as a non-profit association in 1994. IRASA has the unique advantage of catering for the needs of a wide range of stakeholders involved in employment relations. The stakeholders include employment relations and human resources practitioners (including Employers' Associations and Trade Unions), ER and HR consultants, Labour Lawyers, Academics and Students, Bargaining Councils, the CCMA, State Departments and other interested parties. The range of issues IRASA engages in include, amongst others, employment relations, human resource management, labour law, social security, work and working conditions, skills development, employment and the labour market. IRASA is therefore in a position to present a holistic understanding of employment relations.

The PSCBC also provides administrative and logistical support to IRASA. IRASA held regular EXCO meetings during the reporting period. The General Secretary of the PSCBC serves on the Executive Committee of IRASA. The Industrial Relations Association of South Africa (IRASA) in collaboration with the International Labour and Employment Association (ILERA) hosted the 17th ILERA World Congress.

ILERA (International Labour Employment Relations Association)

The International Labour and Employment Relations Association (ILERA) was established in 1966 and its general purpose is to promote the study of Labour and Employment Relations throughout the world in the relevant academic disciplines, by such means as:

- encouraging the establishment and development of National Associations of Industrial Relations Specialists;
- facilitating the spread of information about significant developments in research and education in the field of Industrial Relations;
- organising worldwide and Regional Congresses;
- and promoting internationally planned research, by organising study groups on particular topics.

The PSCBC provided logistical and administrative support to ILERA for the 17th ILERA World Congress that was held in Cape Town in September 2015. There were many Local Organising Committee (LOC) meetings that were held during the year. The General Secretary of the PSCBC served on the LOC as the Chairperson. Highlights of the ILERA2015 World Congress is provided in the Close Out Report below:

17th ILERA WORLD CONGRESS

REPORT ON 17TH WORLD CONGRESS,

CAPE TOWN, SOUTH AFRICA,

7-11 SEPTEMBER 2015

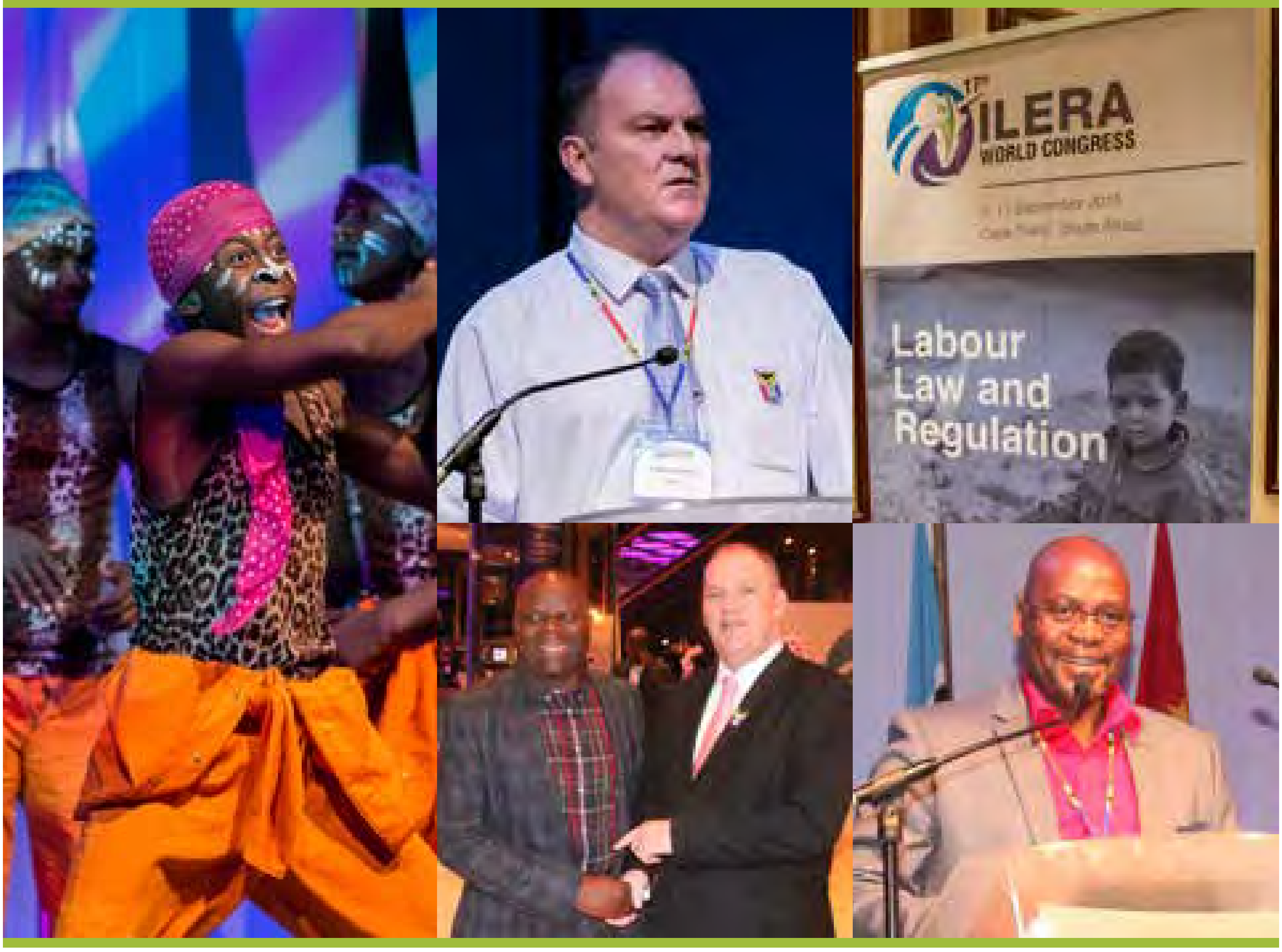
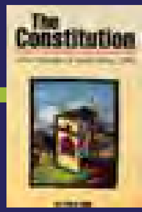


Table of Contents



Welcome from the Chairperson of the Local Organising Committee

Mr Frikkie de Bruin

Dear Delegate

Welcome, to the 17th International Labour and Employment Relations Association (ILERA) World Congress being held for the first time in Africa, in our magnificent city of Cape Town. This Congress has attracted delegates from 17 different Countries, making this a truly International occasion.

The event is co-hosted by the local chapter of ILERA in South Africa, the Industrial Relations Association of South Africa (IRASA). The changing world of work has had a profound impact on the definition and content of work. The Congress will examine this impact by discussing the employment relationship, scope of social protection and coverage, structures of collective engagement, conflict resolution. The voice and representation in both the developed world and emerging markets, and for private and public employment sectors will be heard.

We hope that deliberations during the 17th ILERA World Congress would give us a better understanding of current developments and its implications. Not only to the futuristic worker but also for distinct categories of workers, including informal and migrant workers. The overwhelming support we received for this Congress impresses on the importance of this discussion amongst academia and practitioners. We also break new ground for an ILERA World Congress, with the introduction a fully integrated smart application (APP) to be used for your convenience during and for 30 days post Congress. The APP is free to download. If you have not yet, downloaded the APP please browse through our Programme Brochure for the instructions as to how to download this support function.

We are extremely pleased that the Congress reached capacity three weeks before the opening date and we are humbled by your support. We do believe that we have anticipated for your every need during your attendance of the Congress.

Do enjoy this Congress with us and make it your best experience ever. If there is anything me or my team can assist you with, please don’t hesitate to call on us.

Enjoyable Congressing!

1. INTRODUCTION

The PSCBC played a pivotal role in presenting the ILERA2015 World Congress. The PSCBC partnered with the International Labour Organisation (ILO) in terms of sponsorship. The General Secretary of the PSCBC, Mr. Frikkie De Bruin served as the Chairperson of the Local Organising Committee of the Congress. He together with the staff of the PSCBC arranged and presented an exceptional Congress in terms of International Standards. The purpose of this section is to provide a broad overview of the Congress.

ILERA was established in 1966 and its general purpose is to promote the study of Labour and Employment Relations throughout the world in the relevant academic disciplines, by such means as:

- encouraging the establishment and development of National Associations of Industrial Relations specialists;
- facilitating the spread of information about significant developments in research and education in the field of industrial relations;
- organising worldwide and regional Congresses;
- Promoting internationally planned research, by organising study groups on particular topics.

Currently the Association has over 1,000 members worldwide including prominent Industrial Relations Scholars and Practitioners and National Associations in 32 countries. The aim of the ILERA is of a purely scientific character, without regard to political, philosophic or religious considerations. The Association is located in the Industrial and Employment Relations Department of the International Labour Office in Geneva, Switzerland.

The changing world of work has had a profound impact on the definition and content of work and power relationships and the resulting scope of protection and coverage, structures of collective engagement, conflict resolution, voice and representation in both the developed world and emerging markets, and for both private and public employment sectors. This also raises questions about the appropriateness of and the need to revisit current regulatory frameworks, including international standards, in an attempt to help address this fast-changing scenario. Innovative labour and employment relations, labour law and social security (among others the social protection floor, the decent work agenda) responses have been called on to accommodate new contexts, including the many challenges facing the traditional concept, sphere and boundaries of these domains. These developments and their implications, also for distinct categories of workers, including informal and migrant workers, have been debated at the 17th ILERA World Congress.

