Annual Report 2017/2018

21st

PSCBC

PUBLIC SERVICE CO-ORDINATING BARGAINING COUNCIL

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1. Foreword from the Chairpersons

Adv. Luvuyo **Bono**

Chairperson

Mpfariseni **Phophi**

Vice Chairperson - Employer

Thandeka **Msibi**

Vice Chairperson – Labour

We have the pleasure of presenting to you the Annual Report of the Public Service Coordinating Bargaining Council (PSCBC) for the financial period 1 April 2017 to 31 March 2018. It is with a sense of pride that we account on the season that was so dynamic, yet exceptionally successful in executing the Council's set objectives.

The Council started 2017 with the SOD turning ceremony to officially unveil the land acquired for construction of the new offices of the PSCBC. The decision to expand the infrastructure was taken in consideration of the need to accommodate the continuous growth of the PSCBC Secretariat as well as to efficiently deliver on the strategic objectives of the Council.

The SOD turning ceremony also signified the celebration of the 20th Anniversary which was a significant highlight in the PSCBC Calendar for 2017. The celebration culminated in the prestigious gala dinner held on the 25th October 2017 where stakeholders came in large numbers to honour the historic occasion.

Alongside recognition of the 20th Anniversary, the Council embarked on a series of mandate related activities which upraised the well-deserved celebration of the milestones achieved over the two decades.

During the reporting period, the Council after extensive engagements and consultations, signed three Resolutions which will be elaborated on in detail in the next sections of the Report. We are proud to underscore that the PSCBC in carrying out its mandate, successfully convened workshops across the nine Provinces on implementation of the aforementioned Resolutions; 1, 2 and 3 of 2017.

The other flagship assignment during 2017 was the hosting of Roundtable Discussions, which the Council convened for the first time since its inception, under the theme,

"Democratizing the work place in advancing economic development, social justice and labour peace in the Public Service".

These discussions provided a platform for PSCBC stakeholders countrywide to discuss and reflect upon the core components of the PSCBC which are Collective Bargaining and Dispute Resolution. The key topics that were tackled were Decent Work, Collective Bargaining and Picketing and Collective Bargaining Trends. Roundtables also played a pivotal role in identifying pitfalls and opportunities for improvement of processes of not only the PSCBC but other Sectoral Bargaining Councils as well.

The Council once again engaged in a process of Public Sector multi-term wage negotiations for the years 2018/19, 2019/20 and 2020/21. We are pleased to report that during this round of negotiations, parties were successful in applying PSCBC Resolution 3 of 2017 *(Negotiation Protocol Agreement: Wage Negotiation Process)* which endorsed the smooth running of the negotiation process. This facilitated method of negotiation limited prospects of a deadlock thus allowing the process to be conducted much more efficiently than in the past. Although the facilitated method improved the negotiating conditions, the process was not spared deferments as both the Employer and Labour had to engage in extensive consultations in order to deal effectively with the issues at hand. At the time of submitting this report, the parties were still engaging and hard at work to reach an amicable agreement.

The achievement of an unqualified Audit Report yet again is a testament to the competence and adherence of the PSCBC's management to the governing policies and prescripts.

This report also gives us an opportunity to express our appreciation for the quality of the operations within the PSCBC and how they find themselves placed in terms of the strategic objectives of the Organization. We are humbled and proud to be leading a Council which in its daily operations makes great strides in upholding its vision, mission and values.

Our special thanks 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 reporting period.

In the year ahead, we aspire to develop and strengthen the relationships in the African continent and create opportunities for PSCBC to contribute in breaking the boundaries that exist within the collective bargaining space. In reminiscence of the late legend, Mr Nelson Mandela, we cherish one of his powerful statements:

"It always seems impossible until it's done."

2. Executive Summary from the General Secretary

Frikkie **De Bruin**

General Secretary

The 2017/18 financial year was a momentous period for the Public Service Coordinating Bargaining Council (PSCBC) with a seminal commemoration of its 20th anniversary. In honouring the milestones achieved over the two decades, the Council aligned implementation of most of its strategic objectives and projects to the recognition of the 20th anniversary, which was centred around the four pillars namely;

Democratization, Economic Development, Social Justice and Labour Peace

The pillars reflect the culmination of many years of consistent effort towards realization of PSCBC's mission to promote sound Labour Relations, through Collective Bargaining and Dispute Management.

At the peak of the highlights for 2017, was the official celebration of the 20th Anniversary in October 2017. It is worth mentioning that the prestigious ceremony successfully attracted attendance and support from key role players in the Labour Sector.

We have further hosted Roundtable discussions across the nine Provinces under the themes:

Collective Bargaining: "democratising the workplace through effective Collective Bargaining ensuring Economic Development, Social Justice and Labour Peace"

and

Dispute Resolution: "efficient Dispute Resolution contributing to the democratization of the workplace ensuring social justice and labour peace"

The Roundtable discussions also enjoyed good participation from various stakeholders including Government, Trade Unions and Sectoral Bargaining Councils.

During the reporting period, the PSCBC made great strides in carrying out its legislative mandate by successfully entering into the following five collective agreements:

Resolution 1 of 2017

Agreement on the amendments/improvements of certain Pension Benefits and creation of new benefits.

Resolution 2 of 2017

Agreement on thresholds and procedures for the granting of Organizational Rights within the Public Service.

Resolution 3 of 2017

Negotiation Protocol Agreement: Wage Negotiation Process.

Resolution 4 of 2017

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

Resolution 5 of 2017

Agreement on the establishment of an Advisory Body for the Government Employees Housing Scheme (GEHS).

The Council successfully conducted workshops on the implementation of PSCBC Resolutions 1, 2 and 3 of 2017 across all nine Provinces.

Towards the end of 2017, the Council commenced the process of facilitated Public Sector wage negotiations for the cycle of 2018-2021 years. The engagements which rolled over to 2018 comprised of extensive deliberations and several meetings in an effort to reach an amicable conclusion.

One other significant milestone during the reporting period was the SOD turning ceremony which was a gathering to officially unveil the land acquired for construction of the new offices of the PSCBC. The historical context of the SOD turning ceremony can be traced as far back as the year 2000 when the Council acknowledged that a major task ahead of the PSCBC was the finalization of the permanent accommodation for the Council and the three newly established sector Councils. A joint project team consisting of Executive Committee members was then established to successfully manage the project.

The leadership of the Council was driven by the need for the Council to be self-sustainable and continuous growth of the Secretariat. In considering the purchase, due consideration was given to future development and the vacant land to the east of the PSCBC current office park, became a viable option for consideration. The proportional purchase of the vacant land allowed the PSCBC to acquire the 10 242 square metres, on a cash basis, therefore resulting in a debt-free position with the purchase of the vacant land.

At an operational level, measures have been taken to improve the efficiency of correspondence and retrieval of Council records by introducing an electronic system called Collaborator. The system will improve our competitiveness and quality of governance through centralization of business processes.

The Council's great milestones and achievements are a result of continuous support from our valued stakeholders and leaders who at times work beyond the call of duty to ensure that the mission of the PSCBC is realized. This outstanding progress cultivates a conducive environment for strengthened relationships and promotion of labour peace in the Public Service.

My appreciation goes to everyone who has been involved in and contributed to the PSCBC's achievements in the past year. We look forward to grow and reach another 21 years and more.

To conclude, as South Africa and the entire world is commemorating the centenary of the birth of the world's iconic leader, Mr Nelson Mandela, we remember his selfless contribution to the struggle, in particular the fight for human rights that paved way for labour freedom and improved conditions of employment for workers. We will forever cherish the remarkable legacy that was shaped by South Africa's first democratically elected President, Mr Mandela.

May his spirit of ubuntu live on!

3. Collective Bargaining Unit

3.1 Overview

The PSCBC (Council) comprises of representatives from the eight Public Service Trade Unions (SADTU, NEHAWU, POPCRU, DENOSA, PSA, NAPTOSA, HOSPERSA/NUPSAW/NATU and SAPU) and the State as Employer, represented by the Department for Public Service and Administration. It has within its scope in excess of 1, 3 million public servants.

The Collective Bargaining Unit (CBU) is a core component of the PSCBC which is key in offering support to the Council and its various structures – Executive Committee (EXCO), Committees and Provincial Chambers - to create an effective forum for collective bargaining processes to unfold, whilst adhering to the provisions contained within its Constitution. All administrative support, research and coordination processes for Collective Bargaining are managed by the CBU.

An integral function of Council is to negotiate and conclude Collective Agreements in respect of matters regulated by Section 36(2) of the Labour Relations Act, which may include negotiating minimum standards on such matters. The CBU supports Council in monitoring the implementation of the provisions contained in these Collective Agreements, and ensures their correct implementation by working together with the State and Labour to workshop the Agreements across the country.

In addition, the CBU ensures that the Council achieves its strategic objectives.

The key strategic objectives for the CBU as a core function of the Council for the reporting period are:

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, the 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 organization.

This report further highlights the work done by the CBU for the period under review.

3.2 Meetings

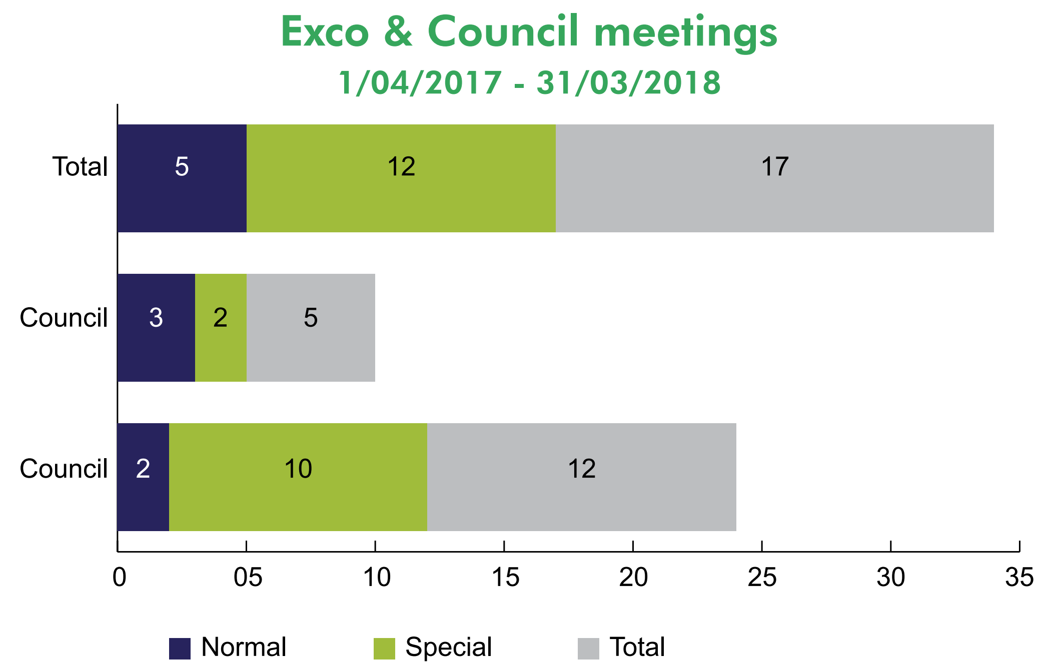
The PSCBC Constitution provides that the Council meets once every month and one such meeting is the Annual General Meeting. Additional special meetings may be scheduled when a specific/urgent matter needs to be addressed.

The Executive Committee meets at least once every 3 months. Additional Special EXCO meetings may be scheduled to address any specific/urgent matters.

During the period under review, the constitutional requirement for convening meetings was not met due to the salary negotiations process which commenced with Labour tabling its demands in October 2017.

Figure 1 below illustrates the number of Council/Special Council & EXCO/Special EXCO meetings held during the reporting period:

Figure1



3.3 Salary Negotiations

During the reporting period, the multi-term salary agreement 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), was still in place and effective until 31 March 2018. Public Servants received an increase of 7.3% (calculated at CPI + 1%) for the period 1 April 2017 to 31 March 2018, being the last year in terms of the current Resolution.

Parties to Council agreed to conduct the next round of negotiations in terms of the Negotiations Protocol Agreement (Resolution 3 of 2017). This Agreement came about after parties evaluated the 2015 negotiations and realized its shortcomings. Parties then jointly committed to conduct effective interest-based negotiations to certain shared objectives and to establish a process framework and timetable for each identified cycle of negotiations.

An important provision of Resolution 3 of 2017 was for parties to participate in a pre-negotiations phase with the objective that parties share upfront all information on economic indicators or relevant research that would have a bearing on the Salary Negotiations process. Such pre-negotiations meeting was held on 6 December 2017. The State as Employer and Trade Unions presented their views regarding the economic outlook. Parties concluded that they would approach the Salary Negotiations within a facilitated process from the outset and further agreed on a timetable for the negotiations process.

Following the pre-negotiations process, Council appointed 2 facilitators viz. Mr Kaizer Thibedi and Ms Ingrid Dimo.

The first meeting for Salary Negotiation under facilitation commenced on 25 January 2018.

The table below outlines the initial demands made by Labour and the Employer's response

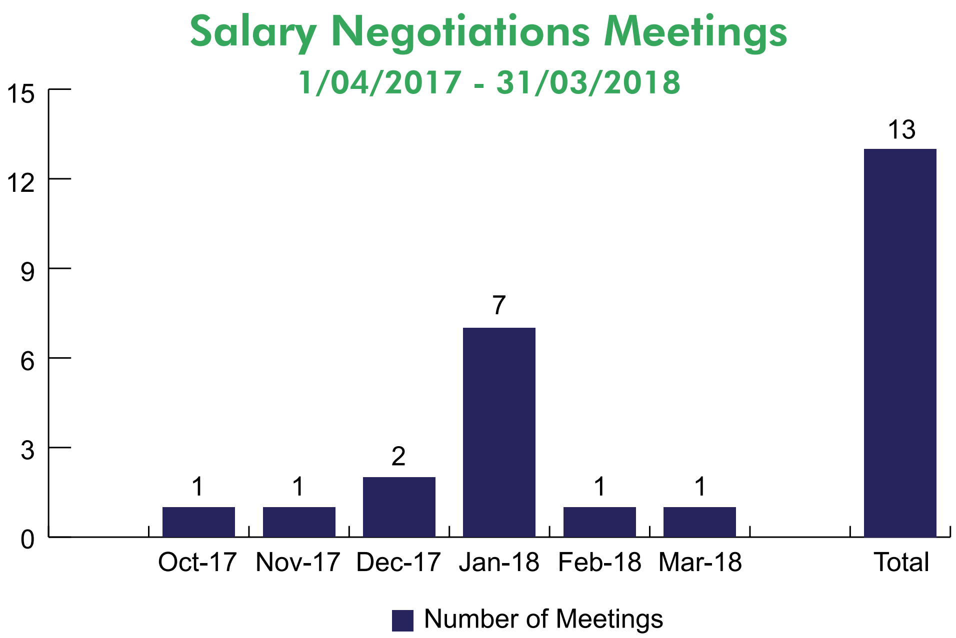
Labour Demands	Employer Response
All outstanding Agreements to be finalized and implemented during the current financial year	Not accepted
The recent moratorium of filling of vacant posts must be immediately lifted.	Not accepted
Pay progression to be allowed beyond top notches of salary levels as well as personal salary notches.	Not accepted
Equalization of Pay progression for all Public Servants	Accepted
Comprehensive Danger Insurance: Demand a single Comprehensive Danger Insurance in the public service in line with PSCBC Resolution 5 of 2015, clause 3.1. The addition of identified categories by Sectors.	Not accepted
Leave for Shop Stewards or Office Bearers leave taken by a Shop Steward while initially on vacation leave to be converted to leave for Trade Union activities.	Accepted
Capped leave to be paid out to all Public Servants upon resignation.	Not accepted
Family Responsibility Leave: (a) The age cap of 18 years for children who need to be assisted during their illness, to be removed.	Not accepted
(b) An additional 3 days Family Responsibility Leave to be granted to take care of a sick parent.	Not accepted
Maternity Leave be granted to male Employees under a surrogacy arrangement.	Accepted
Temporary Incapacity Leave to be granted by default to Employees where the Employer fails to comply with the timeframe for investigation and feedback (30 days). Hospitalization leave should be approved automatically and not be subject to the normal approval process.	Not accepted
Leave for Religious Observance (3 days per annum) to be granted to Public Service Act Personnel	Not accepted
Demand for the Housing Allowance to be increased to R2500.	Not accepted
Payment of the Housing Allowance to both spouses who are Public Servants	Not accepted
The Savings Option in the Housing scheme should be made a voluntary option	Not accepted
Employees should be paid out their savings from the Scheme upon resignation from the Public Service	Not accepted
A definition of a Permission to Occupy (PTO) in terms of the Government Employees Housing Scheme	Accepted
Public Investment Corporation (PIC) must create a housing investment portfolio that will directly invest in the Government Employees Housing Scheme.	Accepted
The children of Public Servants who attend Higher Education Institutions to be granted bursaries or be subsidized.	Not accepted
Levels 4 – 7 demand 12% Levels 8 – 10 demand 11% Levels 11 – 12 demand 10%	The employer agrees with a sliding scale salary increase but not with the percentage increase.