The 17th ILERA World Congress brought together global experts from several areas within the labour and employee relations fraternity discipline(s). Such also included professors, doctoral novices, researchers, experts, leaders and practitioners, ILO Officials, ILERA officials, Regional ILERA-affiliate organizations, ILERA individual members, Educational experts, leaders in the LR & ER field, Government representatives, Trade Union officials and leaders and practitioners from all over the world. The total number of attendees exceeded 700.

The ILERA2015 Local Organising Committee comprised of the following members:

1. Mr Frikkie De Bruin - Chairperson LOC
2. Prof. Marius Olivier - Chairperson-Scientific Committee
3. Mr Afzul Soobedaar - Co-ordinator Sub-committee Finance
4. Mrs Sharlaine Oodit - Co-ordinator Sub-committee Events & Registration

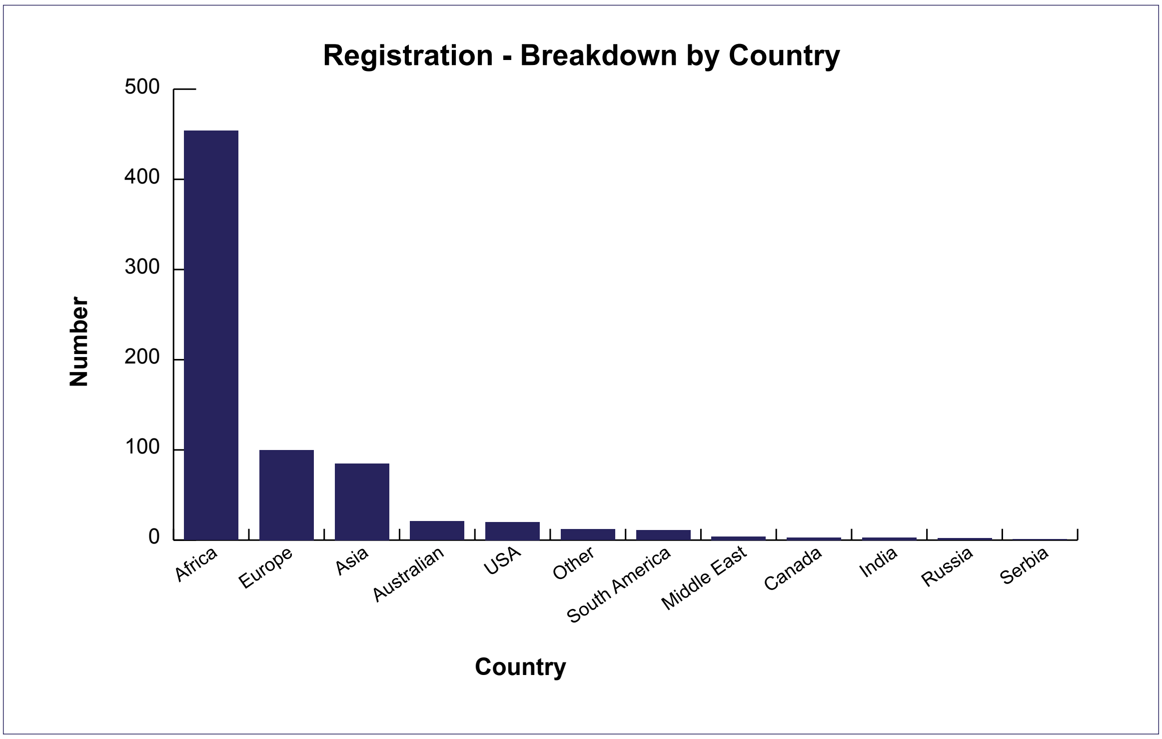
2. CONGRESS REGISTRATION

The Congress registration opened during the month of August 2014. Delegates were able to register both online and on site. The Registration process at the Congress was conducted in an efficient an effective manner.

Statistics:

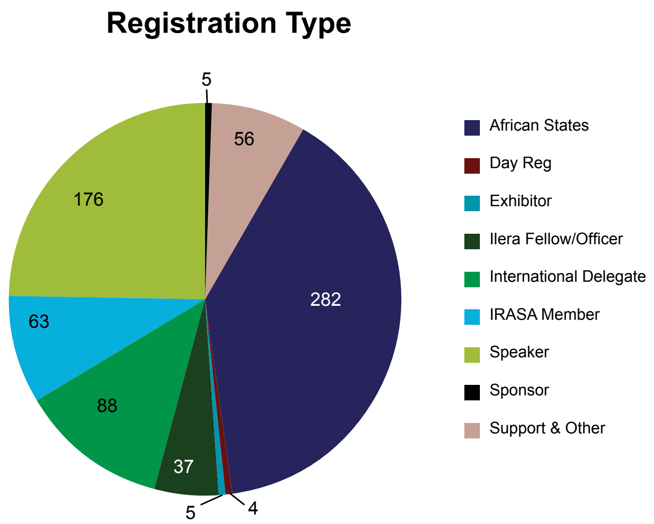
A total number if 715 delegates attended the Congress.

This was the first Congress hosted by ILERA in Africa, the graph below shows that the highest number of delegates were from the Africa Continent followed by those from Europe and Asia.



Registration Type

A breakdown below illustrates the Delegates according to their registration type. The total number of registrations was 716, the African delegation was the highest in terms of registration.



3. CONGRESS APPLICATION (APP) & TECHNICAL AUDIO/ VISUAL

The Congress APP was a major technological breakthrough for the Congress. The APP included the following functionality; instant messenger- delegate to delegate, interactive voting, conducting online surveys if needed, Q&A via the APP which interfaced with the Congress sessions, view the real time agenda, speaker biographies, presentation viewer, photo gallery, sponsors information and push alert e.g. lunchtime announcement. Delegates were able to download the APP on both Andriod and IOS operated mobile devices. Below is a screenshot of the APP's landing page:

The audio visual arrangements were well calculated; the electronic display screens which were exposed in visible areas on all of the floors of the venue, outside the plenary and workshop audio visual worked well updating delegates on information. There were no technical faults to report and there were adequate technical staff to assist with the uploading of presentations and other AV support. The success of the Congress can be largely attributed to the efficient and effective audio visual systems.

4. SOCIAL MEDIA

Social media was used as a platform to promote the Congress and as a method of communication with delegates. It was proven to be an effective and innovative form of communication for the congress.

The following social media platforms were used:

- Youtube ILERA2015
- Facebook https://www.facebook.com/Ilera2015
- Twitter @Ilera2015
- LinkedIn https://www.linkedin.com/grp/home?gid=8318385.
- Instagram ILERA2015

WWW.ILERA2015.COM WEBSITE:

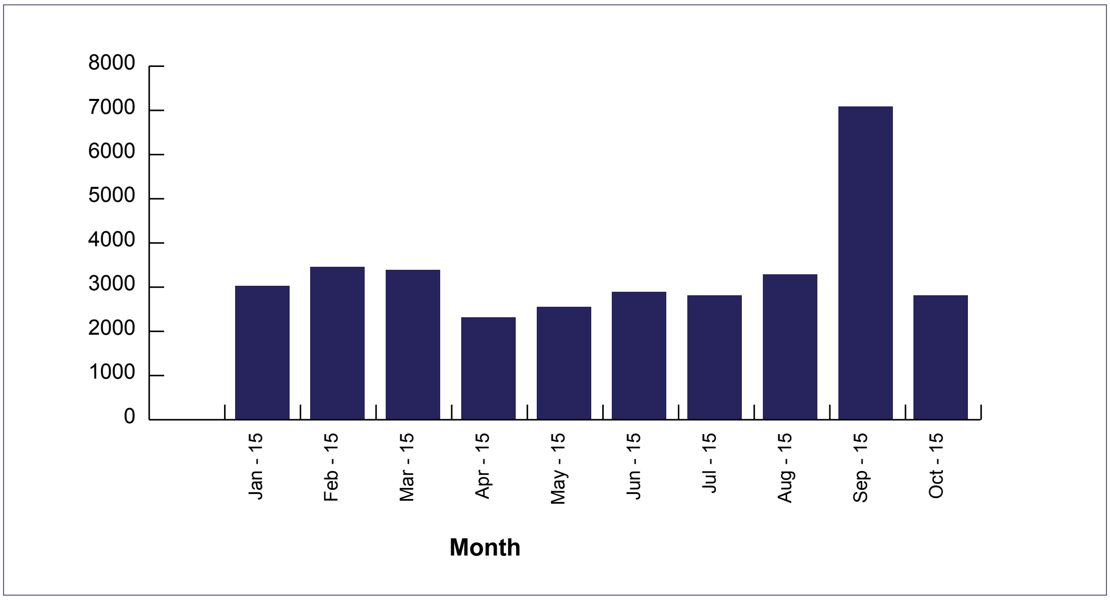
The website was well utilised prior, during and post the Congress. When the website was initially launched it was an excellent marketing tool to promote the congress. The website was also used as a tool to collate the “call for papers,” speaker details, speaker bio data and presentations. The website was also used to register delegates.