Labour Demands	Employer Response
Resolution 3/2009 to be reviewed	Not accepted
Reduce the time periods for progression	Not accepted
• Employer to allow employees to be rated above average performance where such being the case and refrain from rating every employee as an average performer i.e. rate as 3 to as a cost cutting measure.	Not accepted
• Demand the abolishment of Salary Level 1 – 3 and entry level in the Public Service to be Salary Level 4 coupled with the review of Resolution 3 of 2009	Not accepted
One-year term	Not accepted

Parties were engaged in negotiations and consultation during the reporting period.

The Figure below illustrates the number of meetings held for Salary Negotiations during the reporting period. A settlement is expected to be reached in the next reporting period.

Figure 2



A total of 246 hours and 30 minutes were spent on Salary Negotiations during the reporting period.

3.4 2016/2017 Resolutions

The following 5 Resolutions were concluded during the year under review:

3.4.1 Resolution 1 of 2017

Agreement on the amendments/improvements of certain Pension Benefits and creation of new benefits

The purpose of the Agreement is to make amendments to certain Pension Benefits for Public Servants and improve the offering by creating some new benefits. The implementation of certain clauses of the Agreement was subject to amendments to the Government Employees Pensions Law.

The Agreement enjoyed a majority of 100% on 27 June 2017 and was signed by the Employer, DENOSA, HOSPERSA/NUPSAW/NATU, NAPTOSA, NEHAWU, POPCRU, PSA, SADTU and SAPU.

The GEPF Rule changes outlined in the Agreement were Gazetted on 29 September 2017. The amended Rules were implemented from 1 October 2017, and implementation is ongoing and subject to amendments in legislation.

3.4.2 Resolution 2 of 2017

Agreement on thresholds and procedures for the granting of Organizational Rights within the Public Service

The purpose of the Agreement is to establish an agreed threshold of representativeness that registered Trade Unions must meet, as contemplated in section 18 of the Labour Relations Act, to exercise Organizational Rights in the Public Service. The Agreement was further aimed at establishing uniform and fair process to verify the membership of registered Trade Unions seeking Organizational Rights and the granting of Organizational Rights to trade unions who meet the agreed threshold of representativeness as contemplated in this Agreement.

The Agreement enjoyed a majority of 74.84% on 27 June 2017 and was signed by the Employer, HOSPERSA/NUPSAW/NATU, NAPTOSA, NEHAWU, POPCRU, SADTU and DENOSA. The PSA and SAPU did not sign the Agreement.

The provisions of the Agreement are being implemented during the reporting period.

3.4.3 Resolution 3 of 2017

Negotiation Protocol Agreement: Wage Negotiation Process

The purpose of the Negotiation Protocol Agreement is to record parties' joint commitment to conduct effective interest-based negotiations to certain shared objectives and to establish a process framework and timetable for each identified cycle of negotiations.

The Agreement enjoyed a majority of 74.84% on 27 June 2017 and was signed by the Employer, DENOSA, HOSPERSA/NUPSAW/NATU, NAPTOSA, NEHAWU, POPCRU & SADTU. The PSA and SAPU did not sign the Agreement.

3.4.4 Resolution 4 of 2017

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

The purpose of the Agreement is to ensure ongoing medical cover to Public Servants that enhances the overall improvement of Healthcare in the Public Service, within an affordable range and within an effective and representative governance model.

The Agreement enjoyed a majority of 84.56% on 5 December 2017 and was signed by the Employer, DENOSA, NEHAWU, POPCRU, SADTU, SAPU and the PSA. NAPTOSA and HOSPERSA/NUPSAW/NATU did not sign the Agreement.

Council has set up a Working Committee who have met and have discussed the development of the terms of reference with GEMS. It is envisaged that the Working Committee will continue with its work in line with the provisions of the Agreement in the next reporting period.

3.4.5 Resolution 5 of 2017

Agreement on the establishment of an Advisory Body for the Government Employees

Housing Scheme (GEHS)

The purpose of the Resolution is to give effect to clause 4.1.3 of PSCBC Resolution 7 of 2015 allowing for the governance of the GEHS. The clause states that the Employer is responsible to operate, administer and manage the GEHS with due consideration of Labour as a key partner to be represented in the governance thereof.

The Agreement enjoyed a majority of 84.56% on 5 December 2017 and was signed by the Employer, DENOSA, NEHAWU, POPCRU, SADTU, SAPU and PSA. NAPTOSA and HOSPERSA/NUPSAW/NATU did not sign the Agreement.

The parties remain committed to ensuring that implementation takes place in the next reporting period in terms of the provisions of the Agreement.

3.5 Workshops on 2017 Resolutions

The PSCBC conducted Workshops with its stakeholders on the implementation of its 2017 Resolutions to ensure consultation and proper implementation. The Resolutions which were workshopped were:

Resolution 1 of 2017: Agreement on the amendments /improvement of certain existing Pensions Benefits and creation of new benefits.

The GEPF assisted greatly in presenting the proposed amendments in all the provinces and effectively managed the question and answer sessions.

Resolution 2 of 2017: Agreement on Thresholds and Procedures for the Granting of Organizational Rights within the Public Service.

Resolution 3 of 2017: Negotiations Protocol Agreement: Wage Negotiations Process

The attendees engaged meaningfully on issues of implementation and used the platform optimally to seek clarity and offer varied and relevant perspectives from their workplace environments.

Whilst the Workshops were well attended in some Provinces it was disappointing to note that there was a visible absence of Senior Managers in Government in all Provinces and Nationally.

3.6 Special Joint Workshop – Briefing by the Department of Labour on NEDLAC Agreement on Labour stability and National Minimum Wage

During the reporting period, the Department of Labour briefed the PSCBC and Sectors on the NEDLAC Agreement on Labour stability and National Minimum Wage on the following issues:

- National Minimum Wage
- LRA Amendments
- Accord on Collective Bargaining & Industrial Action

3.7 Committees

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

Some of the Committees were created to implement aspects of Collective Agreements of Council while others carry out specific tasks of Council.

The following Committees were established during the reporting period:

3.7.1 The Pensions Redress Close-out Committee

This Committee was established by Council to develop an Agreement that would conclude the Pensions Redress Process. The Committee comprised 5 members each from Labour and the Employer, as well as key people from GPAA and the GEPF. During the reporting period, the Committee had considered various reports from GEPF and independent Actuaries appointed by the PSCBC.

3.7.2 The GEMS Working Committee

This Working Committee is established in terms of Resolution 4 of 2017. Its brief is to consider the performance of the Scheme on an ongoing basis and to consult meaningfully on the strategic direction of the Scheme, the efficiency of the administration of the Scheme, the financial sustainability of the Scheme and the improvement of the Member Benefit Structure.

The working Committee is consulting GEMS on refining the terms of reference in line with their processes to ensure the smooth implementation of the provisions within the Agreement. The next reporting period will see the commitment from Parties and GEMS to make positive input for the betterment of the health offering to Public Servants.

3.8 20th Anniversary Roundtable Discussions

The Roundtable discussion sessions arose as part of the PSCBC's 20th Anniversary celebrations in 2017. These celebrations were held under the theme: "Democratizing the Workplace in advancing Economic Development, Social Justice and Labour Peace in the Public Service".

The Council felt it was important to acknowledge the necessity to give due consideration to its mandate formulated through its Constitution and strategic objectives and play a fundamental role in preserving employee relations within the Public Service.

In Council's view, Employee Relations is not only a constitutional imperative of the Organization but it is a right entrenched in the Constitution of our Country. The principles are also entrenched in treaties of the International Labour Organization (ILO) and other Legislation.

The Roundtable discussions which were convened from 1 August – 4 October 2017 were held in all Provinces and at a National level.

The focus of the Roundtable discussions was on the processes of Collective Bargaining and Dispute Management respectively. Getting the inputs from the "shop floor" on how the PSCBC has fared in addressing challenges. What are the new challenges facing us, what do we need to do to address these challenges?

These discussions were hosted under two general themes:

Collective Bargaining- *"Democratizing the Workplace through effective Collective Bargaining ensuring economic development, social justice and labour peace"*

Dispute Resolution – *"efficient Dispute Resolution contributing to the democratization of the workplace ensuring social justice and labour peace"*

The following persons were invited to address the sessions;

- Premiers in the Provinces
- National / Provincial Leadership of Trade Unions (1 rep COSATU and 1 rep ILC Unions)

- Topical expert/ specialist - 3
- General Secretaries of the PSCBC and Sector Councils

The delegates per Province were invited as follows;

- Employer- 80 Employer Representatives
- Labour- 80 Labour Representatives
- EXCO members
- Secretariat- 6

The following stakeholders/social partners were also invited and attended the sessions:

- GPAA
- GEMS
- GEPF
- OPSC
- CCMA

The process was facilitated by an independent facilitator, Mr Sebonyane Alfred Tsetsane. Topical experts were appointed to present an independent view:

- George Mthethwa - Labour Research Services (LRS):
  - Topic: Review of Collective Bargaining in South Africa
- Kgomotso Makapane - Bowmen
  - Topic: The latest amendments to the Labour Relations Act – enhancing effective Collective Bargaining
- Prof. Edward Webster – Wits University and Dr John Rudolph - Rhodes University
  - Topic: Decent Work in the Public Service

The Sectoral Bargaining Councils also presented on sector specific issues as was directed by the PSCBC.

The Roundtable Discussions on Collective Bargaining were a success in all of the following 5 provinces Mpumalanga, KwaZulu Natal, Western Cape, Eastern Cape and North West.

The office of the Minister for Public Service and Administration, Honourable Faith Muthambi assisted in inviting Premiers in the Provinces to give a keynote address. The Council was fortunate to host two MECs at the Roundtable discussions in the Limpopo and Eastern Cape Province who delivered keynote addresses.

EXCO members, Chairperson and Vice-Chairpersons accompanied the Secretariat to the events. They also made meaningful inputs.

The Roundtable discussion sessions were a great success and brought together the Practitioners and Shop Stewards in labour relations to discuss, engage and deliberate in an attempt to find a better understanding of issues in the Public Service.

3.9 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.

3.9.1 Provincial Management Committees

The Management Committees of Chambers comprises of a Chairperson, a Vice-Chairperson (Employer), a Vice-Chairperson (Labour) and the Chamber Secretary. The role of the Management Committee is broadly to ensure that the Chamber complies with the provisions of Resolution 9 of 2003 as amended by Resolution 2 of 2005, manage the financial matters of the Chamber, in liaison with the PSCBC, manage the day to day business of the Chamber, and ensure that reports for each Chamber are produced and distributed.

Members of the Management Committee must reach decisions through consensus. In the event that decisions cannot be reached through consensus, such matters shall be referred directly to the Chamber.

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

Figure: A

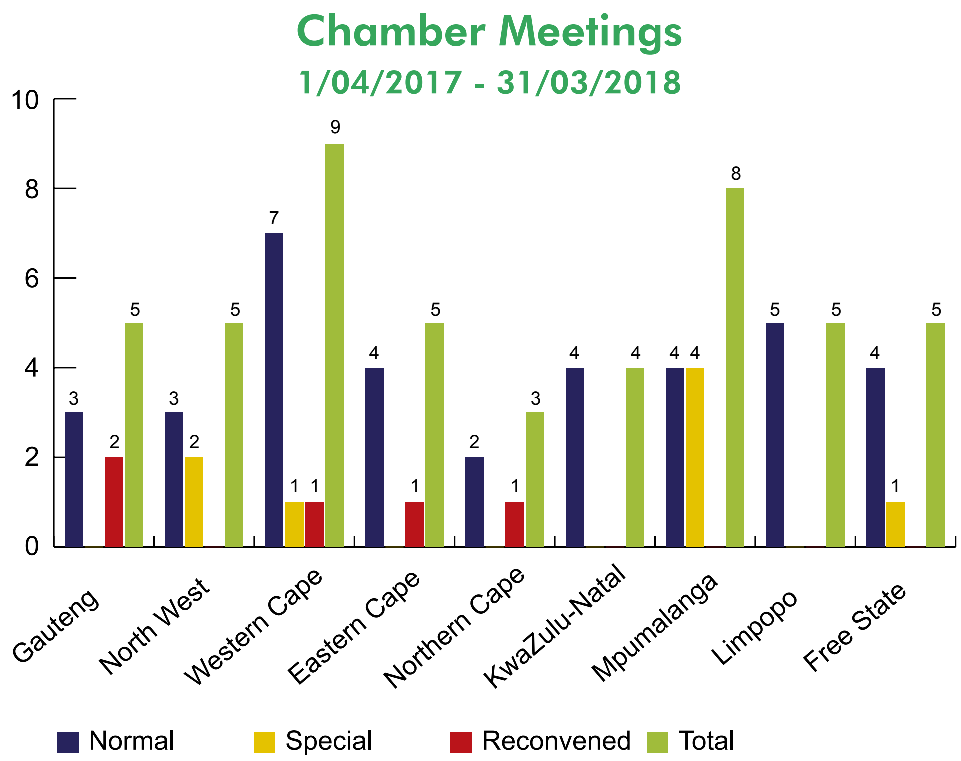
Province	Management Committee Members
Gauteng	Chairperson: V Mbense Vice-Chairperson: M Sithole (Employer) Vice- Chairperson: Vacant (Labour) Secretariat: N Sibiya (PSCBC)
North West	Chairperson: M Mayinganya Vice-Chairperson: W Gaelisiwe (Employer) Vice- Chairperson: Vacant (Labour) Secretariat: N Sibiya (PSCBC)
Western Cape	Chairperson: E Mfingwana Vice-Chairperson: C Esau (Employer) Vice- Chairperson: A Mosetic (Labour) Secretariat: N Sibiya (PSCBC)
Eastern Cape	Chairperson: D Jaxa Vice-Chairperson: Vacant (Employer) Vice- Chairperson: T Koya (Labour) Secretariat: N Sibiya (PSCBC)

Province	Management Committee Members
Northern-Cape	Chairperson: K Motebe Vice-Chairperson: T Ntsheno (Employer) Vice- Chairperson: W Koopman (Labour) Secretariat: N Sibiya (PSCBC)
Kwazulu-Natal	Chairperson: A Van Schalkwyk Vice-Chairperson: Vacant (Employer) Vice- Chairperson: C Lekgoathi (Labour) Secretariat: N Sibiya (PSCBC)
Mpumalanga	Chairperson: M Mabasa Vice-Chairperson: Vacant (Employer) Vice- Chairperson: P Malomane (Labour). Secretariat: N Sibiya (PSCBC)
Limpopo	Chairperson: M Chilwane Vice-Chairperson: S Ntwampe (Employer) Vice- Chairperson: J Marumo (Labour). Secretary: M Shirindza (Seconded by Employer)
Free State	Chairperson: A Matiwane Vice-Chairperson: M Sani (Employer) Vice- Chairperson: L Strydom (Labour). Secretary: R Thurston (Seconded by Employer)