Summary of website statistics:

Month	Unique visitors	Number of visits	Pages	Hits	Bandwidth
Jan-15	1617	2975	14459	89818	1.52 GB
Feb-15	1806	3405	17758	106819	1.79 GB
Mar-15	1945	3283	19227	123261	1.96 GB
Apr-15	1354	2285	10443	76246	1.27 GB
May-15	1346	2484	10331	75618	1.20 GB
Jun-15	1619	2786	15612	107758	1.58 GB
Jul-15	1535	2773	14851	106458	1.54 GB
Aug-15	1957	3238	22724	157144	2.81 GB
Sep-15	4259	6998	31711	190522	5.65 GB
Oct-15	2047	2730	12030	59757	2.44 GB

Listed below is a breakdown of the various areas of website usage as highlighted above. The categories include; unique visitors, number of visitors, pages, hits and bandwidth. A unique visitor is a person or computer (host) that has made at least 1 hit on 1 page of your web site during the current period shown by the report. If this user makes several visits during this period, it is counted only once. The number of visits refers to all users and is not limited as in the case of unique visitors. The number of pages refers to the number of pages viewed by all of the visitors, this in our case will refer to the hyper text markup language (html) format of pages. Hits refers to any files requested from the server (including files that are “Pages”). The bandwidth refers to the total number of bytes for pages, images and files downloaded by web browsing. From the above usage figures, it is evident that the website was a popular tool and that it was most widely used during the Congress. The high usage in February and March 2015 may be attributed to the high number of registrations that were received during this period.

Graph illustrating number of visits per month:



The graph further illustrates that the website was optimally used during the Congress period.

5. VENUE MANAGEMENT

The Southern Sun was an ideal venue for the Congress. The venue is centrally located, in the heart of Cape Town, there were a number of restaurants and amenities around the venue.

The following Social events were held:

- Cocktail Evening
- Opening Ceremony
- Gala Dinner

The Cocktail evening was held on the 7th September 2015 at the Congress Venue (Cape Sun). The event was well attended, it is estimated that 400 delegates attended the function. Prof. Evance Kalula conducted the official opening and welcome and served as the Programme Director for the function. The Honourable Councillor Xanthea Limberg from the City of Cape Town Mayoral Committee for Corporate Services was the Guest Speaker. The entertainment was provided by Buddy Wells Duo. The delegates networked while being served finger food and beverages.

The Opening Ceremony took place on the 8th September 2015 in a truly traditional South African spirit. There was a host of entertainment performed during the ceremony; the Cape Minstrels ushered Delegates into the plenary venue, the Praise Singer blessed and opened the Congress, the Gum Boot Dancers followed and the entertainment was concluded with the captivating songs by the South African Youth Choir.

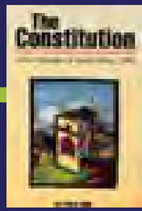
Messages of Support were then delivered by The Congress of South African Trade Unions (COSATU) and Business Unity South Africa (BUSA). The Opening Address was delivered by Honourable Helen Zille – Western Cape Premier . The Keynote address was delivered by Mr Greg Vines: The Deputy Director General –ILO and Professor Marius Olivier introduced the programme to the delegates/attendees,' the opening session then concluded.

The Gala Dinner was held on 10 September 2015, an estimated 450 people attended the function. The Programme Director was Mr. Mark Bayly. The theme for the evening was Schick African, the venue was decorated accordingly. Welcome drinks were served to guests on arrival. Entertainment was provided by Buddy Wells Quintet.

The Acting President of IRASA Prof Johann Maree, welcomed the guests. ILERA Secretary General, Mr Moussa Oumarou addressed the guests on behalf of ILERA & ILO.

The President of ILERA Professor Evance Kalula introduced Honourable Ebrahim Patel, Minister of Economic Development who delivered the Keynote address. The Ministers speech covered a wide array of interesting topics, some of the highlights include; South Africa's economic challenge- the creation of decent work, how poverty, unemployment and low-productivity low-income jobs result in shallow markets, Labour rights and implementation of policies that grow employment, addressing of vast changes in the global economy which brought new pressures to the local and international world of work, economic growth, globalisation of Southern African countries, industrialisation, green industrialisation, infrastructure development, skills development and climate change, building social consensus and the issue of addressing the changing world of work.

Luis Aparicio Valdez was ILERA's President from 2003 to 2006. The family and friends of Luis have established the Luis Aparicio Prize in his honour and to reward emerging scholars based on their contribution to the study and research in any aspect of work, employment, labour and employment relations. It is designed to recognize outstanding contributions to research and policy by relatively recent entrants to the field. An emerging scholar is a person ten years or less from receipt of the terminal degree (Ph.D. or other terminal degree such as a law degree). The prize will be awarded once every three years on the occasion of an ILERA World Congress and the winner receives a financial award and a plaque. For the first time Luis Aparicio Prize was introduced and it was awarded to Chris F Wright who delivered a message of appreciation. Mr Frikkie De Bruin, Chairperson of the LOC concluded the evening with a vote of thanks.



6. SCIENTIFIC COMMITTEE

The Scientific Committee comprised the combined expertise of the following:

- **Professor Marius Olivier – Chairperson**

  Director: International Institute for Social Law and Policy (IISLP)

  Extraordinary Professor: Faculty of Law, Northwest University (South Africa)

  Adjunct-Professor: Faculty of Law, University of Western Australia, Perth

- **Professor Avinash Govindjee**

  Professor of Law and Head of Department

  Department of Public Law

Faculty of Law, Nelson Mandela Metropolitan University

Attorney of the High Court of South Africa

Senior Commissioner: CCMA

- **Professor Edwin Kaseke**

  Professor of Social Work

  University of the Witwatersrand

- **Professor Edward Webster**

  Society, Work and Development Institute (SWOP)

  Honorary Professor, Rhodes University

  Outgoing Director of the Chris Hani Institute.

- **Emeritus Professor Johann Maree**

  Emeritus Professor of Sociology,

  University of Cape Town,

  BSc in Maths and Physics and Hons in Maths (Rhodes);

  MA in Philosophy,

  Politics and Economics (Oxon); MA in

  Development Economics (Sussex);

  PhD in Industrial Sociology (Cape Town).

- **Mr Frikkie De Bruin**

  Labour Law Masters (LLM)

- **Professor Evance Kalula**

  University of Cape Town

  Director: International Academic Programmes Office (IAPO)

  Director: Confucius Institute

  President: International Labour and Employment Relations Association (ILERA)

The main theme of the Congress was:

"THE CHANGING WORLD OF WORK" was chosen as the main theme for the 17th ILERA World Congress. The changing world of work has had a profound impact on the definition and content of work and power relationships and the resulting scope of protection and coverage, structures of collective engagement, conflict resolution, voice and representation in both the developed world and emerging markets, and for private and Public Employment Sectors. This also raises questions about the appropriateness of and need to revisit current regulatory frameworks, including international standards, in an attempt to help address this fast-changing scenario. Innovative labour and employment relations, labour law and social security (among others the social protection floor, the decent work agenda) responses have been called on to accommodate new contexts, including the many challenges facing the traditional concept, sphere and boundaries of these domains.

These developments and their implications, also for distinct categories of workers, including informal and migrant workers, were debated at the 17th ILERA World Congress, and addressed six core themes:

Track 1: Informal Employment: Impact, Challenges, Structures & Models

Track 2: Social Security & Social Protection: Developing Discourses

Track 3: Developments & Trend in Employment & Employment Relations around the World & the Impact on Globalisation