3.9.2 Chamber meetings

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

Figure 2:



3.9.3 Common Agenda Items

Common agenda items discussed within Chambers from 1 April 2017 to 31 March 2018

AGENDA ITEM	CHAMBERS
FILLING OF FUNDED POSTS **North West** The Employer to obtain a mandate and respond on the higher vacancy rate within the Provincial Administration. **Mpumalanga** A Provincial moratorium on filling of all posts including the Head Office and Circuit Offices was instituted as from 1 February 2015. The moratorium is still in place but a provision was made for The Department of Health to fill 551 critical posts and the Department of Education to fill 370 posts. In the last meeting, a status report was submitted on the number of posts already filled. **Eastern Cape** During the recent meeting, the Employer tabled a progress report regarding the filling of funded vacant posts.	North West, Mpumalanga, Eastern Cape

AGENDA ITEM	CHAMBERS
RESTRUCTURING **Western Cape** Modernization (Restructuring) is taking place at various Departments and consultation is taking place between parties at the Chamber. Parties drafted a Memorandum of Understanding (MOU) regarding the consultation process that must take place when restructuring. The draft MOU is yet to be signed by parties. **Eastern Cape** The restructuring process was in line with the directive from EXCO (Employer). The process was started as a result of the new service delivery model wherein 23 Districts were reduced to 12 to improve service delivery.	Western Cape, Eastern Cape
REVIEW OF PMDS POLICY **Gauteng** No progress. The policy has not been tabled, a Task Team to look into transversal policies has been established and is yet to meet. **Mpumalanga** The PMDS policy is approved for implementation with certain conditions such as the scoring that is yet to be discussed and finalized. **Eastern Cape** The Employer tabled the PMDS policy during the reporting period for consultation.	Gauteng, Mpumalanga, Eastern Cape
PERFORMANCE AND INCENTIVE BONUS **Gauteng** The Employer tabled a report during the reporting period indicating that they had paid the Performance Bonuses and the item was removed from the agenda. **Mpumalanga** The item was discussed jointly with the review of the PMDS policy. The matter will be finalized in the next reporting period. **Kwa-Zulu Natal** A report was tabled during the reporting period that Performance Bonuses would be paid by end of December 2017. The item was removed from the agenda.	Gauteng Mpumalanga, Kwa-Zulu Natal
APPOINTMENT OF CONTRACT WORKERS **Kwa-Zulu Natal** The Employer provided an updated report during the reporting period. **Western Cape** The Employer has obtained a Legal Opinion on the matter and they still have to respond to parties regarding the way forward in the next reporting period. **Free State** Item remains on the agenda whilst the Employer engages in bilateral meetings with NEHAWU to resolve the matter.	Kwa-Zulu Natal, Western Cape, Free State

AGENDA ITEM	CHAMBERS
ENDING OUTSOURCING, PRIVATIZATION, LABOUR BROKERS **North West** Labour registered their dissatisfaction on the matter and reserved their right for recourse on the matter. **Mpumalanga** Parties agreed to await the report on the matter from the PSCBC.	North West, Mpumalanga
IMPLEMENTATION OF RESOLUTION 1 OF 2012 **Gauteng, Mpumalanga, Kwa-Zulu Natal** All the above Provinces reported that they had implemented in accordance with the Resolution.	Gauteng, Mpumalanga, Kwa-Zulu Natal
PROVINCIAL BURSARY POLICY **Gauteng** A task team has been established to look into the matter. **Mpumalanga** The Provincial Bursary Policy was approved during the reporting period and is being implemented.	Gauteng, Mpumalanga
RECRUITMENT AND SELECTION POLICY **Gauteng** A Task Team has been established to look into the matter. **Western Cape** The Policy was declared duly consulted and removed from the Agenda.	Gauteng, Western Cape
LEAVE POLICY **Gauteng** A Task Team has been established to look into the matter. **Northern Cape** Parties suspended discussion on Special Leave Policy until it was finalized at National Level.	Gauteng, Northern Cape
PRIVATE LEGAL REPRESENTATION IN DISCIPLINARY HEARINGS OF WORKERS ON LEVELS 1-12 **Eastern Cape** The Employer reminded the Departments to comply with the Disciplinary Procedure. **Free State** Chamber agreed that the Employer would issue an instruction to HODs to abide by the Disciplinary Code.	Eastern Cape, Free State

3.9.4 Chamber Intervention Sessions

The PSCBC conducted Chamber Intervention Sessions in the Provinces to address various challenges being faced by the Chambers. The Chambers which received the intervention were:

- Western Cape – Modernization
- Northern Cape – PMDS, GEHS and GEMS, Agency Fee, Paternity leave, Shop Steward Leave, Family Responsibility Leave and Pre-natal Leave, Recognition of Prior Learning, Bursary Scheme, Re-arrangement of working time, Amendments to PSCBC Resolution 3 of 2009
- Mpumalanga – Implementation of PSCBC Resolution 1 of 2012, Clause 18.1
- Limpopo – PMDS, Implementation of PSCBC Resolution 1 of 2012, Clause 18.1
- Gauteng – Long standing items on the agenda and the breakdown of the relationship between Parties.

3.9.5 Relationship Building Workshops

Arising out of Council's strategic objectives in reference to the value of Chambers the PSCBC conducts Relationship Building Workshops within the provincial Chambers.

In the previous financial year the Workshops were conducted in 3 Provinces as follows:

i. Mpumalanga

ii. Limpopo

iii. Western Cape

In this financial year Workshops in a further 5 Provinces were concluded as follows:

- Northern Cape
- Eastern Cape
- Gauteng
- North West
- Kwa-Zulu Natal

A session was not held in the Free State due to challenges with availability at the time. However, a session will be planned for the Province in the next Financial Year.

The workshops' focus areas were:

- The review of the purpose and value-add of the Chambers to Collective Bargaining in the Province in consonant with the PSCBC and as per relevant Legislation in order to create a positive space that serves Parties' interests
- Challenges being faced by both Labour and the Employer in Chamber
- The need for administrative protocol to ensure Chamber effectiveness.

- Jurisdictional challenges, issues being placed on the agenda that the Chamber doesn't have the jurisdiction to deal with

- The need to have joint needs based training & capacity building for parties to the Chamber so as to improve the efficiency and effectiveness of the Chamber

- The critical roles played by a Chairperson and Vice-Chairpersons within a Chamber

The following were mentioned as major challenges affecting all chambers:

- Non-submission and failure to timely finalise Agenda items.

- Poor coordination, which often results in duplication of Agenda items and a failure to timely finalise Agenda items.

- Failure to secure a quorum for meetings.

- Matters raised by Labour are sometimes not within the Employer's control (e.g. the matter of filling posts in the Health Sector) but are not taken off the Agenda.

- Issues remain on the Chamber's Agenda for a protracted period of time.

The recommendations which arose out the Workshops were:

- One of the aspects that should improve in order to make Chambers to be more effective in its mandate would be the implementation of decisions. It is therefore imperative that Chamber ensure the implementation of decisions to maximise its effectiveness.

- Inconsistency in representation contributes to the lack of capacity in relation to knowledge of Council processes and also leads to lack of Negotiation/Bargaining skills thus hinders growth. Therefore, parties should ensure that Representation is consistent and knowledge and skill are preserved.

- All Parties must be accountable for the performance of Chambers.

- Assessment tools should be designed in order to continually evaluate the performance of Chambers.

- Resolution 2 of 2005 should be reviewed.

- Training of Negotiators.

The workshops have assisted to bring to the fore the challenges that Chambers have been facing, in terms of communication and lack of trust among others which inevitably led to items being long standing on the Agenda, thus making the Chamber less effective in its performance.

It was pleasing to note that several Chambers have received the intervention positively and have used the knowledge gleaned from the relationship building exercise to become more effective operationally.

3.10 CBU Research

The Research component within Collective Bargaining has been working tirelessly to assist Council in its various imperatives in the reporting period.

The Unit's responsibilities are:

- To design and carry out research on Collective Bargaining and Dispute Resolution in the Public and Private sectors.
- To design appropriate research methodology, techniques and tools for the Council

During this reporting period, the research component worked on the following:

3.10.1 Outsourcing & Agentisation Practices in the Public Service

The component has completed the second phase of the implementation of Resolution 1 of 2015: Agreement on the review and the impact of existing outsourcing and agentisation practices within the Public Service. The second phase was the primary research with infield commencing in September 2017 and completed reporting in February 2018. The main focus was conducting face-to-face interviews with relevant stakeholders in various sampled provinces (KZN, Gauteng, and Northern Cape) and National Department. The following Provincial and National departments were sampled as agreed to by Council:

- Provincial Departments: Department of Education, Department of Health, Department of Education
- National Departments: Department of Correctional Services, SAPS and the Department of Justice & Constitutional Development.

10.2. 8th Africa ILERA Congress

The unit has also completed two papers for ILERA 8th African Regional Congress that will be presented in May at the regional congress in Mauritius, titled:

- Migrant Labour in Africa (The South African Case Study)
- Public Sector Employment Relations (The South African Context)

3.10.2 Parliamentary Submissions

During the reporting year, PSCBC has done two Parliamentary Portfolio submission and was invited to present to the Portfolio Committee on both submissions. The submissions were on the following bills:

- The Labour Relations Amendment Bill
- Foreign Service Bill

3.11 The year ahead

The CBU looks forward to a new Salary Agreement for Public Servants in the next reporting period, and the Unit will be hard at work workshopping the Resolution countrywide to its stakeholders.

Also on the Agenda for the PSCBC and the CBU in the new reporting period will be a Collective Bargaining Indaba. The Indaba will span 4 days and will tackle issues in the Collective Bargaining context such as Decent Work, Outsourcing and Agentisation, the right to organize, and effective governance, among others. It will be held under the theme: "Advancing and protecting workplace democratization through strengthening Collective Bargaining as to ensure economic development, social justice and labour peace within the Public Service".

The Agreement that would be signed by stakeholders during the indaba would assist Council in engaging and coming up with new Strategic objectives that would take Council forward in its endeavors.

Another project the CBU is looking forward to in the next reporting period is the ILERA 8th Africa Regional Congress in May 2018. The theme of the congress will focus on the challenges facing the future of work. This Regional Congress will give an African perspective on Labour and Employment Relations and sets the scene for the ILERA World Congress to be held in Seoul, South Korea in July 2018. The Congress is being organized by the PSCBC in partnership with the Labour and Employment Relations Association of South Africa (LERASA) which is also the South African sister organization of the International Labour and Employment Relations Association (ILERA) based at the ILO in Geneva.

The CBU is geared to manage all its operational imperatives in the next reporting period with focus and determination and with a view to improving on delivery to its stakeholders in positioning itself, advancing where achievements were made before, and influencing by bringing about change through collaboration.

4. DISPUTE MANAGEMENT UNIT

4.1 Overview

The Dispute Resolution and Prevention function is core towards attaining labour peace. The Dispute Resolution Unit provides essential support to the Council towards achieving its strategic objectives, which include the review of the 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 training programs to assist in the monitoring and evaluation of collective agreements in order to ensure compliance.

The report reflects on the referrals received by the Council from 01 April 2017 to 31 March 2018 with a comparison of the referrals received in the previous reporting period.

4.2 Statistics

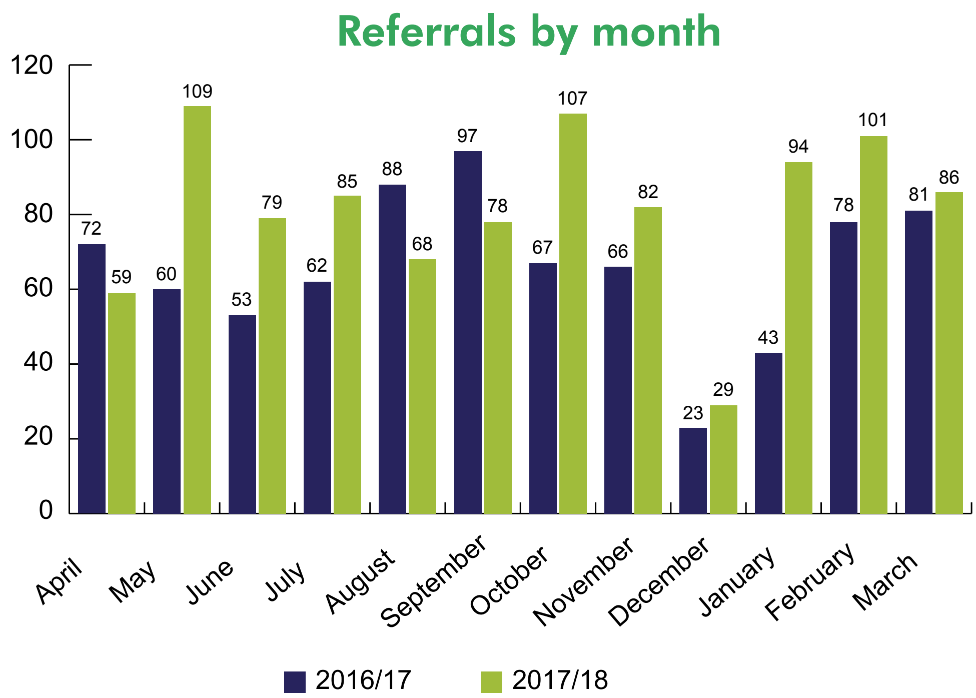
4.2.1 Number of referrals received

A total number of 977 Referrals were received from 01 April 2017 to 31 March 2018 in comparison to 790 Referrals received in the previous reporting period resulting in a 23% increase in the referral rate.

4.2.1.1 A breakdown of the referrals by month

A low Referral rate is recorded in the month of December as a result of the shut-down period from 16 December to 7 January in terms of paragraph 3(2) of the Dispute Resolution Rules of the PSCBC.

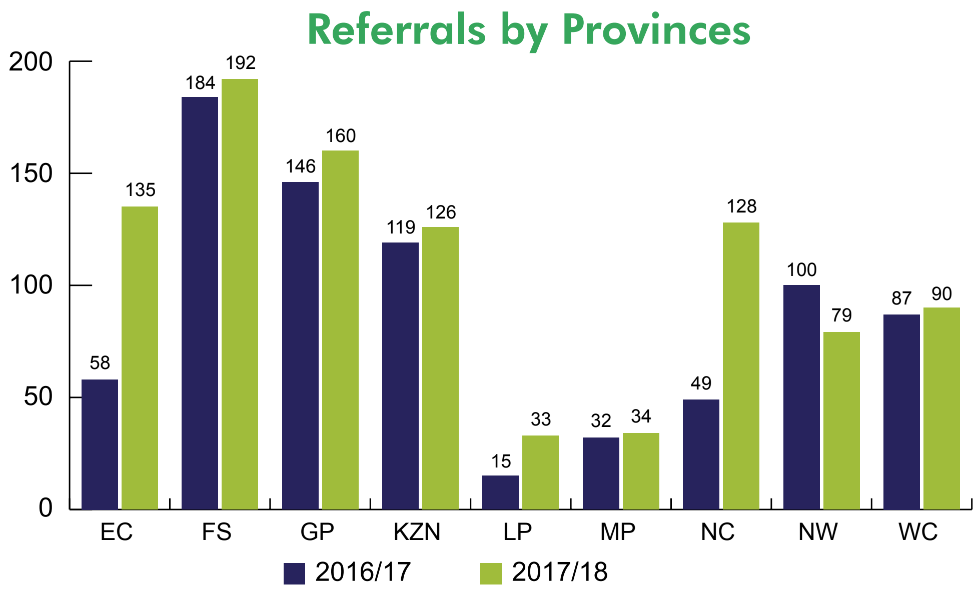
Graph One: A breakdown of referrals by month



4.2.1.2 A breakdown of cases referred by Provinces

The Referrals received in the Eastern Cape, Limpopo and Northern Cape Provinces increased by over 100%. The North West is the only Province which recorded a decrease in the referral rate of 21%. Mpumalanga and Limpopo remain the least referring Provinces.