Track 4: Labour Law & Regulation

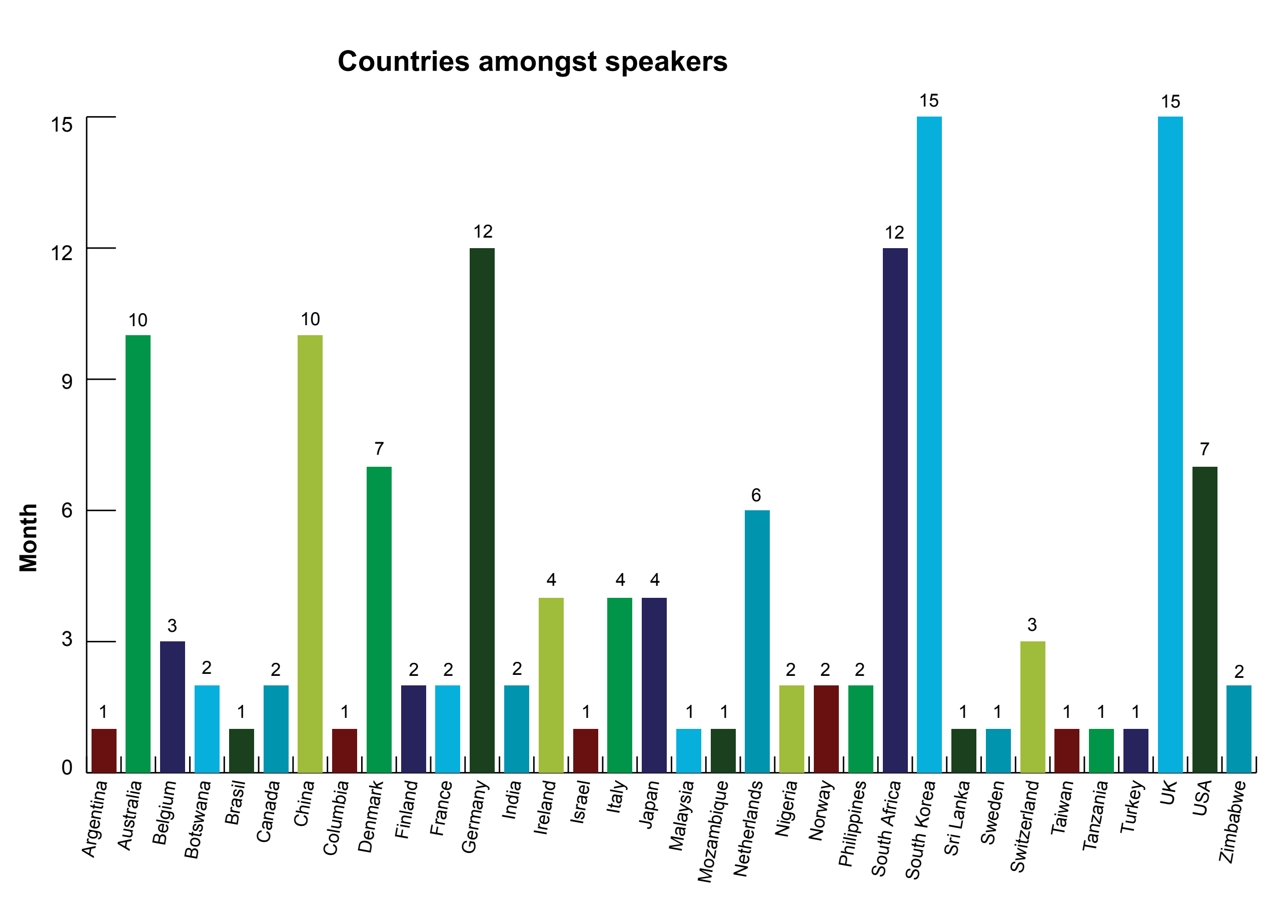
Track 5: Employment Relations in the Public Sector

Track 6: The Migration Phenomenon: Strategies for the Protection of Migrant Workers

THE PROGRAMME

The Scientific Committee put together an impressive programme with the first draft being posted on the website on 16 March 2015. The final programme was published on 1 September 2015. Following are some Speaker statistics which provide a useful overview in rating the Congress in terms of its content.

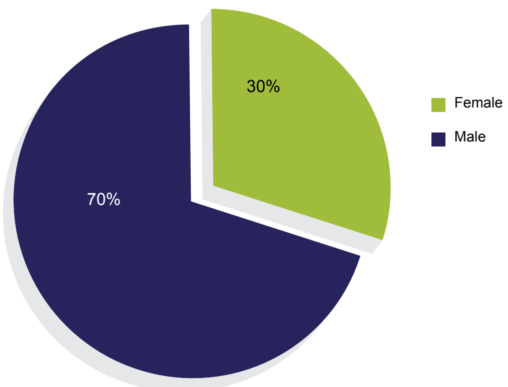
The graph below illustrates the number of countries represented in terms of speakers and the number of speakers per Country.



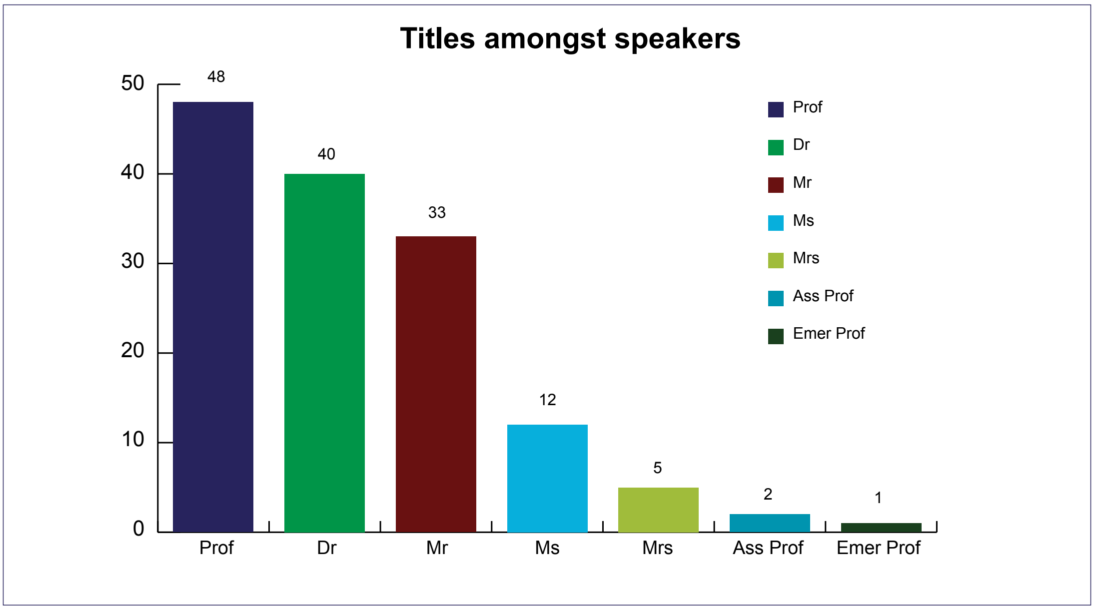
The United Kingdom and South Korea led with 15 speakers each whilst the following countries had the least amount of speakers in attendance; Argentina, Brazil, Australia, China, Germany and South Africa followed with 9, 9, 13 and 13 respectively. The broad variety of speakers demonstrates a large element of diversity.

The graph below shows the gender representivity amongst speakers with 70% of the speakers being male and 30% female.

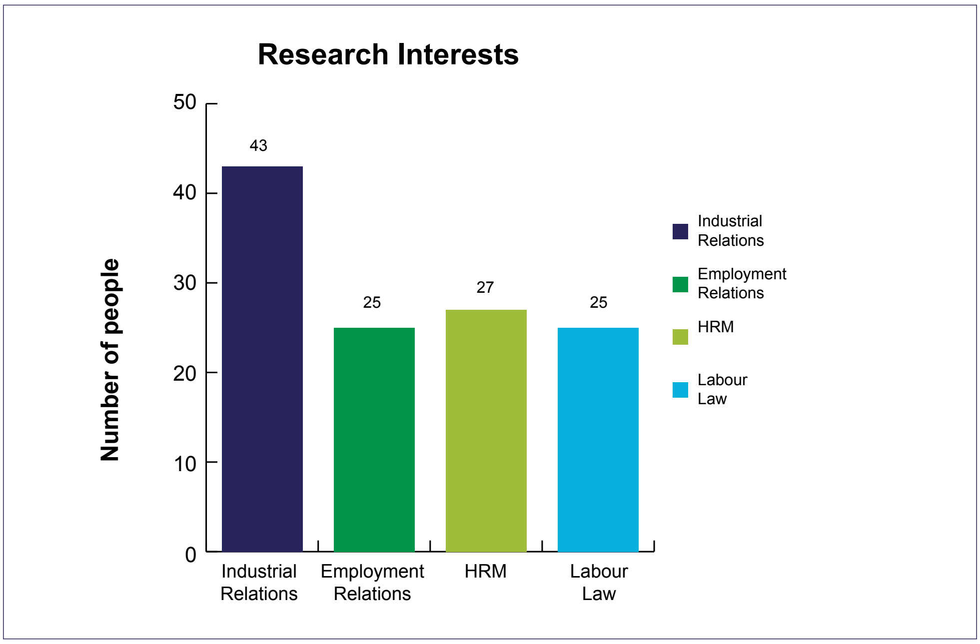
Gender amongst speakers



The graph below illustrates the professional and other titles that speakers registered as.



The graph below illustrates the most common research interests amongst speakers that attended the Congress. As seen below, Industrial Relations have the highest research interest amongst the speakers.



7. PARTNER/ EXHIBITOR MANAGEMENT

Invitations were sent out to invite Organisations to exhibit/ sponsor the Congress. Follow up meetings were held with interested Organisations in order to secure the sponsorship.

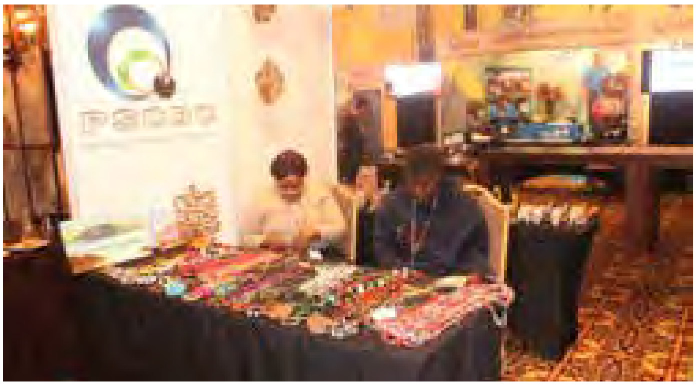
A Congress of this magnitude can only be a success with financial contributions from valued partners. The sponsorship ranged from R30 000 – R150 000 (diamond, platinum, gold and silver) as set out below:

The following organisations exhibited at the Congress:

1. ILO (Partner)
2. Public Service Co-ordinating Bargaining Council (PSCBC) (Partner)
3. Education Labour Relations Council (ELRC) (Diamond Sponsor)
4. City of Cape Town (Diamond Sponsor)
5. General Public Service Sector Bargaining Council (GPSSBC) (Platinum Sponsor)
6. Public Servants Association (PSA) (Platinum Sponsor)
7. Hogan Lowells (Silver Sponsor)
8. Public Health and Social Development Sectoral Bargaining Council (PHSDSBC) (Silver Sponsor)
9. Safety & Security Sectoral Bargaining Council (SSSBC) (Silver Sponsor)
10. Juta (Silver Sponsor)
11. Organ Donation Foundation (ODF)
12. Solms Delta

Informal Traders

The PSCBC sponsored an Exhibition Stand to Informal Workers in order to empower the informal work sector. Workers were given the opportunity to demonstrate their work skills as well as to trade the merchandise that they were making.

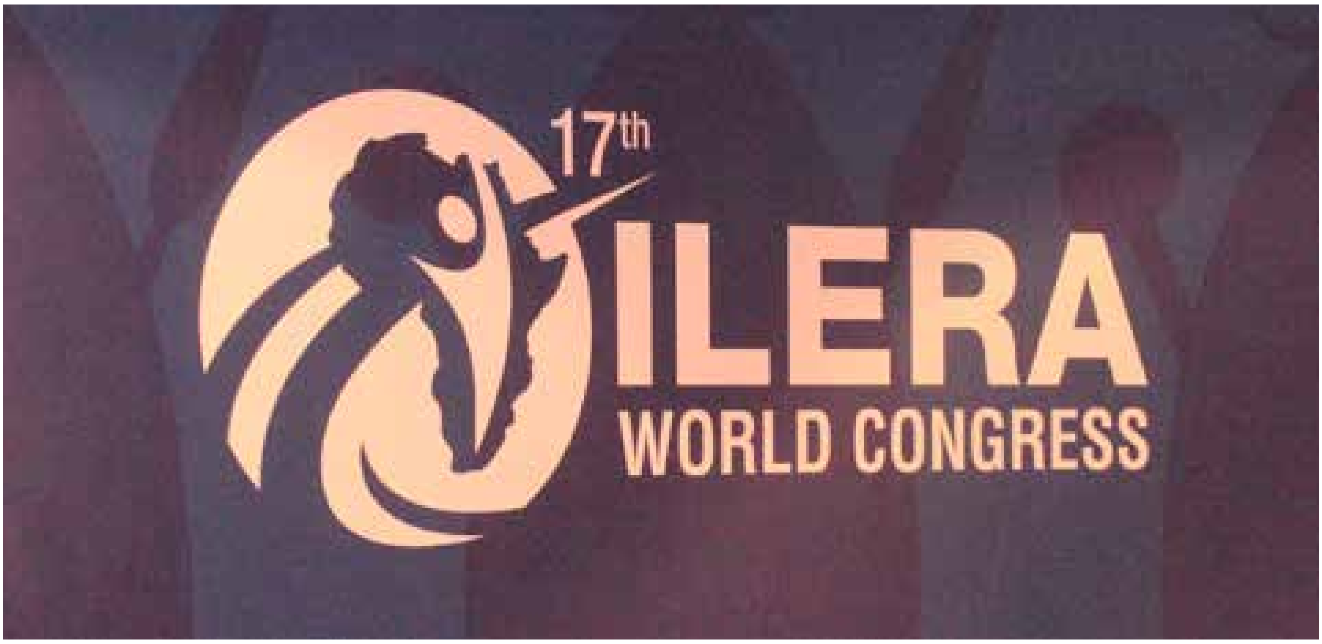


8. CONGRESS BRANDING

The Congress branding was conducted in terms of the Branding Plan. The Branding was conducted in the following manners:

1. TV Screens on each floor
2. POP Banners as illustrated above
3. Electronic backgrounds
4. Pillar wrapping
5. Sock branding
6. Branding on Shell Scheme
7. Branding on lecterns
8. Vehicle branding
9. Nametags

A sample of some of the branding is illustrated below:



UNIFORMS:

The Congress Support Staff wore uniforms in order for delegates to easily identify them when assistance was required.

9. CONCLUSION

The Congress ended on the 11 September 2015 with a closing ceremony where the President Elect. of ILERA, Prof. Evance Kalula handed over the shield to Prof. Dong-One Kim of Korea. The shield was symbolic of handing over the next Congress which will be hosted by Korea in 2018. Prof. Dong-One Kim introduced the Committee which will be spearheading the next Congress.

The Congress was overall a resounding success and many congratulatory messages were received by the LOC.

The picture below highlights the closing ceremony:

Public Service Co-ordinating Bargaining Council
(Registration number LR2/6/6/126)
Annual financial statements
for the year ended 31 March 2016

pwc

Public Service Co-ordinating Bargaining Council
(Registration number LR2/6/6/126)
Annual Financial Statements for the year ended 31 March 2016

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Enhance labour peace and promote sound relations between employer and employees in the public service
Registered office	Public Service Bargaining Centre Building A and B 260 Basden Avenue Lyttelton Centurion 0176
Postal address	P O Box 3123 Lyttelton South Centurion 0176
Auditors	PricewaterhouseCoopers Inc. Registered Auditors
Physical address	32 Ida street Menlo Park Pretoria 0201
Postal address	PO Box 35296 Menlo Park Pretoria 0102
Registration number	LR2/6/6/126
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Section 53 of the Labour Relations Act,.
Preparer	The annual financial statements were independently compiled under the supervision of: E van Niekerk CA (SA)
Published	30 June 2016

Public Service Co-ordinating Bargaining Council
(Registration number LR2/6/6/126)
Annual Financial Statements for the year ended 31 March 2016

Index

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

The following supplementary information does not form part of the annual financial statements and is unaudited:

Council's Responsibilities and Approval

The Council of the Public Service Co-ordinating Bargaining Council (PSCBC) is required in terms of Section 53 of the Labour Relations Act, 1995 to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the PSCBC as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The Council acknowledges that it is ultimately responsible for the system of internal financial control established by the organisation and places considerable importance on maintaining a strong control environment. To enable the Council to meet these responsibilities, the Council members set standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the PSCBC and all employees are required to maintain the highest ethical standards in ensuring the business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the PSCBC is on identifying, assessing, managing and monitoring all known forms of risk across the PSCBC. While operating risk cannot be fully eliminated, the PSCBC endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Council is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

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

The external auditors are responsible for independently auditing and reporting on the PSCBC's annual financial statements. The annual financial statements have been examined by the external auditors and their report is presented on pages 5 to 6.

The council has made available to the auditors, all information requested for performance of the audit.

The annual financial statements and additional schedules set out on pages 4 to 26, which have been prepared on the going concern basis, were approved by the Council on 30 June 2016 and were signed on its behalf by:

F de Bruin
General Secretary

SEBILOANE

M Sebiloane
Vice Chairperson Labour

M Phophi
Vice Chairperson Employer

Council's Report

1. Incorporation

The council has pleasure in submitting their report on the annual financial statements of Public Service Co-ordinating Bargaining Council for the year ended 31 March 2016.

2. Review of activities

Main business and operations

The Public Service Co-ordinating Bargaining Council (PSCBC) is registered in terms of Section 35 and Section 36 of the Labour Relations Act, 1995. It is mainly formed to enhance labour peace and promote sound relations between employer and employees in the public service and operates principally in South Africa.

The objectives of the PSCBC, within its registered scope, are to:
(a) generally enhance labour peace in the public service;
(b) promote a sound relationship between the employer and its employees;
(c) in terms of the Labour Relations Act and the constitution, negotiate and bargain collectively to reach agreement on matters of mutual interest to the employer and employees represented by admitted trade unions;
(d) provide mechanisms for the prevention and resolution of disputes between -
(i) the employer and trade unions admitted to the PSCBC;
(ii) the employer and trade unions not admitted to the PSCBC; and
(iii) the employer and employees,
where the employer has the requisite authority to resolve such disputes;
(e) conclude, supervise and enforce collective agreements;
(f) comply with its powers and duties in terms of the Labour Relations Act and its constitution;
(g) consider and deal with such other matters as may affect the interest of the parties to the PSCBC; and
(h) promote effective communication and co-ordination between the PSCBC and sectors.

The operating results and state of affairs of the organisation are fully set out in the attached annual financial statements and do not in our opinion require any further comment.

Net surplus of the Council was R 6 211 738 (2015: R 9 977 054 surplus).

3. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

4. Events after the reporting period

The Council is not aware of any material event which occurred after the reporting date and up to the date of this report that would have a significant influence on the financial statements.

pwc

Independent Auditor's Report

To the members of the Public Service Co-ordinating Bargaining Council

Report on the Financial Statements

We have audited the financial statements of the Public Service Co-ordinating Bargaining Council set out pages 7 to 24, which comprise the statement of financial position as at 31 March 2016, and the statement of comprehensive income, statement of changes in funds and statement of cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Council's Responsibility for the Financial Statements

The Council is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and for such internal control as the members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

PricewaterhouseCoopers Inc., 32 Ida Street, Menlo Park 0081, P O Box 35296, Menlo Park 0102, South Africa
T: +27 (12) 429 0000, F: +27 (12) 429 0100, www.pwc.co.za

pwc

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Public Service Co-ordinating Bargaining Council as at 31 March 2016, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Other matter

The supplementary information set out on pages 25 to 26 does not form part of the financial statements and is presented as additional information. We have not audited these schedules and accordingly we do not express an opinion thereon.