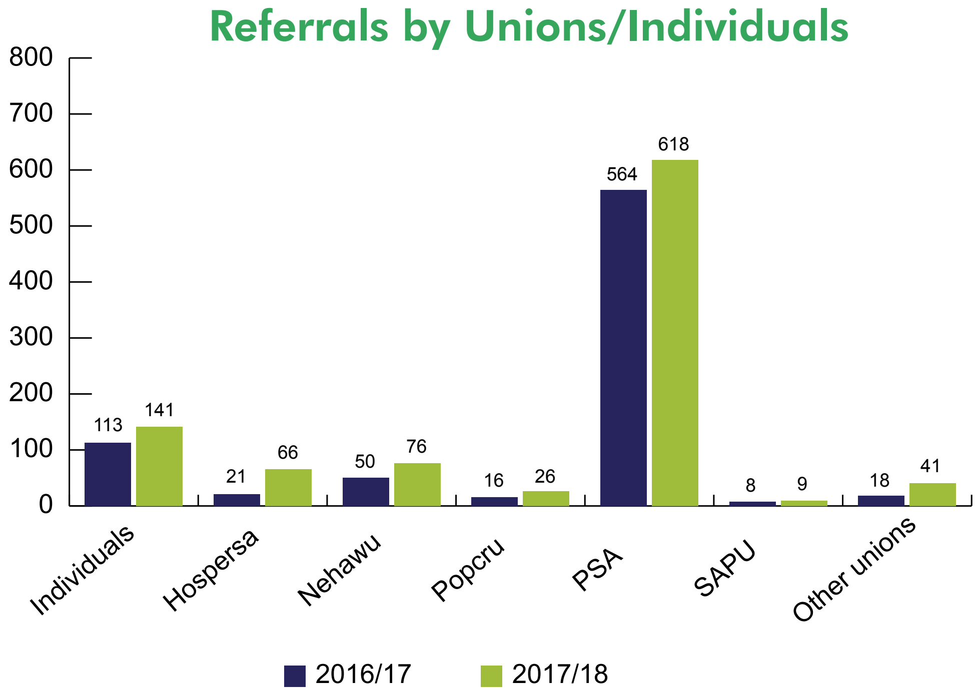
Graph Two: A breakdown of referrals by Provinces



4.2.1.3 Referrals by Trade Unions/Individuals

The PSA referred 63% of the total referrals received. This is a decrease in comparison to the 71% in the previous reporting period. The disputes referred by individuals are at 14%.

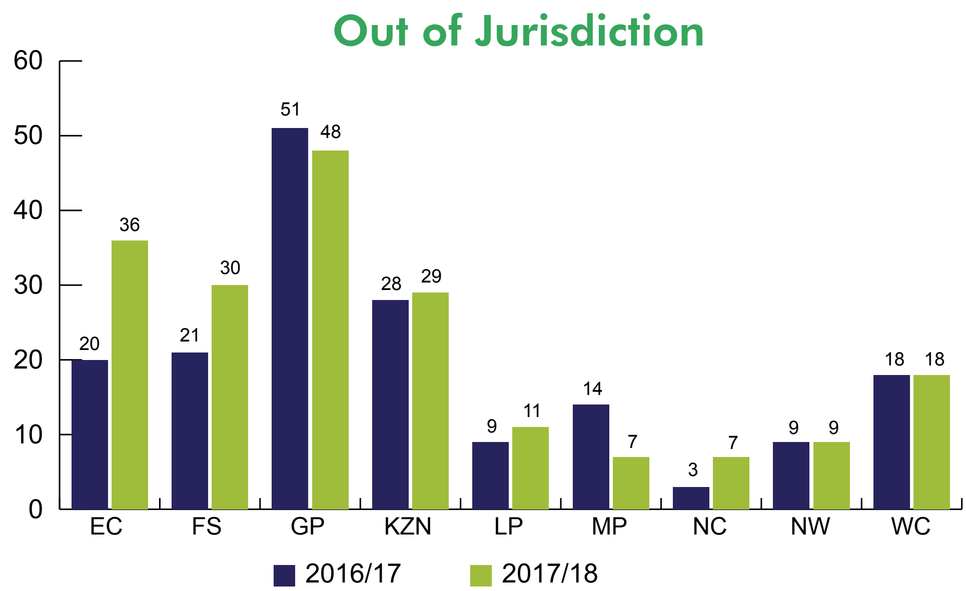
Graph Three: Referrals by Unions/Individuals



4.2.1.4 Out of jurisdiction referred cases[1]

Out of the 977 Referrals received, 20% of the referred cases were screened out of jurisdiction prior to any process comparing to the 21% of the 790 in the previous reporting period.

Graph Four: Out of jurisdiction



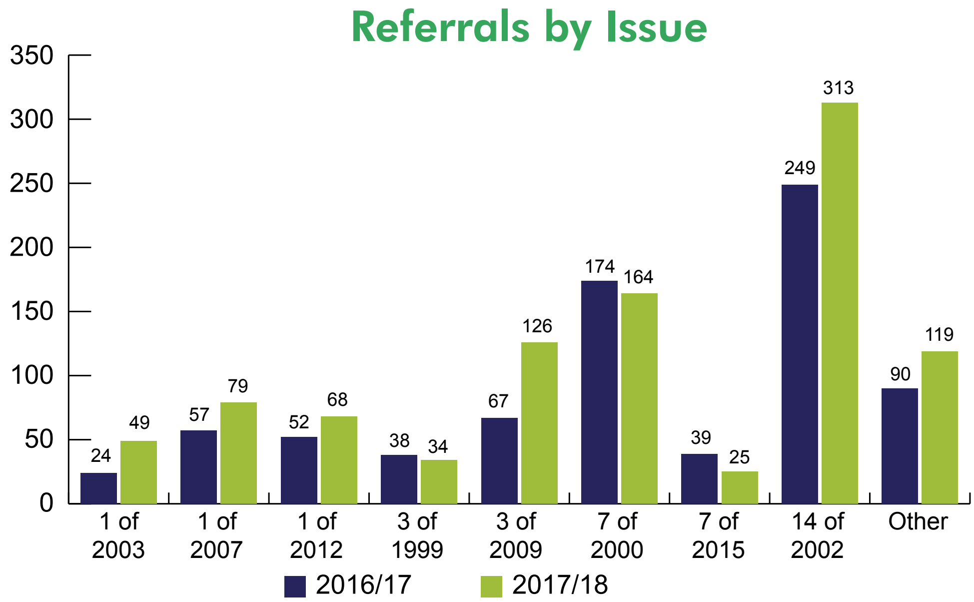
4.2.1.5 Disputes referred to Conciliation by issue

The following PSCBC Resolutions are major contributors in the cases referred:-

1 Disputes relating to unfair labour practice, unfair dismissals, unilateral change to terms and conditions of employment, Sector resolutions and not properly referred, etc.

- Disputes referred in terms of Resolution 14 of 2002[2] constitute 32% of the caseload in comparison to 31% in the previous reporting period.
- Disputes relating to Resolution 7 of 2000[3] account for 17% against 22% in the previous reporting period.
- Disputes relating to Resolution 3 of 2009[4] account for 13% and 8% in the previous reporting period.

Graph Five: Referrals by issue



4.2.1.6 Referrals by issue in Provinces

Disputes relating to Resolution 14 of 2002; (the Grievance Rules) are predominantly referred in the Free State and Northern Cape Provinces.

Disputes relating to Resolution 7 of 2000; (Conditions of Service) are received mainly in the Gauteng, Kwa-Zulu Natal and Western Cape Provinces.

A significant referral increase of the disputes relating to Resolution 3 of 2009; revised Salary Structure for Employees not covered by the OSD is reported in the Eastern Cape and Kwa-Zulu Natal Provinces.

Table A: A breakdown of referrals by Issue in Provinces

Issue	EC	FS	GP	KZN	LP	MP	NC	NW	WC	Total
1 of 2003	4	12	15	8	3	0	0	5	2	49
1 of 2007	8	9	13	19	6	6	5	5	8	79
1 of 2012	17	1	16	9	2	8	7	3	5	68
3 of 1999	2	15	3	4	0	1	5	3	1	34
3 of 2009	35	4	16	22	5	5	4	19	16	126

2 Grievance rules for the Public Service

3 Improvement in the conditions of service of the Public Service employees

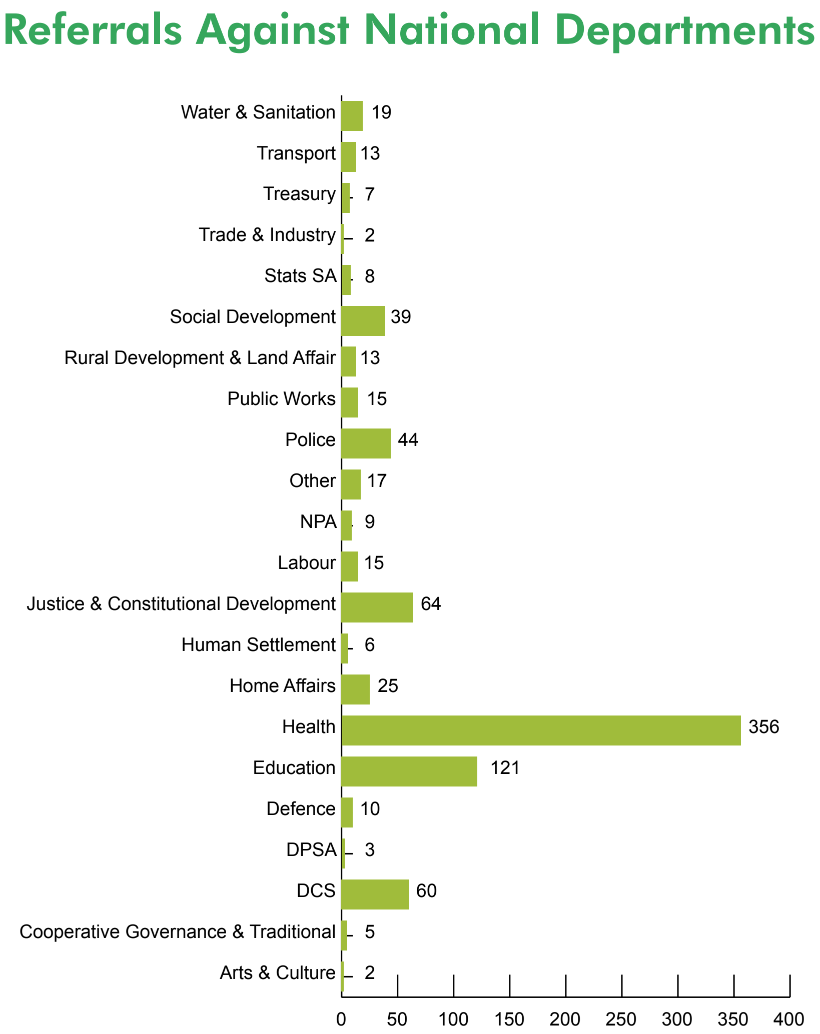
4 Revised salary structure for employees on salary levels 1-12 not covered by OSD

Issue	EC	FS	GP	KZN	LP	MP	NC	NW	WC	Total
7 of 2000	15	13	35	35	4	6	10	12	34	164
7 of 2015	3	2	1	8	2	2	1	1	5	25
14 of 2002	31	119	31	11	1	2	92	25	1	313
Other	20	17	30	10	10	4	4	6	18	119
Total	**135**	**192**	**160**	**126**	**33**	**34**	**128**	**79**	**90**	**977**

4.2.1.7 Referrals against the Departments

Below is a breakdown of referrals received within the National Departments. The highest number of the referrals is received within the Department of Health at 36%.

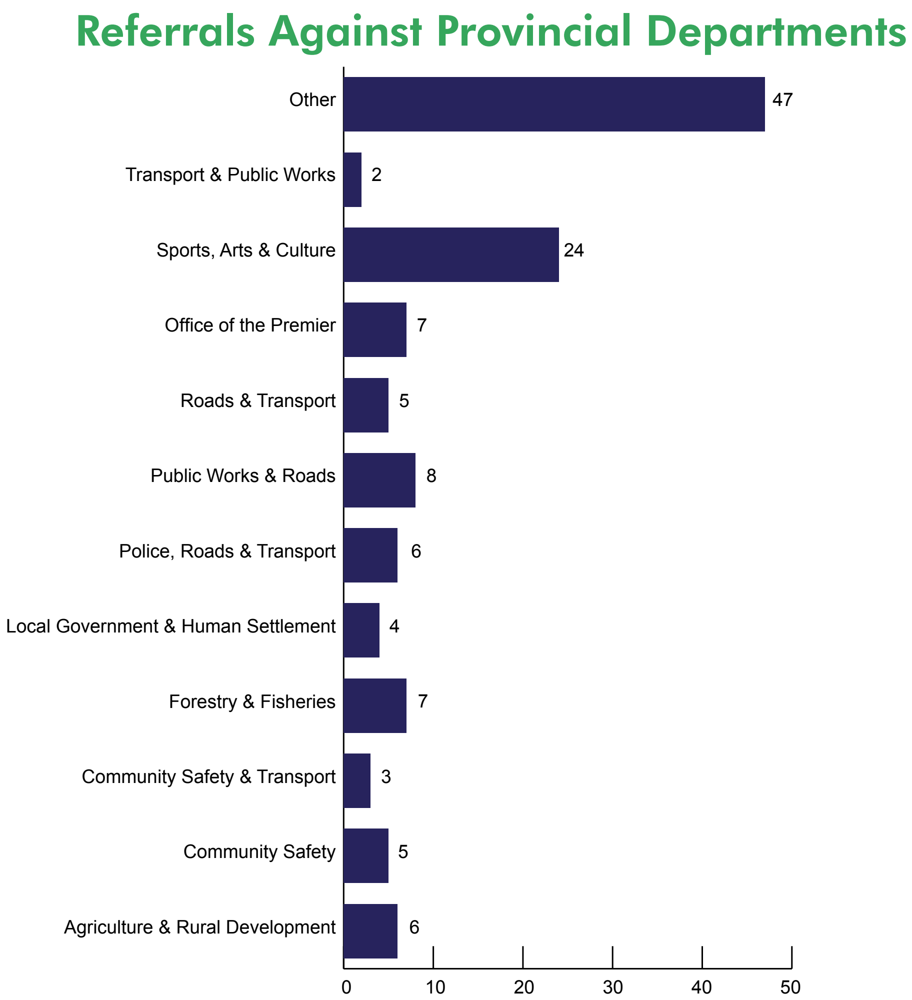
Graph Six: Referrals against National Departments



4.2.1.8 Referrals against the Provincial Departments

The Department of Sports, Arts and Culture accounts for 20% of the referrals received within the Provincial Departments. Below is a breakdown of Referrals received within the Provincial Departments.

Graph Seven: Referrals against Provincial Departments



4.3 Processes conducted/scheduled

A total number of 1825 processes were scheduled/conducted in comparison to 1272 in the previous reporting period resulting in a 31% increase.

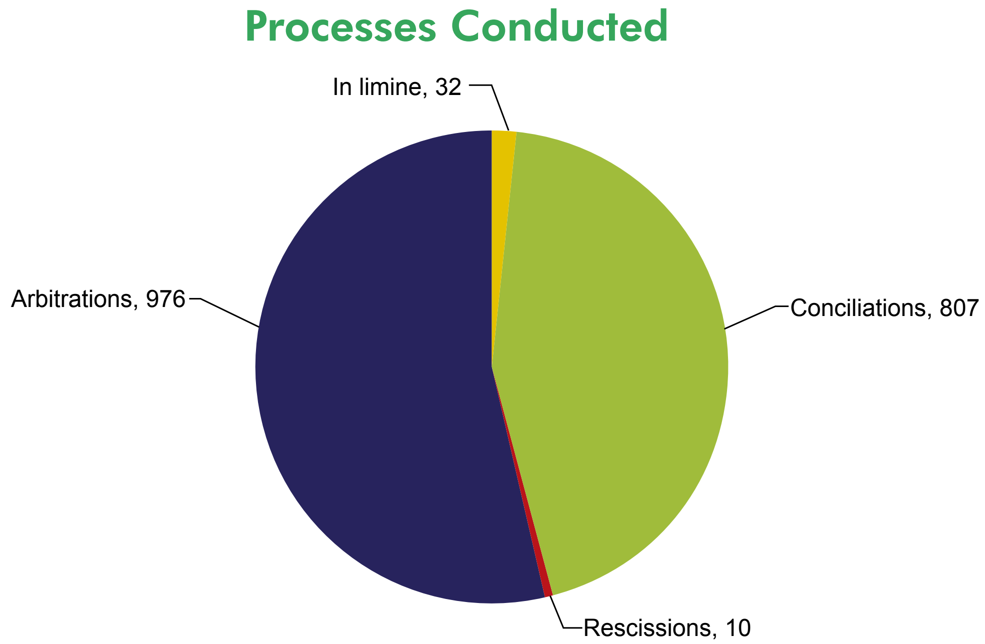
The processes which were conducted/scheduled include 32 in limine[5], 10 rescissions in terms of Section 144 of the LRA, 807 Conciliations and 976 Arbitrations.

The Council issued 111 certificates in terms of Section 135(5) (a)[6] of the LRA.

5 A hearing on a specific legal point, which takes place before the actual case referred, can be heard

6 When a conciliation has failed or at the end of the 30-day period or any further period agreed between the parties (a) a commissioner must issue a certificate stating whether or not the dispute has been resolved

Diagram A: A breakdown of processes conducted



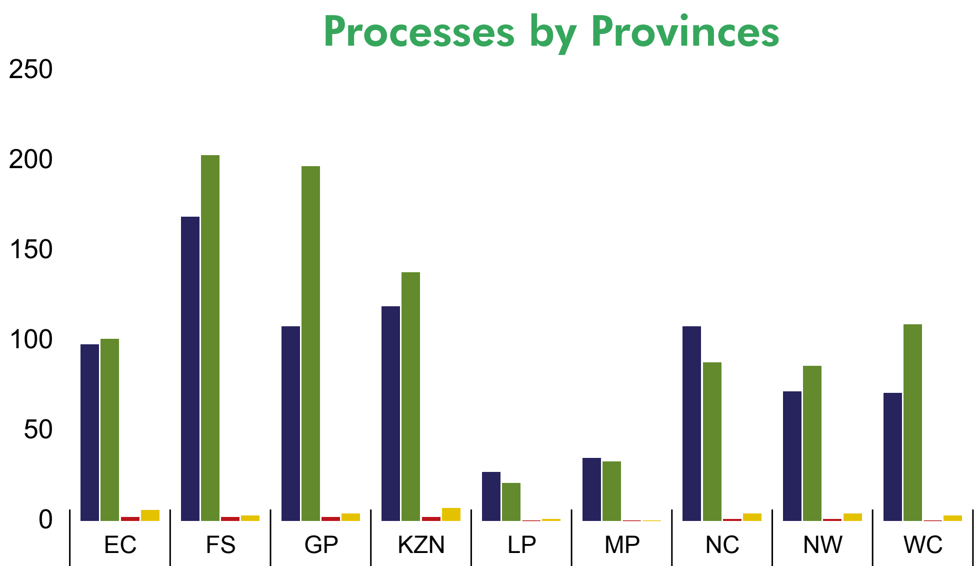
4.3.1 Number of processes scheduled/set down by Provinces

Of the 807 Conciliations conducted, 169 Conciliations were conducted in Free State followed by the Kwa-Zulu Natal, Gauteng and Northern Cape Provinces.

The number of Arbitration Hearings scheduled in the Free State and Gauteng are high; this is as a result of a number of referrals in the Free State Province.

The re-scheduling of arbitrations processes is also linked to the number of postponements and part-heard matters.

Graph Eight: Number of Processes by Provinces



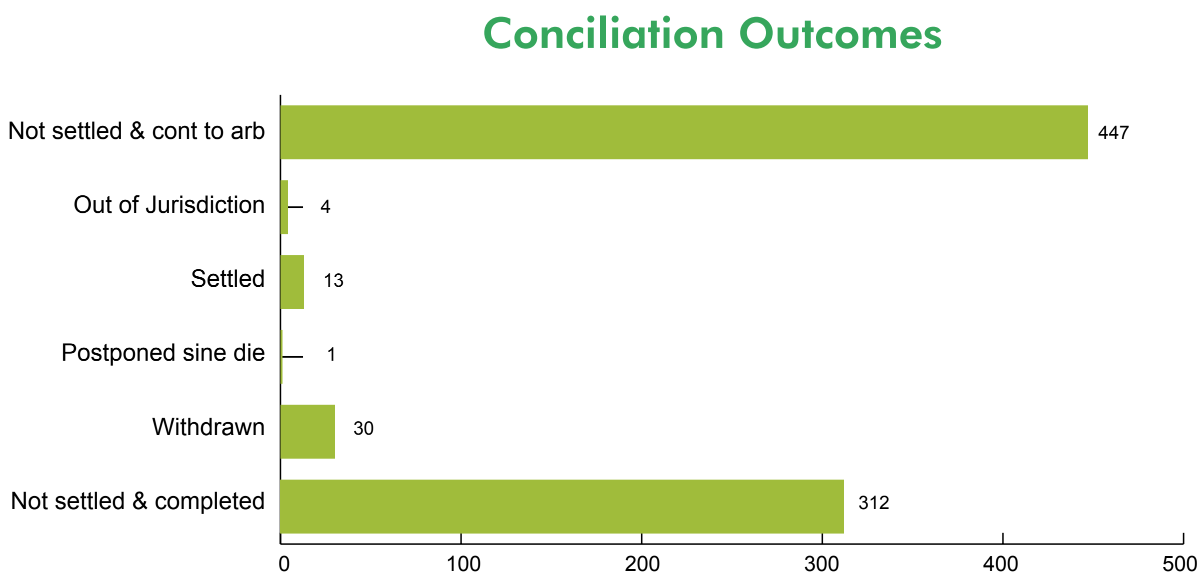
	EC	FS	GP	KZN	LP	MP	NC	NW	WC
Conciliations	98	169	108	119	27	35	108	72	71
Arbitrations	101	203	197	138	21	33	88	86	109
Rescissions	2	2	2	2	0	0	1	1	0
In limine	6	3	4	7	1	0	4	4	3

4.4 Process outcomes

4.4.1 Conciliation outcomes

At the Conciliation phase 94% of the Conciliations remain unresolved. The rate of withdrawals is at 4% and the settlements at 2% at the Conciliation phase.

Graph Nine: A breakdown of Conciliation processes outcomes



4.4.2 A breakdown of Conciliation outcomes by Provinces

Overall the stats indicate that there is a relatively low settlement rate at the conciliation level.

Table B: A breakdown of Conciliation outcomes by Provinces

Province	Not settled & cont. to arb	Withdrawn	Out of Jurisdiction	Postponed Sine die	Settled	Not settled & Completed	Total
EC	65	3	0	1	1	28	98
FS	77	13	2	0	0	77	169
GP	66	4	0	0	5	33	108
KZN	73	3	0	0	3	40	119
LP	19	0	1	0	0	7	27
MP	21	2	0	0	1	11	35
NC	47	5	0	0	1	55	108
NW	39	0	0	0	1	32	72
WC	40	0	1	0	1	29	71
Total	**447**	**30**	**4**	**1**	**13**	**312**	**807**

4.4.3 Arbitration outcomes

The Council conducted 976 Arbitrations 196 Arbitrations awards were rendered, 194 postponements, 239 withdrawals and 184 settlements.

It is to be noted that 24% of the Disputes were withdrawn at Arbitration level. The stats indicate a 19% rate of postponement. The reasons for postponements occasioned by Parties and Panellists range from the following:

- Postponed sine die pending 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 envisaged in the DR Procedure is barely used by the parties[7]. A very low usage of less than 1% has been recorded.

7 Clause 5.4 of the PSCBC DR Procedure

Graph Ten: The graph below illustrates the outcomes of the Arbitrations scheduled/conducted

Arbitration Outcomes

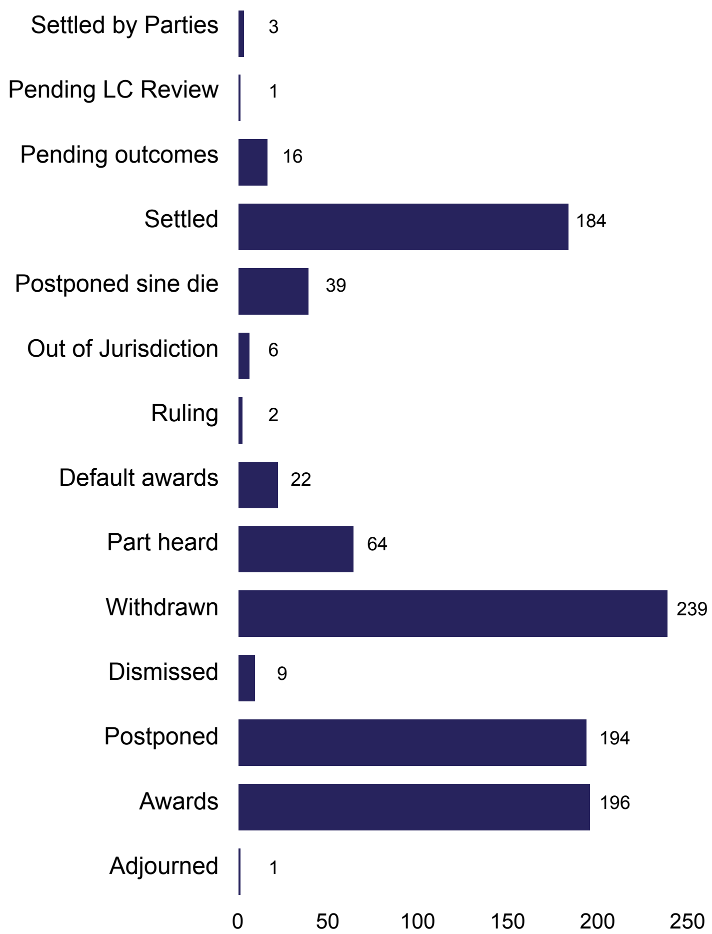


Table C: A breakdown of Arbitration outcomes by Provinces

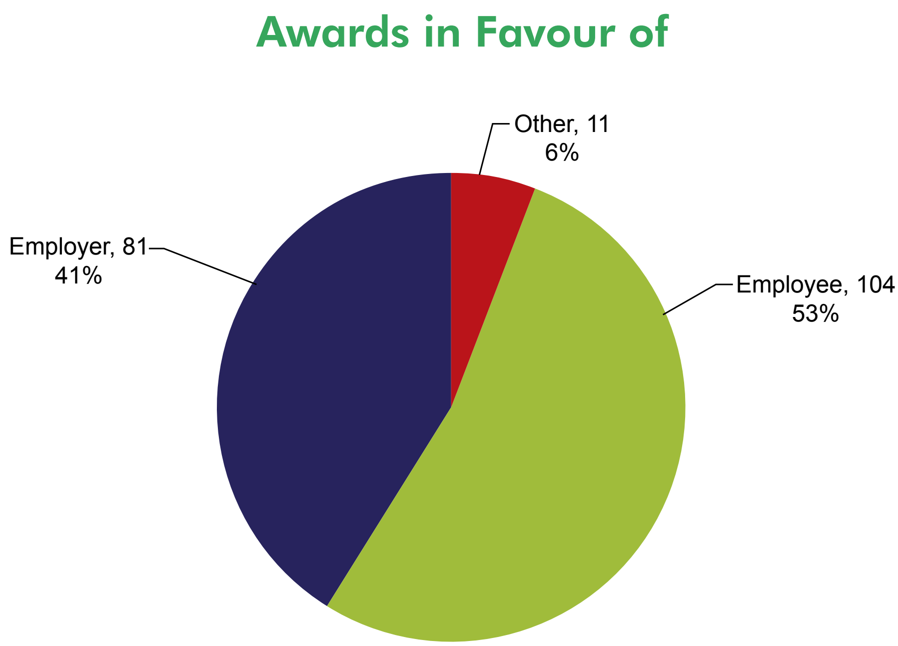
OUTCOMES	EC	FS	GP	KZN	LP	MP	NC	NW	WC	Total
Adjourned	0	0	0	1	0	0	0	0	0	1
Awards	23	36	37	29	7	3	9	25	27	196
Default Award	3	5	3	0	0	1	4	3	3	22
Dismissed	2	0	3	2	1	0	0	0	1	9
LC Appeal	0	0	0	1	0	0	0	0	0	1
Part heard	7	3	24	20	1	0	4	4	1	64
Postponed	20	18	71	23	5	11	13	4	29	194
Out of Jurisdiction	2	0	1	1	0	2	0	0	0	6
Rulings	1	0	0	0	0	0	1	0	0	2
Withdrawn	17	83	25	19	5	7	26	23	34	239
Settled	17	52	23	27	1	8	25	20	11	184
Settled by Parties	1	1	0	0	0	0	1	0	0	3

OUTCOMES	EC	FS	GP	KZN	LP	MP	NC	NW	WC	Total
Postponed sine die	6	5	6	11	1	1	3	3	3	39
Pending Outcome	2	0	4	4	0	0	2	4	0	16
Total	**101**	**203**	**197**	**138**	**21**	**33**	**88**	**86**	**109**	**976**

4.4.4 Arbitration Awards in favour of Employee, Employer and Out of Jurisdiction

A total of 196 Arbitration Awards were rendered, 104 were found in favour of the Unions/ Employees, which represent 53% of the Awards rendered and 81 Awards in favour of the Employer which makes up 41% of the Awards rendered. Other, 11 Awards which were neither in favour of Employee nor the Employer which ruled that Council does not have jurisdiction make up 6% of the Award received.