Report on the Financial Statements

We are also required by the Labour Relation Act, 1995 (Act Nr. 66 of 1995) to assess whether the entity has complied with those provisions of its Constitution relating to financial matters and we have no significant exceptions to report.

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.
Director: Nezira Ayob
Registered Auditor
Pretoria
30 June 2016
Date

Public Service Co-ordinating Bargaining Council
(Registration number LR2/6/6/126)
Annual Financial Statements for the year ended 31 March 2016

Statement of Financial Position as at 31 March 2016

	Notes	2016 R	2015 R
Assets			
Non-Current Assets			
Property, plant and equipment	4	24 813 549	22 817 963
Investment property	5	3 961 309	4 105 354
		28 774 858	**26 923 317**
Current Assets			
Trade and other receivables	6	485 150	793 169
Agency fees held in trust	7	18 809 907	16 481 109
Cash and cash equivalents	8	19 412 388	18 865 385
		38 707 445	**36 139 663**
Total Assets		**67 482 303**	**63 062 980**
Equity and Liabilities			
Equity			
Retained income		46 941 846	40 730 108
Liabilities			
Non-Current Liabilities			
Borrowings	9	-	1 975 401
Finance lease liabilities	11	122 688	107 140
		122 688	**2 082 541**
Current Liabilities			
Borrowings	9	-	1 130 694
Provisions	10	1 200 000	-
Finance lease liabilities	11	172 157	189 813
Agency fees held in trust	12	17 609 907	16 481 109
Trade and other payables	13	1 435 705	2 448 715
		20 417 769	**20 250 331**
Total Liabilities		**20 540 457**	**22 332 872**
Total Equity and Liabilities		**67 482 303**	**63 062 980**

The accounting policies on pages 11 to 15 and the notes on pages 16 to 24 form an integral part of the annual financial statements.

Statement of Profit or Loss and Other Comprehensive Income

	Notes	2016 R	2015 R
Revenue	17	33 178 545	31 567 581
Other income	18	1 279 828	1 411 638
Operating expenses		(28 996 739)	(23 088 842)
Operating surplus		**5 461 634**	**9 890 377**
Investment revenue	19	1 018 437	903 911
Finance costs	20	(268 333)	(817 234)
Surplus for the year		**6 211 738**	**9 977 054**
Other comprehensive income		-	-
Total comprehensive income for the year		**6 211 738**	**9 977 054**

The accounting policies on pages 11 to 15 and the notes on pages 16 to 24 form an integral part of the annual financial statements.

Statement of Changes in Funds

	Special project reserve R	Retained income R	Total equity R
Balance at 01 April 2014	**7 758 843**	**22 994 211**	**30 753 054**
Surplus for the year	-	9 977 054	9 977 054
Other comprehensive income	-	-	-
Total comprehensive income for the year	**-**	**9 977 054**	**9 977 054**
Transfer to retained earnings	(7 758 843)	7 758 843	-
Total transfers	**(7 758 843)**	**7 758 843**	**-**
Balance at 01 April 2015	**-**	**40 730 108**	**40 730 108**
Surplus for the year	-	6 211 738	6 211 738
Other comprehensive income	-	-	-
Total comprehensive income for the year	**-**	**6 211 738**	**6 211 738**
Balance at 31 March 2016	**-**	**46 941 846**	**46 941 846**

Notes

The accounting policies on pages 11 to 15 and the notes on pages 16 to 24 form an integral part of the annual financial statements.

Statement of Cash Flows

	Notes	2016 R	2015 R
Cash flows from operating activities			
Cash generated from operations	24	7 623 377	11 932 603
Interest income		1 018 437	903 911
Finance costs		(268 333)	(817 234)
Net cash flows from operating activities		**8 373 481**	**12 019 280**
Cash flows from investing activities			
Purchase of property, plant and equipment	4	(3 553 798)	(7 373 834)
Sale of property, plant and equipment	4	35 523	-
Movement in agency fees held in trust		(1 200 000)	-
Net cash flows from investing activities		**(4 718 275)**	**(7 373 834)**
Cash flows from financing activities			
Decrease in borrowings		(3 106 095)	(5 461 174)
Finance lease payments		(2 108)	(207 133)
Net cash flows from financing activities		**(3 108 203)**	**(5 668 307)**
Total cash movement for the year		**547 003**	**(1 022 861)**
Cash and cash equivalents at the beginning of the year		18 865 385	19 888 245
Total cash and cash equivalents at the end of the year	8	**19 412 388**	**18 865 384**

The accounting policies on pages 11 to 15 and the notes on pages 16 to 24 form an integral part of the annual financial statements.

Summary of Significant Accounting Policies

1. Accounting policies

1.1 Basis of preparation

The annual financial statements have been prepared in accordance with International Financial Reporting Standards. The annual financial statements have been prepared on the historical cost basis, except for items carried at fair value, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.2 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

Trade receivables and loans and receivables

The organisation assesses its trade receivables and loans and receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in profit or loss, the organisation makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The impairment for trade receivables and loans and receivables is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio. These annual loss ratios are applied to loan balances in the portfolio and scaled to the estimated loss emergence period.

1.3 Investment property

Investment property is recognised as an asset when, and only when, it is probable that the future economic benefits that are associated with the investment property will flow to the enterprise, and the cost of the investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

Cost model

Investment property is carried at cost less depreciation less any accumulated impairment losses.

Depreciation is provided to write down the cost, less estimated residual value by equal installments over the useful life of the property, which is as follows:

Item	Useful life
Property - land	Indefinite
Property - buildings	30 years

Summary of Significant Accounting Policies

1.4 Property, plant and equipment

The cost of an item of property, plant and equipment is recognised as an asset when:
- it is probable that future economic benefits associated with the item will flow to the organisation; and
- the cost of the item can be measured reliably.

Property, plant and equipment are tangible assets which the organisation holds for its own use or for rental to others and which are expected to be used for more than one year.

Property, plant and equipment is carried at cost less accumulated depreciation and accumulated impairment losses.

Property, plant and equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalisation of borrowing costs on qualifying assets and adjustments in respect of hedge accounting, where appropriate.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses, except for land which is stated at cost less any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the organisation. Leased assets are depreciated in a consistent manner over the shorter of their expected useful lives and the lease term. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Buildings	Straight line	30 years
Motor vehicles	Straight line	7 years
Office furniture and equipment	Straight line	5 years
IT equipment	Straight line	3 years
Computer software	Straight line	2 years
Land	Indefinite	Indefinite
Leased office equipment	Straight line	Over the term of the lease

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

1.5 Financial instruments

Classification

The organisation classifies financial assets and financial liabilities into the following categories:
- Loans and receivables
- Financial liabilities measured at amortised cost

Summary of Significant Accounting Policies

1.5 Financial instruments (continued)

Classification depends on the purpose for which the financial instruments were obtained / incurred and takes place at initial recognition. Classification is re-assessed on an annual basis, except for derivatives and financial assets designated as at fair value through profit or loss, which shall not be classified out of the fair value through profit or loss category.

Recognition and measurement

Financial instruments are recognised initially when the organisation becomes a party to the contractual provisions of the instruments.

The organisation classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Financial instruments are measured initially at fair value, except for equity investments for which a fair value is not determinable, which are measured at cost and are classified as available-for-sale financial assets.

For financial instruments which are not at fair value through profit or loss, transaction costs are included in the initial measurement of the instrument.

Trade and other receivables

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in profit or loss within operating expenses. When a trade receivable is uncollectable, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in profit or loss.

Trade and other receivables are classified as loans and receivables.

Trade and other payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method . If collection is expected in one year or less (or in normal operating cycle of business if longer), they are classified as current liabilities. If not, they are presented as non-current liabilities.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments with original maturities of 3 months or less and bank overdrafts that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

Related parties

Parties are considered to be related to the entity if the entity has the ability, directly or indirectly, to control the party, jointly control or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the entity and the party are subject to common control. Related parties also include key management personnel which are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly.

Summary of Significant Accounting Policies

1.5 Financial Instruments (continued)

Agency fees held in trust

Agency fees are received on a monthly basis, and are held in a designated account until payments are made. Agency fees are administered in terms of an Agency shop agreement (Resolution 1 of 1998), and section 25 of the Labour Relations Act.

1.6 Leases

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of comprehensive income on a straight line basis over the period of the lease. Leases of equipment where the PSCBC has substantially all the risks and rewards of ownership are classified as finance leases.

Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased asset or the current value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate of the finance balance outstanding. The corresponding rental obligations, net of finance charges are included in other long-term liabilities. The finance cost element is charged to the statement of comprehensive income over the lease period. The equipment acquired under finance leases is depreciated over the useful life of the asset.