Diagram B: A breakdown of Arbitration Award in favour of



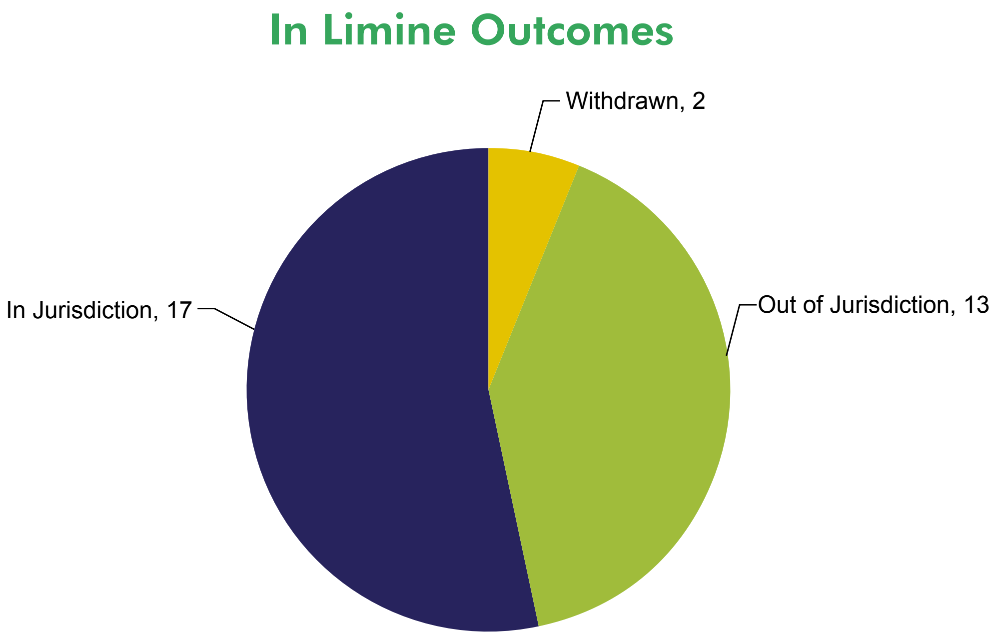
4.4.4.1 A breakdown of Awards by Issue

- 68 Awards were issued in relation to Resolution 7 of 2000 - Improvement in the Conditions of Service; 29 Awards were in favour of the Employer, 37 in favour of Employee and 2 were ruled Out of Jurisdiction.
- 30 Awards were issued in relation to Resolution 14 of 2002 – Grievance Rules; 29 Awards were in favour of the Employee and 1 was ruled Out of Jurisdiction.
- 27 Awards were issued in relation to Resolution 3 of 2009 – revised Salary Structure of Employees not covered by the OSD on Levels 1 to 12; 19 Awards were in favour of the Employer, 8 in favour of Employee.
- 22 Awards were issued in relation to Resolution 1 of 2012 – amendment to allow Employees whose posts are graded on Levels 10 & 1; 5 Awards were in favour of the Employee, 15 in favour of the Employer and 2 ruled Out of Jurisdiction.

4.4.5 Outcomes of In Limine Processes

Out of 32 In Limine Processes conducted 17 ruled In Jurisdiction and 13 ruled Out of Jurisdiction and 2 were withdrawn.

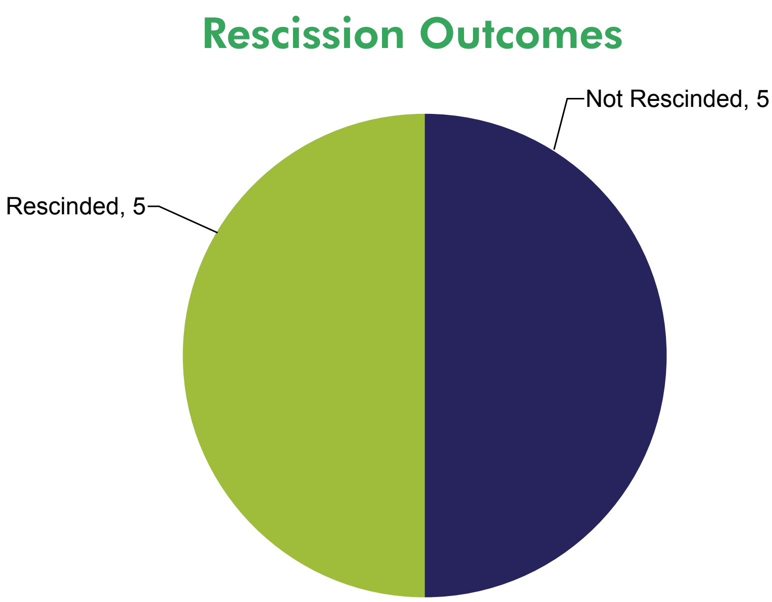
Diagram C: A breakdown of In Limine Outcomes



4.5 Outcomes of Rescission Processes

Out of 10 Rescissions in terms of Section 144 of the LRA were conducted 5 were not rescinded and 5 were rescinded.

Diagram D: A breakdown of In Rescission outcomes



4.5.1 Application to certify Arbitration Awards

The Council has seen an increase in the number of applications to have Arbitration Awards certified in terms of S143 of the LRA, 20 applications were received in this reporting period.

4.6 Cases on Review

A total of 16 cases have been taken on Review in this reporting period. The statistics indicate that the Employee Party has taken on review 63% of the Awards and the Employer Party 37% of Awards to the Labour Court. As of 1 April 2015 to date, 68 cases are pending Labour Court Review.

Diagram E: A breakdown of Party reviewing matters at the Labour Court in terms of Section 145/158 of the LRA

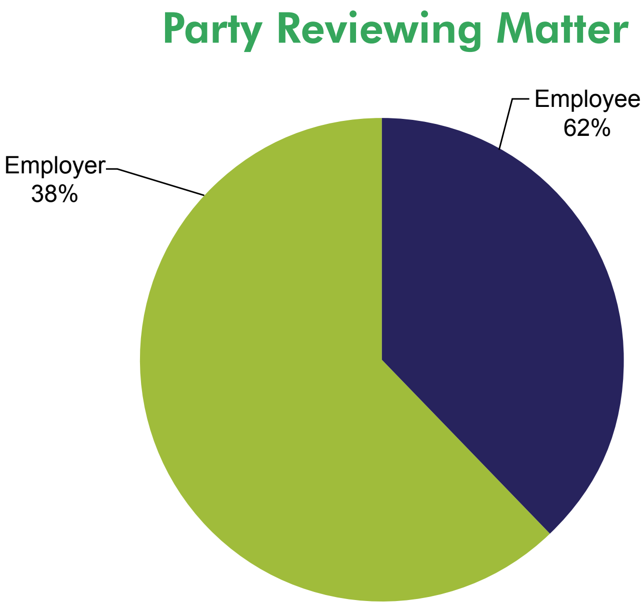


Table C: Matters taken to Labour Court review in the period 2017/18

Case	LC Number	Employer	Employee	Award In Favour	Panelists	Region
PSCB398-17/18	JR758/18	Department of Public Services & Administration	PSA obo Mathabatha, M R (Res 1 of 2012)	Respondent	IlseS	GP
PSCB167-17/18	JR2557/17	Department of Police, Roads & Transport	POPCRU obo Minnie, M R (Res 1 of 2003)	Applicant	DavidP	FS
PSCB162-17/18	JR3391/17	SAPS	POPCRU obo Wahab, M S (Res 7 of 2000)	Respondent	DonaldN	LP
PSCB78-17/18	C733/17	Department of the Premier (Cultural Affairs & Sport)	PSA obo Luzipo, V (Res 7 of 2000)	Applicant	IlseS	WC

Case	LC Number	Employer	Employee	Award In Favour	Panelists	Region
PSCB7-17/18	C753/17	Department of Agriculture & Rural Development	PSA obo Shasha, TW (Res 3 of 1999)	Respondent	IlseS	FS
PSCB711-16/17	JR102/18	Department of Trade & Industry - Gauteng / DPSA	PSA obo Sigcau, A (Res 1 of 2012)	Respondent	MoonsamyN	GP
PSCB662-16/17	JR31/18	Department of Cooperative Governance	PSA obo Mahlaela, M J (Res 1 of 2012)	Respondent	JohnR	GP
PSCB596-16/17	C729/17	Department of Correctional Services	PSA obo Blankenberg, M (Res 7 of 2000)	Respondent	JurgensH	WC
PSCB513-16/17	JR2257/17	Department of Energy & DPSA	PSA obo Mbalane, W (Res 1 of 2012)	Applicant	SaberJ	GP
PSCB393-16/17	JR1714/17	Department of Health	SAMA obo Mohlamonyane, T (Res 3 of 1999)	Applicant	MoonsamyN	GP
PSCB392-16/17	JR2389/17	SAPS	Maja & 2 Others (Res 7 of 2000)	Respondent	DonaldN	LP
PSCB187-16/17	C474/2017	Department of Justice	PSA obo Pillay, V (Res 7 of 2000)	Applicant	IlseS	WC
PSCB690-15/16	JR154/18	GPAA & DPSA	PSA obo Lepadima P & 5 Others (Res 1 of 2012)	Respondent	MoonsamyN	GP
PSCB370-15/16	JR441/18	Department of Correctional Services	PSA obo Bojabotseha, LE (Res 7 of 2000)	Respondent	KarenK	GP
PSCB166-15/16	D864/17	Department of Correctional Services & DPSA	Sephapo (Res 3 of 2009) & (Res 1 of 2012)	Respondent	KelvinK	FS
PSCB481-13/14	JR564/18	Department of Education & DPSA	PSA (Res 3 of 2009 circular no 2 of 2009)	Applicant	NagdeeY	GP

5. Communications

5.1 Overview

The Media, Resource and Information Unit operates as a support structure of the Council. The primary strategic objective of the Media Component is to refine and enhance the liaison, marketing and communication strategy and develop the organizational brand both nationally and internationally. The strategic objectives are used to develop Departmental Policies and Procedures which are used as a guiding tool in order to execute the uniform business activities of the Department. This section of the report will highlight the key activities performed by the section for the 2017/18 financial year.

5.2 Website:

The website continues to be utilised as a vital instrument for the dissemination of information to both Internal and External Stakeholders, this includes the general public. The PSCBC website and social media are used interchangeably when information is updated on the website it is portrayed on social media and vice versa.

The table and graphs below illustrate a website summary of the number of unique visitors, number of visits, and pages. Unique visitors are first-time visitors that are not regular visitors to the website. Visitors are the total number of people who have accessed the website. Pages refer to the number of pages opened within the website, these include links that are contained within pages.

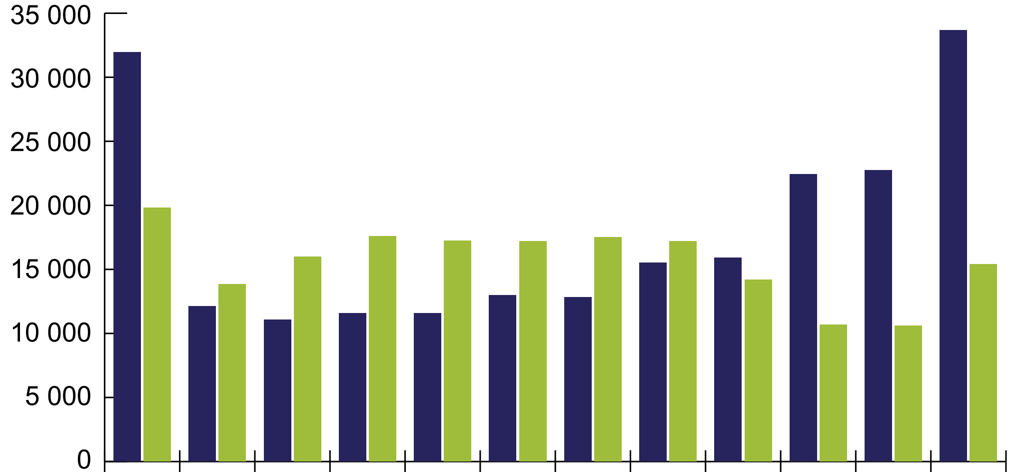
2016/17	Unique Visitors	No of Visits	Pages
Apr 16	17 527	31 966	80 926
May 16	6 912	12 113	44 204
Jun 16	7 366	11 066	36 994
Jul 16	7 296	11 586	4 239
Aug 16	6 590	11 576	48 311
Sep 16	7 666	12 970	55 225
Oct 16	7 219	12 807	55 558
Nov 16	8 894	15 532	67 262
Dec 16	9 913	15 897	68 172
Jan 17	13 606	22 421	118 235
Feb 17	13 344	22 751	117 277
Mar 17	20 259	33 665	205 751
	126 592	**214 350**	**940 306**

2017/18	Unique Visitors	No of Visits	Pages
Apr 17	13 072	19 825	194 007
May 17	8 732	13 845	138 748
Jun 17	10 111	15 977	148 814
Jul 17	11 145	17 588	170 410
Aug 17	10 948	17 232	168 156

2017/18	Unique Visitors	No of Visits	Pages
Sep 17	10 766	17 184	140 280
Oct 17	10 494	17 516	147 250
Nov 17	9 740	17 195	139 387
Dec 17	8 769	14 175	108 565
Jan 18	5 976	10 679	88 610
Feb 18	5 924	10 605	94 625
Mar 18	9 071	15 385	146 152
	114 748	**187 206**	**1 685 004**

5.2.1 Summary of Visitors

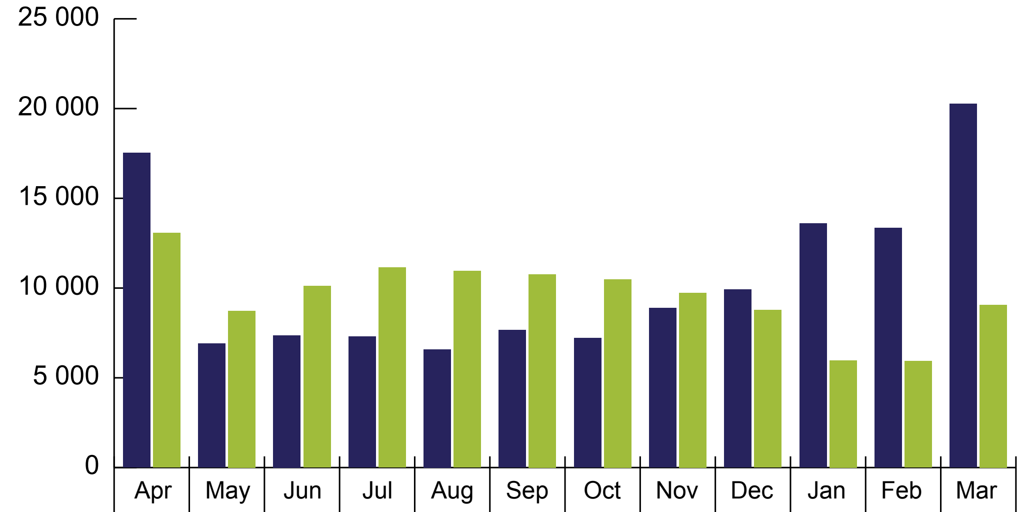
The graph below illustrates the number of visitors to the website- comparative summary for the 2016/17 and 2017/18 financial years.



	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
2016/17	31 966	12 113	11 066	11 586	11 576	12 970	12 807	15 532	15 897	22 421	22 751	33 665
2017/18	19 825	13 845	15 977	17 588	17 232	17 184	17 516	17 195	14 175	10 679	10 605	15 385

5.2.2 Summary of Unique Visitors

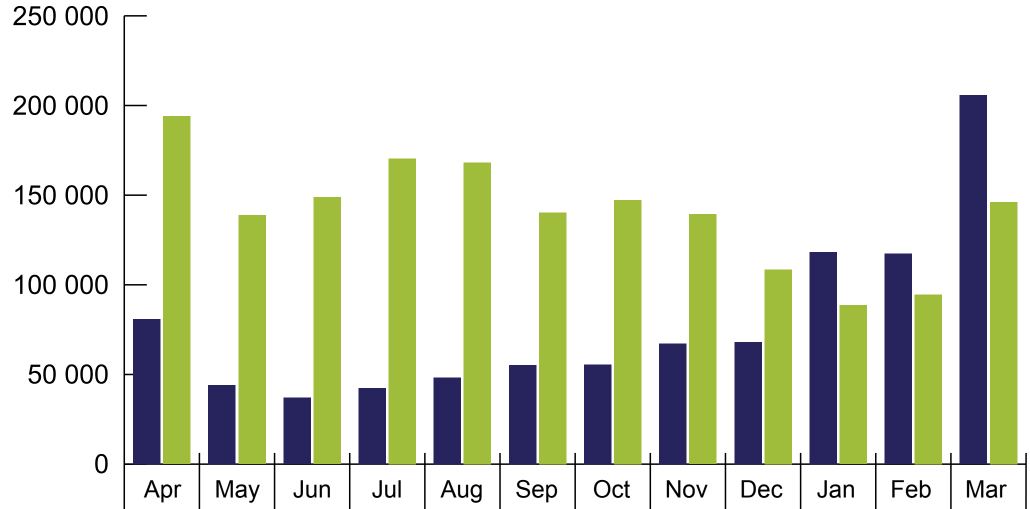
The graph below illustrates the number of unique visitors to the website- comparative summary for the 2016/17 and 2017/18 financial years.



	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
2016/17	17 527	6 912	7 366	7 296	6 590	7 666	7 219	8 894	9 913	13 606	13 344	20 259
2017/18	3 072	8 732	10 111	11 145	10 948	10 766	10 494	9 740	8 769	5 976	5 924	9 071

5.2.3 Summary of pages

The graph below illustrates the number of pages accessed - summary for the 2016/17 and 2017/18 Financial Years.



	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
2016/17	80 925	44 204	36 994	42 391	48 311	55 225	55 558	67 262	68 172	118 235	117 277	205 751
2017/18	194 007	138 748	148 814	170 410	168 156	140 280	147 250	139 387	108 565	88 610	94 625	146 152

5.3 Social Media:

In this financial year, the PSCBC Social Media platforms (Facebook and Twitter) played a fundamental role in informing all of our stakeholders of Council and related media activities. The live feeds of the Councils activities on all of our Social Media platforms kept our followers updated and engaged, this resulted in the increase in followers and likes on the Facebook and twitter pages.

According to our Social Media statistics, our Social Media pages enjoyed high level of engagements. The continuous use of these pages as tools for sharing information and discussion platforms has resulted in the increase in the number of followers and likes on both Facebook and twitter pages respectively. During this Financial Year, Facebook was used as our predominant Social Media platform. We have maintained synergy between our website and Social Media pages, information posted on Facebook and Twitter forums automatically appear on the website. This is conducted so that website users who do not have access or do not subscribe to Social Media may be kept informed on the latest information updates. Listed below are statistics and information on our Social Media platforms:

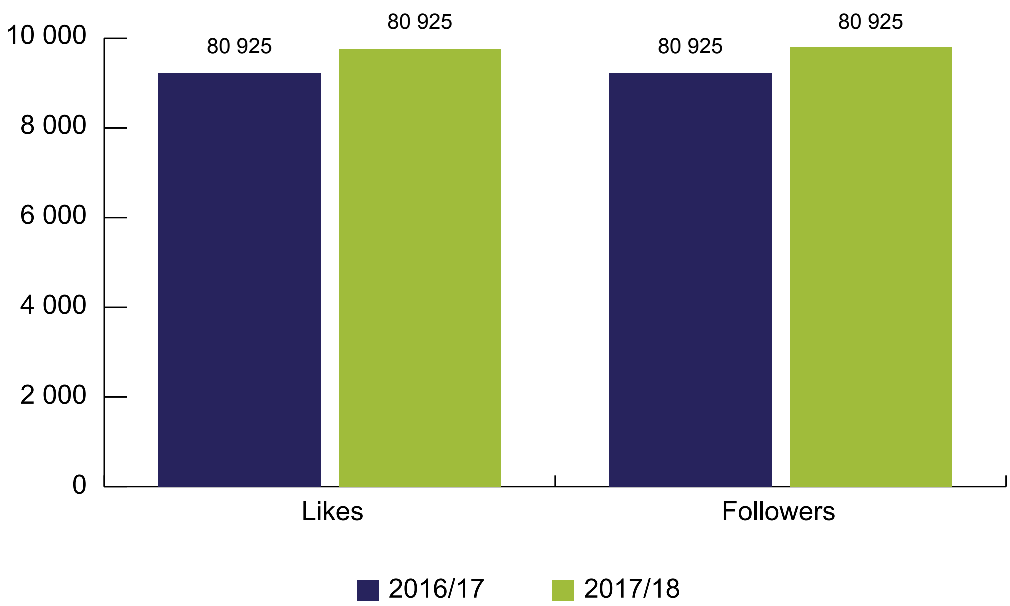
5.3.1 Facebook https://www.facebook.com/pscbc.council?fref=ts

Like us on Facebook

Listed below are the number of likes and followers on our Facebook page for the current and past financial year.

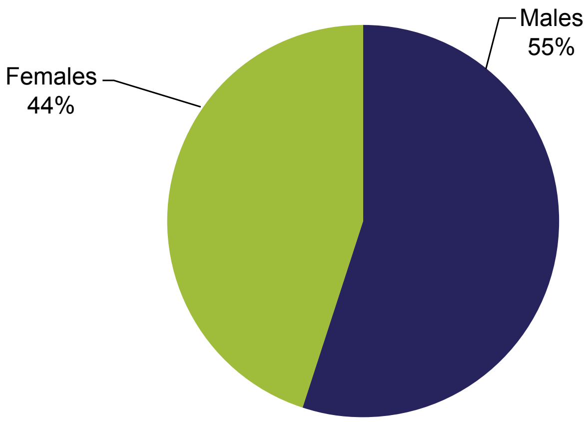
Facebook	2016/17	2017/18
Likes	9215	9767
Followers	9217	9794

The graph below illustrates the comparison between like and followers for the 2016/17 and 2017/18 financial years.



Summarised below is aggregate demographic data of people who like our page. Countries of origin and cities within South Africa are also included. This is based on the age and gender information that subscribers to social media provide in their user profiles:

Ages	Male	Female	Total
13-17	0.16%	0.07%	0.23%
18-24	2%	1%	3.00%
25-34	13%	12%	25.00%
34-44	20%	13%	33.00%
45-54	10%	7%	17.00%
55-64	2%	3%	5.00%
65+	8%	8%	16.00%
	55.00%	**44.00%**	**100.00%**



Country	PSCBC Fans
South Africa	3 019
Pakistan	8
Brunei	8
India	8
Botswana	3
United Arab Emirates	3
Indonesia	2
United Kingdom	2
Saudi Arabia	2
United State of America	2
Total	**3 057**

City	PSCBC Fans
Cape Town, WC	318
Johannesburg, GP	277
Pretoria, GP	260
Durban, KZN	198
Port Elizabeth, EC	109
Bloemfontein, FS	89
East London, EC	88
Polokwane, LP	75
Pietermaritzburg, KZN	68
Kimberley, NC	52
Total	**1 534**

5.3.2 Twitter @pscbcnews https://twitter.com/pscbcnews

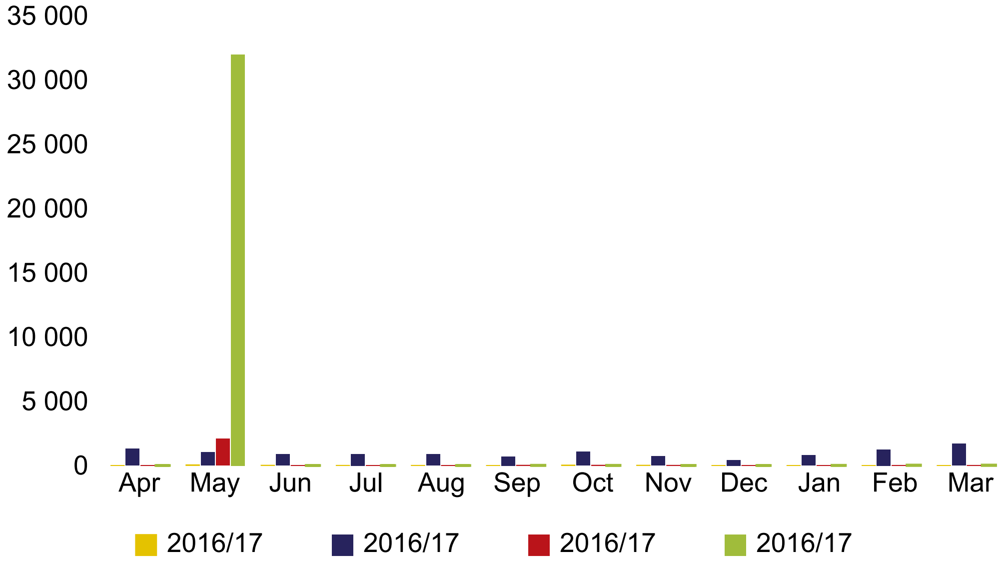
Listed below are the number of followers on our twitter page for the current and past financial year.

Twitter	2016/17	2017/18
Followers	2100	2813

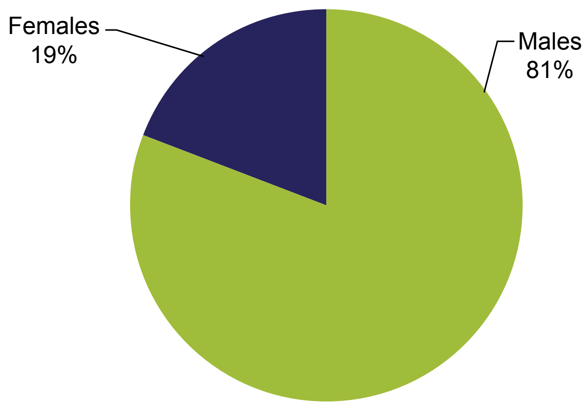
The stats below highlights the number of tweets, profile visits, mentions and new followers of twitter:

2017/18	Tweets	Profile Visits	Mentions	New Followers
APR	7	1 313	7	7
MAY	63	1 052	2 096	32 096
JUN	29	877	10	10
JUL	20	904	6	6
AUG	19	880	6	6
SEP	9	709	27	27
OCT	43	1 091	28	23
NOV	30	728	21	16
DEC	4	431	6	9
JAN	1	812	5	24
FEB	10	1 255	16	41
MAR	8	1 691	17	42
	243	**11 743**	**2 245**	**32 307**

The diagram below illustrates graphically the statistics for the 2017/18 year:



Listed below are the demographics and Countries of origin of our followers on Twitter:



Country	%
South Africa	97%
United States	>1%
Norway	>1%
United Kingdom	>1%
Turkey	>1%
Canada	>1%
Bangladesh	>1%
Soudi Arabia	>1%
Germany	>1%

5.4 Events

The PSCBC continues to market and build its brand Nationally and Internationally by exhibiting at conferences/ congresses hosted by its stakeholders and social partners, staff wellness programmes, and Corporate Social Responsibility programmes as shown below:

5.4.1 Sod Turning Ceremony

The PSCBC was established in 1997 and the first Secretariat members were appointed in 1998, they were housed at Sol Plaatje House, Department of Education in Schoeman Street, Pretoria. In the year 2000, the Council took a decision to relocate to its own offices located at 260 Basden Avenue (current premises) in Lyttelton. The PSCBC and Sectoral Bargaining Councils all operated from one of the buildings in Lyttelton Office Village during this period and as the Sectoral Bargaining Councils began operating optimally, there was a need to employ more staff members and as a result, more office space was required. It was then decided to lease additional buildings that were located within the Office Park.

In April 2013, the PSCBC took the decision to purchase buildings B, C & D that are located within the Office Park. As the Sectoral Bargaining Councils and the PSCBC further expanded, there was a need for more office space. In June 2016, the Council purchased the vacant land that is situated behind the current Office Park. This now gives birth to the new building that will be constructed to be the new home of the PSCBC in its entirety.

On the 3rd of May 2017, the Public Service Co-ordinating Bargaining Council (PSCBC) hosted the SOD turning ceremony. The ceremony was held at the PSCBC new site situated at 260 Basden Avenue (behind the existing buildings).

The Programme Director for the function was Mr Jones Galorale who is a PSCBC EXCO member. The programme commenced on a vibrant note with the Usuthu Traditional Dancers welcoming the guests as they arrived, this was followed by a praise singer who then blessed the day’s festivities. The PSCBC Vice-Chairperson: Employer, Mr. Mpfariseni Phophi officially welcomed guests to the ceremony. The representatives from the various religious faiths prayed at the event in order to invoke divine favour on this new project. The Bargaining Council Choir then sang the National Anthem.

The General Secretary of the PSCBC, Mr Frikkie De Bruin conducted the opening remarks and he highlighted the significance of the SOD turning ceremony. He further emphasised that the issue of accommodation has been an outstanding issue for a long period of time.

Mr Ivan Fredericks, General Manager of the Public Servants Association (PSA) delivered an address on behalf of the Independent Labour Caucus (ILC) and Mr John Mabhida, Deputy President of Police and Prisons Civil Rights Union (POPCRU) then spoke on behalf of Congress of South African Trade Unions (COSATU), Joint Mandating Committee (JMC). The Honourable Minister Faith Muthambi (Minister of Public Service & Administration) delivered an inspiring Key Note Address. The 3 dignitaries then proceeded to turn the sod.

Mr Basie Malwane, an Executive Committee (EXCO) member of the PSCBC then proposed the toast and Mr Oupa Sebiloane, PSCBC Vice Chairperson: Labour, then concluded the ceremony with a vote of thanks.

The ceremony was well attended by members of the admitted Trade Unions, Government affiliates, Sector Bargaining Councils and other Social Partners such as the International Labour Organization (ILO), Commission for Conciliation, Mediation & Arbitration (CCMA), Government Employees Pension Fund (GEPF), Government Employees Medical Scheme (GEMS) and National Association of Bargaining Councils (NABC).

5.4.2 The PSCBC's 20th annual general meeting

On Friday, 30th June 2017, the PSCBC held its 20th Annual General Meeting (AGM) at Maropeng Cradle of Humankind. The meeting was chaired by the Vice-Chairperson: Employer, Mr Mpfariseni Phophi.

The General Secretary of the PSCBC, Mr Frikkie De Bruin presented the Annual Report to members of the meeting. Members commended Mr De Bruin on an outstanding report and appreciated the work that was concluded during the Financial Year. The Finance Department was also congratulated for achieving an unqualified Audit Report once again.

New Vice-Chairpersons were elected:

- Ms Thandeka Msibi (Vice-Chairperson: Labour)
- Mr Mpfariseni Phophi (Vice-Chairperson: Employer)

An evening dinner function was held at Misty Hills Country Lodge, Muldersdrift. Staff members with long service were given recognition at the function. The following staff were awarded Long Service Certificates:

- Frikkie De Bruin : 10 Years
- Phillip Kgoadi : 10 Years
- Jemina Kutumela : 10 Years
- Sonnyboy Monyane : 10 Years
- Ruthlancy Molaudzi : 15 Years
- Oomang Parag : 15 Years
- Valencia Kola : 15 Years

The function was well enjoyed by all that attended.

5.4.3 20th Anniversary Celebration

The year 2017 is significant for the PSCBC as it marks its 20th Anniversary. The PSCBC held its celebratory function on the 25th October 2017 at Gallagher Convention Centre in Midrand. The function was held in celebration of the various milestones that were achieved by the PSCBC over the years.

The function was well attended by 500 dignitaries from Government, Labour Organizations and strategic partners. The programme also recognised the month of October being Social Development month by including many young and upcoming artists who rendered items of song, dance, poetry and other theoretical performances.

The festivities began with the singing of the National Anthem followed by the General Secretary's delivery of the welcome message. Through the history of the PSCBC, Trade Union Federations made significant contributions to the PSCBC, Mr Mike Shingange of COSATU and Mr Basil Manuel of ILC delivered messages of support on behalf of their Organizations.