Operating leases - lessor

Operating lease income is recognised as an income on a straight-line basis over the lease term. The difference between the amounts recognised as an income and the contractual receipts are recognised as an operating lease asset. This asset is not discounted.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease income.

Income for leases is disclosed under revenue in profit or loss.

1.7 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

1.8 Provisions and contingencies

Provisions are recognised when:

- the council has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Summary of Significant Accounting Policies

1.8 Provisions and contingencies (continued)

Provisions are not recognised for future operating losses.

Contingent assets and contingent liabilities are not recognised.

1.9 Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business. Levies received are recorded on the date of receipt. Rental income is recorded on the accrual basis.

Operating expenditure invoiced to and recovered from sectoral councils are credited to the applicable expenditure accounts in the statement of comprehensive income.

1.10 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

1.11 Investment income

Interest income is accrued on a time proportion basis with reference to the principal amount receivable and the effective interest rate applicable. Interest income is accounted for as it accrues, unless collectability is in doubt. Interest income excludes that portion which relates to agency fees held in trust.

1.12 Borrowing costs

All other borrowing costs are recognised as an expense in the period in which they are incurred.

1.13 Contingent liabilities

Contingent liabilities are disclosed when the organisation has a possible obligation that arose from a past event and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the organisation.

Notes to the Annual Financial Statements

2. New Standards and Interpretations

2.1 Standards and Interpretations effective and adopted in the current year

In the current year, the organisation has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• Amendment to IAS 19: Defined Benefit Plans: Employee Contributions	01 July 2014	None

2.2 Standards and interpretations not yet effective

The organisation has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the organisation's accounting periods beginning on or after 01 April 2016 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• IFRS 16 Leases	01 January 2019	Not material
• IFRS 14: Regulatory deferral accounts	01 January 2016	None
• Amendment to IAS 12: Income taxes	01 January 2017	None
• Amendment to IAS 7: Cash flow statements	01 January 2017	Not material
• Amendments to IFRS 10, 'Consolidated financial statements' and IAS 28,'Investments in associates and joint ventures' on applying the consolidation exemption	01 January 2016	None
• IFRS 9 Financial Instruments	01 January 2018	Not material
• Amendment to IFRS 11: Accounting for Acquisitions of Interests in Joint Operations	01 January 2016	None
• Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortisation	01 January 2016	None
• IFRS 15 Revenue from Contracts with Customers	01 January 2018	Not material
• Amendments to IAS 16 and IAS 41: Agriculture: Bearer Plants	01 January 2016	None
• Amendment to IAS 27: Equity Method in Separate Financial Statements	01 January 2016	None
• Disclosure Initiative: Amendment to IAS 1: Presentation of Financial Statements	01 January 2016	Not material

Notes to the Annual Financial Statements

3. Risk management

Capital risk management

The council's objectives when managing capital are to safeguard the council's ability to continue as a going concern in order to provide returns for shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the entity may draw down on available banking facilities and funds.

There are no externally imposed capital requirements.

There have been no changes to what the council manages as capital, the strategy for capital maintenance or externally imposed capital requirements from the previous year.

Financial risk management

The council's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the organisation's financial performance. The council approved and monitor risk management policies.

Liquidity risk

The table below analyses the council's non-derivative financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

At 31 March 2016	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years
Borrowings	-	-	-
Trade and other payables	691 139	-	-
Finance lease	205 400	111 200	-

At 31 March 2015	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years
Borrowings	1 349 340	1 349 340	407 515
Trade and other payables	1 932 869	-	-
Finance lease	210 910	111 200	-

Credit risk management

Financial assets which potentially subject the PSCBC to concentrations of credit risk consist principally of cash and cash equivalents and debtors. Concentrations of credit risk with respect to trade receivables are limited due to the profile and number of debtors. Funds are only deposited with reputable financial institutions.

Credit rating
F1+ (zaf)

Notes to the Annual Financial Statements

4. Property, plant and equipment

	2016			2015		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Land	11 336 565	-	11 336 565	10 175 756	-	10 175 756
Buildings	12 214 662	(932 942)	11 281 720	11 977 656	(526 772)	11 450 884
Office furniture and fixtures	2 505 727	(1 737 696)	768 031	2 165 176	(1 925 053)	240 123
Motor vehicles	247 999	(198 398)	49 601	247 999	(148 799)	99 200
Leased office equipment	878 996	(608 262)	270 734	866 340	(612 006)	254 334
IT equipment	3 285 634	(2 241 265)	1 044 369	2 395 256	(1 928 664)	466 592
Computer software	371 237	(308 708)	62 529	371 237	(240 163)	131 074
Total	**30 840 820**	**(6 027 271)**	**24 813 549**	**28 199 420**	**(5 381 457)**	**22 817 963**

Reconciliation of property, plant and equipment - 2016

	Opening balance	Additions	Disposals	Depreciation	Total
Land	10 175 756	1 160 809		-	11 336 565
Buildings	11 450 884	237 009	-	(406 173)	11 281 720
Furniture and fixtures	240 123	1 005 386	(11 015)	(466 463)	768 031
Motor vehicles	99 200	-	-	(49 599)	49 601
Leased office equipment	254 334	219 335	-	(202 935)	270 734
IT equipment	466 592	931 259	(28 251)	(325 231)	1 044 369
Computer software	131 074	-	-	(68 545)	62 529
	22 817 963	**3 553 798**	**(39 266)**	**(1 518 946)**	**24 813 549**

Reconciliation of property, plant and equipment - 2015

	Opening balance	Additions	Disposals	Depreciation	Total
Land	5 262 879	4 912 877	-	-	10 175 756
Buildings	9 955 016	1 838 934	-	(343 066)	11 450 884
Furniture and fixtures	276 249	47 510	-	(83 636)	240 123
Motor vehicles	148 800	-	-	(49 600)	99 200
Leased office equipment	455 159	-	-	(200 825)	254 334
IT equipment	137 533	438 085	(8 169)	(100 857)	466 592
Computer software	1 645	136 428	-	(6 999)	131 074
	16 237 281	**7 373 834**	**(8 169)**	**(784 983)**	**22 817 963**

Leased assets with a carrying amount of R 270 734 (2015: R 254 333), consist of office equipment and are encumbered by finance lease liabilities in the amount of R 294 847 (2015: R 296 953) (note 9).

5. Investment property

	2016			2015		
	Cost / Valuation	Accumulated depreciation	Carrying value	Cost / Valuation	Accumulated depreciation	Carrying value
Investment property	4 321 427	(360 118)	3 961 309	4 321 423	(216 069)	4 105 354

Notes to the Annual Financial Statements

	2016	2015
	R	R

5. Investment property (continued)

Reconciliation of investment property - 2016

	Opening balance	Depreciation	Total
Investment property	4 105 354	(144 045)	3 961 309

Reconciliation of investment property - 2015

	Opening balance	Depreciation	Total
Investment property	4 249 399	(144 045)	4 105 354

Rental income in the statement of comprehensive income amounts to R 777 584 (2015: R 1 157 536) for the year under review.

The property can not be disposed of without the prior approval of Council.

6. Trade and other receivables

	2016	2015
Trade receivables	423 523	213 883
Prepaid expenditure	52 784	566 032
Other receivables	8 843	13 254
	485 150	**793 169**

Trade and other receivables past due but not impaired

Trade and other receivables which are less than 3 months past due are not considered to be impaired. At 31 March 2016, R - (2015: R -) were past due but not impaired.

The ageing of amounts past due but not impaired is as follows:

	2016	2015
Not past due	309 250	170 488
2 months past due	4 736	2 736
3 months past due	109 537	40 659
	423 523	**213 883**

7. Agency fees held in trust

This relates to agency fees administered by the PSCBC in terms of an Agency shop agreement (Resolution 1 of 1998) and section 25 of the Labour Relations Act.

	2016	2015
Agency fees held in trust	18 809 907	15 481 109

Notes to the Annual Financial Statements

	2016 R	2015 R

8. Cash and cash equivalents

For the purpose of the statement of cash flows, cash, cash equivalents and bank overdrafts include total cash assets less bank overdrafts:

	2016 R	2015 R
Cash on hand	1 000	333
Bank balances	2 906 031	3 509 838
Short-term deposits	16 505 357	15 355 214
	19 412 388	**18 865 385**

Credit quality of cash at bank and short term deposits, excluding cash on hand

The credit quality of cash at bank and short term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or historical information about counterparty default rates:

	2016 R	2015 R
Credit rating		
F1+ (zaf)	19 412 388	18 865 385

9. Borrowings

	2016 R	2015 R
Held at amortised cost		
Standard Bank Bond	-	3 106 095
Non-current liabilities		
At amortised cost	-	1 975 401
Current liabilities		
At amortised cost	-	1 130 694
	-	**3 106 095**

10. Provisions

Reconciliation of provisions - 2016

	Opening balance	Additions	Closing balance
Provision for Agency liability	-	1 200 000	1 200 000

The provision for legal costs represents management's best estimate of the council's liability due to a settlement.

11. Finance lease liabilities

	2016 R	2015 R
Minimum lease payments due		
- no later than one year	205 400	210 906
- later than one year and no later than five years	141 300	111 200
	346 700	322 106
less: future finance charges	(51 855)	(25 153)
Present value of minimum lease payments	**294 845**	**296 953**

Notes to the Annual Financial Statements

	2016 R	2015 R

11. Finance lease liabilities (continued)

Present value of minimum lease payments due		
- no later than one year	172 157	189 813
- later than one year and no later than five years	122 688	107 140
	294 845	**296 953**
Non-current liabilities	122 688	107 140
Current liabilities	172 157	189 813
	294 845	**296 953**

Office equipment is leased under two non-cancellable lease agreements for terms of 5 years and 3 years at interest rates of 10% and 18% respectively.

As the lease terms transfer substantially all the risks and rewards of ownership, the lease is classified as a finance lease.

Leased assets in the amount of 270 734 (2015: R 254 337) serve as security for the liabilities.

12. Agency fees held in trust

This relates to agency fees administered by the PSCBC in terms of Agency shop agreement (Resolution 1 of 1998) and section 25 of the Labour Relations Act.

Agency fees held in trust	17 609 907	16 481 109
Breakdown of agency fees held in trust:		
Opening balance	16 481 109	14 980 185
Interest received	260 060	95 362
Less: Expenditure incurred	(579 588)	(171 538)
Agency fees received	203 843 514	182 902 585
Agency feed paid	(201 195 188)	(181 328 485)
Provision for Union claims	(1 200 000)	-
	17 609 907	**16 481 109**

13. Trade and other payables

Trade payables	411 697	214 419
Accrued leave pay	482 553	312 624
Accrued bonus	262 016	203 221
Accrued expense	230 266	1 688 822
Other payables	49 173	29 629
	1 435 705	**2 448 715**

Notes to the Annual Financial Statements

14. Financial assets by category

The accounting policies for financial instruments have been applied to the line items below:

2016

	Loans and receivables	Total
Trade and other receivables	432 366	432 366
Cash and cash equivalents	19 412 388	19 412 388
Agency fees held in trust	18 809 907	18 809 907
	38 654 661	**38 654 661**

2015

	Loans and receivables	Total
Trade and other receivables	227 137	227 137
Cash and cash equivalents	18 865 386	18 865 386
Agency fees held in trust	16 481 109	16 481 109
	35 573 632	**35 573 632**

The carrying value of the financial assets included above approximate their fair values.

15. Financial liabilities by category

The accounting policies for financial instruments have been applied to the line items below:

2016

	Financial liabilities at amortised cost	Total
Borrowings	-	-
Finance lease liabilities	294 845	294 845
Agency fees held in trust	17 609 907	17 609 907
Trade and other payables	691 139	691 139
	18 595 891	**18 595 891**

2015

	Financial liabilities at amortised cost	Total
Borrowings	3 106 095	3 106 095
Finance lease liabilities	296 593	296 593
Agency fees held in trust	16 481 109	16 481 109
Trade and other payables	1 932 869	1 932 869
	21 816 666	**21 816 666**

The carrying value of the financial liabilities included above approximate their fair values.

Notes to the Annual Financial Statements

	2016 R	2015 R

16. Post retirement benefits

The PSCBC has no obligation to provide post retirement benefits to employees.

17. Revenue

	2016 R	2015 R
Levies income	33 176 545	31 567 681

18. Other income

	2016 R	2015 R
Rental income	777 584	1 157 536
Subsidy received	147 960	138 108
Insurance, donations, recoveries and service seta income	27 557	33 438
Agency fee revenue	319 527	75 756
Administration fees	7 200	6 800
	1 279 828	**1 411 638**

19. Investment revenue

	2016 R	2015 R
Finance income		
Levy account	1 018 437	903 911

20. Finance costs

	2016 R	2015 R
Interest paid - borrowings	268 333	769 349
Finance cost on lease liability	-	47 885
	268 333	**817 234**

21. Expenses by nature

	2016 R	2015 R
Marketing and communications	863 143	429 100
Arbitration and conciliation	1 520 171	1 359 144
Conferences, meetings and seminars	4 715 576	3 671 969
Depreciation on investment property	144 045	144 045
Depreciation on property, plant and equipment	1 518 946	784 983
Employee costs	8 413 571	7 568 301
Information technology	341 608	684 381
Lease rentals on operating lease	260 451	743 595
Body corporate levies	1 245 051	740 787
Management services	274 495	977 198
Other expenses	5 505 223	2 848 321
Provincial Chamber costs	1 356 923	319 114
Strategic partnerships	170 427	110 275
Training	2 687 109	2 707 509
Total operating expenses	**28 996 739**	**23 088 842**

22. Taxation

The PSCBC is exempt from normal income tax in terms of Section 10(1)(cA)(i) of the South African Income Tax Act, 1962 (Act No. 58 of 1962).

Notes to the Annual Financial Statements

	2016 R	2015 R

23. Auditor's remuneration

	2016 R	2015 R
Fees	412 922	385 803

24. Cash generated from operations

	2016 R	2015 R
Surplus before taxation	6 211 738	9 977 054
Adjustments for:		
Depreciation and amortisation	1 662 891	929 026
Loss on disposal of property, plant and equipment	3 743	8 169
Interest received - investment	(1 018 437)	(903 911)
Finance costs	268 333	817 234
Movements in provisions	1 200 000	-
Changes in working capital:		
Trade and other receivables	308 019	(69 794)
Trade and other payables	(1 013 010)	1 174 823
	7 623 377	**11 932 603**

25. Contingencies and commitments

During the period under audit, the PSCBC was party to two legal matters as defendant, with the matters still ongoing at 31 March 2015. The possibility of an outflow is regarded as remote by the PSCBC management and legal council, and therefore no provision is raised. A contingent liability is disclosed for the estimated legal fees which management and legal council are of the opinion will be expensed in order to defend the legal matters. It is estimated by management and legal council that legal fees to the value of R700 000 will be incurred. The timing of such outflow is uncertain as it is dependent on future legal procedings.

Financial commitments were made and approved to furnish the newly renovated building to an approximate value of R850 000.

26. Related parties

Related party	Relationship	Nature of transaction		
Senior management	Key Senior Management	Remuneration	2 162 700	1 995 586
Chairperson of Council	Council member	Attendance of meetings and reimbursement of cost	72 255	460 242

27. Events after the reporting period

The Council is not aware of any material event which occurred after the reporting date and up to the date of this report that would have a significant influence on the financial statements.

MW

Public Service Co-ordinating Bargaining Council
(Registration number LR2/6/6/126)
Annual Financial Statements for the year ended 31 March 2016

Detailed Income Statement

	Notes	2016 R	2015 R
Revenue			
Levy income		33 178 545	31 567 581
Other income			
Rent income		777 584	1 157 536
Subsidy received		147 960	138 108
Donations, recoveries and service seta income		27 557	33 438
Agency fee income		319 527	76 756
Administration fees		7 200	6 800
Interest received	19	1 018 437	903 911
		2 298 265	**2 315 549**
Expenses (Refer to page 26)		**(28 996 739)**	**(23 088 842)**
Operating surplus		**6 480 071**	**10 794 288**
Finance costs	20	(268 333)	(817 234)
Surplus for the year		**6 211 738**	**9 977 054**

The supplementary information presented does not form part of the financial statements and is unaudited

Detailed Income Statement

	Notes	2016 R	2015 R
Operating expenses			
Accommodation project		57 865	-
Agency expenses		319 527	75 756
Arbitration and conciliation		1 520 171	1 359 144
Auditors remuneration	23	412 922	385 803
Bank charges		45 254	26 764
Body corporate levies		1 245 051	740 787
Books and subscriptions		9 475	29 947
Case Management Systems and reports		48 500	47 498
Cleaning		109 739	101 488
Conferences, meetings and seminars		4 715 576	3 671 989
Corporate wear		19 622	24 639
Depreciation, amortisation and impairments		1 662 991	929 028
Electricity expense		225 182	203 846
Employee costs		8 413 571	7 568 301
Information technology		341 608	684 381
Insurance		185 734	184 187
Lease rentals on operating lease		260 451	743 695
Legal expenses		625 120	3 659
Licences		9 899	8 810
Management services		274 495	977 198
Marketing and communications		863 143	429 100
Motor vehicle expenses		37 831	43 680
Office refreshments		32 349	15 449
Pensions restructuring project		796 786	387 106
Postage		10 344	5 773
Printing and stationery		309 648	287 156
Loss on sale of assets and liabilities		3 743	8 169
Provincial Chamber costs		1 356 923	319 114
Rates and taxes		674 625	611 235
Repairs and maintenance		348 505	103 311
Research and development costs		780 000	-
Security		17 947	20 993
Sewerage		7 578	3 497
Strategic partnerships		170 427	110 275
Telephone and fax		339 596	212 771
Training		2 067 109	2 707 509
Travel - local		43 768	34 383
Waste management		6 555	11 270
Water		25 109	11 151
		28 896 739	**23 088 842**

The supplementary information presented does not form part of the financial statements and is unaudited.

NOTES

Public Service Bargaining Centre, 260 Basden Ave, Lyttelton, Centurion, Pretoria, 0176
P.O. Box 3123, Lyttelton South, 0176
Tel: (012) 644-8100 • Fax: 086 619 7884
E-mail: info@pscbc.org.za • Website: http://www.pscbc.org.za