There-after various stalwarts including; Judge Edwin Molahlehi, Adv Melissa Ntshikila, Mr Henry Hendricks, Mr Pule Rameetse, Mr Mpfariseni Phophi, Mrs Shamira Huluman and Mr Kenny Govender delivered messages of support via video recordings. The Keynote address was delivered by the Acting Director General of the Department for Public Service and Administration (DPSA), Mr Willie Vukela

The function was graced by the Minister for the Public Service & Administration, Ms. Faith Muthambi (MP) who presented awards to; parties to Council, Council members and staff who have served the organization for the past 20 years. In the spirit of acknowledgement, the Vice-Chairperson- Labour, Ms Thandeka Msibi conducted the posthumous recognition by acknowledging the following members who passed on whilst still in service; Mr Don Pasquillie, Mr Andy Miller, Ms Pretty Nomhle Singonzo-Shuping, Mr Radhakrishna Lutchmana (Roy) Padaychie, Mr Collins Chabane, Mr Maurice Maubane, Mr Ronnie Johnson and Mr Sipho Radebe.

In conclusion, a heart-warming vote of thanks was delivered by Mr Mpfariseni Phophi, Vice Chairperson – Employer, followed by the proposal of a toast which was done by Adv. Luvuyo Bono, the Chairperson of the PSCBC. The event was truly a resounding success and we would like to express our gratitude to parties and social partners for their contributions and attendance on this momentous occasion.

5.4.4 NEHAWU 11th national congress

The National Education Health and Allied Workers Union (NEHAWU) held its 11th National Congress from the 26-29 July 2017 at the Birchwood Hotel in Boksburg, Gauteng which took place under the theme "Strengthen workplace organization, deepen class consciousness and advance internationalism". The PSCBC hosted an exhibition stand at the Congress. The purpose of the exhibition stand was to promote the scope of services, the duties and responsibilities of the Council to attendees of the Congress.

The PSCBC would like to thank NEHAWU for giving us the opportunity to exhibit at their Congress and wishes the newly elected leadership all of the very best with their new portfolios.

5.4.5 SAPS Excellence Awards & Mens Day Celebrations

The PSCBC sponsored corporate gifts to South African Police Services (SAPS) for the following events that they recently hosted:

Excellence Awards

The SAPS celebrated its Excellence Awards on the 3rd November 2017 at Voortrekker Monument, Pretoria in order to honour their outstanding performing Employees. The National Excellence Awards are aimed at recognising and rewarding outstanding performance, exceptional devotion to community relations and extraordinary courage.

Men's Day Celebrations

The SAPS visible policing division hosted the International men's day celebration on the 23rd November 2017. The Men for Change Forum identified the theme "Motivated, Engaged and Noble" in order to create a change in the lives of men within the Organization and to give them a platform where they can come together and share ideas.

The PSCBC commends the SAPS for introducing these events and we believe that these initiatives will go a long way in ensuring that the workforce is motivated and continues to produce excellent results.

5.4.6 The National Public Servants' Sports & Cultural (NPSSCE) Events Tournament

On the 20th of October 2017, the NPSSCE held a sports tournament at Thaba Tshwane Military Sports Ground in order to promote wellness in the workplace. The NPSSCE is an Organization of Public Servants that coordinates and facilitates engagements of Government Employees in sport and recreational activities. The NPSSCE in conjunction with the National Department of Health hosted a gala dinner at Ditsong Cultural Village, Pretoria to officially open their annual national tournament. The gala dinner was hosted under the theme "Celebrating our unity in diversity" and the theme for the tournament was "enhancing sport and recreation wellness programmes in the workplace."

The PSCBC was one of the sponsors of the tournament and was pleased to play a role in the promotion of healthy and happy lifestyles of Public Servants, this was also viewed as an opportunity to market the services of the PSCBC. The Council commends the NPSSCE for the exceptional work it is doing for our public servants by contributing positively to their wellness and for the coordination of well organised events.

5.4.7 Remembering Madiba

On the 5 December 2013, the world lost one of its most iconic leaders and statesmen, Nelson Rolihlahla Mandela. In commemorating Madiba's legacy, the PSCBC visited the Mamelodi Old Age Home. The home caters for underprivileged elderly people and provides 24 hour care to their residents. The home provided the PSCBC with a wish list of items that they required. The list included toiletries and food stuff which the PSCBC was pleased to donate.

The PSCBC staff prepared and served a delicious meal to the residents, handed out toiletry packs and joyfully interacted with the residents with song and dance. The residents were overjoyed and joined in the festivities. The residents of the Home expressed their utmost appreciation to the PSCBC for this special day and the staff were proud to have taken part of such a momentous initiative. "A society that does not value its older people denies its roots and endangers its future. Let us strive to enhance their capacity to support themselves for as long as possible and, when they cannot do so anymore, to care for them" (Nelson Mandela).

5.4.8 Annual Sports Day

On the 15th of November 2017, the PSCBC together with Sectoral councils (SSSBC, GPSSBC, & PHSDSBC) held their annual sports day at Lyttelton sports grounds in Centurion. The event was indented to bring staff members and management from the Bargaining Councils together for a day filled with fun and collaborative activities. This year's sports day activities included; sumo wrestling, dodgeball, obstacle courses, dual gladiator, ring toss and miniature golf.

Participants were randomly selected to form teams who competed against each other. All staff enjoyed the fun-filled activities. The annual sports day achieved its aim which is to unite staff in the true spirit of Ubuntu

6. Human Resources Unit

6.1 Overview

Following the review and adoption of the PSCBC's Organizational structure on the 30th of June 2015, Council has continued its commitment to meeting strategic objectives and Legislative mandate. Central to the attainment of these is Council's human resources. We are committed on remaining the Employer of choice through our employment equity practices, retention of staff and training and development practices.

6.2 Staff Retention

Seven of our staff members who have been with Council for the pass 10 and 15 years were celebrated and received Long Service Awards at our 20th Annual General Meeting.

Name and Surname	Years of Service	Current position
Valencia Kola	15 Years	Senior Manager: Collective Bargaining
Oomang Parag	15 Years	Manager: Communications
Ruth Molaudzi	15 Years	Officer: Dispute Management
Frikkie De Bruin	10 Years	General Secretary
Phillip Kgoadi	10 Years	Driver
Jemina Kutumela	10 Years	Receptionist
Sonnyboy Manyane	10 Years	Senior Officer: Procurement, Logistics and Facilities

6.3 Staff Movement

Following the adoption of the Organisational Structure, Council committed to a phased approach to the filling of vacancies. Due consideration was given by Council taking into account available office accommodation and financial constraints.

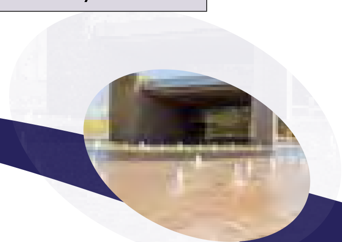
6.4 Resignations

As a true Employer of choice, Council has managed to retain 100% of its staff compliment with no resignations received over the past 3 years. This is further supported by the number of staff members who celebrated their 15 and 10 year anniversaries with Council.

6.5 Appointments

Council appointed the following Employees during the year under review:

Name and Surname	Position	From
Kwena Manamela	Senior Officer: Communications	02 May 2017
Makwena Ramaru	Executive Assistant to the General Secretary	02 May 2017
Cwayita Mbaba	Officer: Information Technology	02 May 2017
Tseke Mphahlele	Officer: Marketing, International Relations and Strategic Partnerships	03 May 2017
Keegan Tobin	Administrator: Communications	02 May 2017



In recognition of internal growth and development, Council has also committed to appointing internal staff members to senior positions. During the year under review Council appointed one staff member from an Administrator to an Officer position and one Contract Employee was absorbed to a permanent position as an Administrator.

6.6 Internship

In keeping up with business, industrial norms, Government Legislations and standards to combat the plight of unemployment gap in South Africa, Council appointed two young work seekers on an annual contract with an intention of providing them with personal development and exposure to the Corporate World. Council's vision is that this programme will give the young job seekers work exposure and the necessary breakthrough in the employment market.

6.7 Vacant posts

Following a Council decision for filling vacancies in a phased approach, the below positions remain vacant. From the above mentioned vacant positions more than half have been advertised and the process of filling these positions has been envisaged for completion in the next financial year. The filling of the remaining vacant posts will take into account the budgetary forecast, accommodation, office space, the operational needs and strategic objectives of Council.

The following posts are funded and vacant:

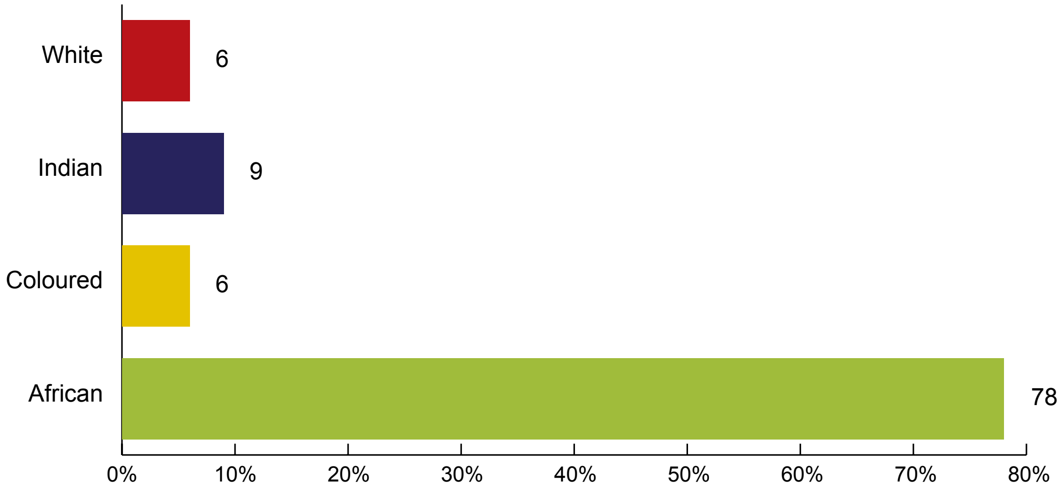
1. Senior Manager: Dispute Management
2. Manager: Strategic Monitoring and Evaluation
3. Manager: Internal Audit
4. Resident Panellist
5. Senior Officer: Monitoring and Evaluation
6. Officer: Negotiation Support Chambers
7. Senior Administrator : Task Teams and Committees
8. Administrator: Research
9. Administrator: Enforcement

6.8 Representativity Profiles

6.8.1 Race

The below graph indicates Council's commitment to Employment Equity with up to 79.4% of its workforce from an African group, Council has a 8.8% representation of Indians, 5.8% Coloured and 5.8% Whites.

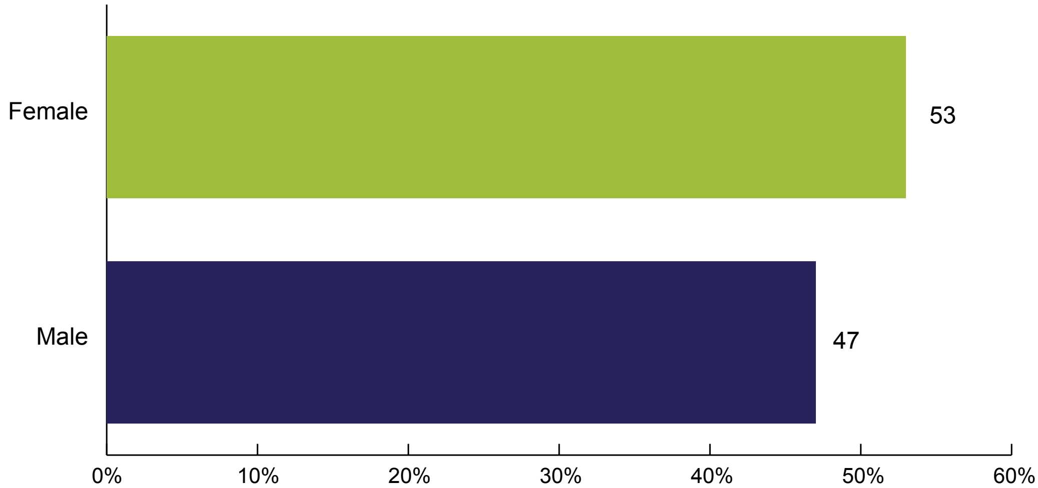
Graph Indicating Race



6.8.2 Gender

Council has a 50/50% representativity in terms of gender with 25% female representativity at Senior Management level, 38% female representativity at Junior Management level and a 33.3 % overall female representativity at management level (Managers and Senior Officers).

Graph Indicating Gender



6.9 Skills Development

During the period under review Council continued to show commitment to the norms and standards of empowering and developing its workforce as envisaged in the Skills Development Act.

The following bursaries were awarded:

Bursaries Awarded	Employee
Postgraduate Diploma in Financial Accounting (UNISA)	Zanele Zwane
Bachelor of Laws (UNISA)	Petunia Bhengani
Bachelor of Commerce in Industrial and Organizational Psychology (UNISA)	Mbuso Mdingi
Bachelor of Arts in Communication Science (UNISA)	Kwena Manamela
Diploma in Marketing Management (IMM Graduate School)	Shana Trail

The following short courses were attended:

Short Courses Attended	Employee
Further Education & Training Certificate in Administration Management (NQF level 4) This programme was an initiative of the National Association of Bargaining Councils (NABC), in partnership with the Services Sector Education And Training Authority (SSETA). The programme was facilitated by Yellow Media Publishers.	Biance Singh Divine Ngwenya Keegan Tobin Lebogang Papo Ntsako Sibiya Phillip Kgoadi Refilwe Msiza Rekha Sooknunan Ruth Molaudzi Setshaba Mashifane Shana Trail Tseke Mphahlele Tsumbedzo Tshinavha Zanele Zwane
Certificate in Labour Dispute Resolution Practice (University of Stellenbosch)	Dineo Choshi Wandile Mgobhozi

The following workshops and seminars were attended:

Workshops and Seminars Attended	Employee
Juta's Annual Labour Law Seminar (Juta and Company)	Petunia Bhengani
Unpacking the New Agreement on Collective Bargaining and Strike (Bowmans)	Petunia Bhengani Valencia Kola
SASLAW 20th Annual Conference (South African Society for Labour Law)	Frikkie De Bruin Petunia Bhengani Tseke Mphahlele
SARS Bi-Annual Submission Workshop (SAGE)	Xolani Magagula Zanele Zwane

Workshops and Seminars Attended	Employee
Essentials of Absenteeism (SAGE)	Wandile Mgobhozi Xolani Magagula Zanele Zwane
Mid-Year Payroll Seminar (SAGE)	Xolani Magagula Zanele Zwane
Pastel Payroll Tax Seminar (SAGE)	Portia Seeletso Wandile Mgobhozi Xolani Magagula Zanele Zwane

6.10 Employee Wellness

6.10.1 MTN Walk the Talk

During the year under review staff members took part in the 2017 MTN Walk the Talk, they successfully completed the 15 and 8 kilometre walks respectively. Each participant's endurance and power of the mind was tested as participants maneuvered in and around the streets of Johannesburg during the cold Sunday morning of 23 July 2017.

6.10.2 Sport Day

Staff members also took part in Councils Sports Day that was hosted on 15th November 2017, wherein they were divided into teams and had to conquer various outdoor tasks and obstacles that required both physical and mental strengths. Strategies had to be developed to ensure your team stays ahead and in some instances it became a matter of survival of the fittest.

6.10.3 Year-End Function

For the year-end function staff members were taken on an open top bus to compete on a cooking competition. Event took place on the 7th December 2017, teams were tasked with preparing a two course meal and relied on each member of the team to ensure they produce a world class meal. Unfortunately in the end, as it was a competition one team had to win.

Staff members also engaged on the Council's traditional exchanging of gifts which aims to break any barriers as recipients are randomly chosen and kept secret until the day of the gift exchange.



6.11 HR Policy

We plan to prioritize the review of the HR Policies and Conditions of Service to ensure that we remain competitive, meet current Employee needs and further mitigate against identified risk areas. The PSCBC's Policy on Leave and Disciplinary Code and Procedure Policy have been reviewed and are currently under consultation for inputs from staff.

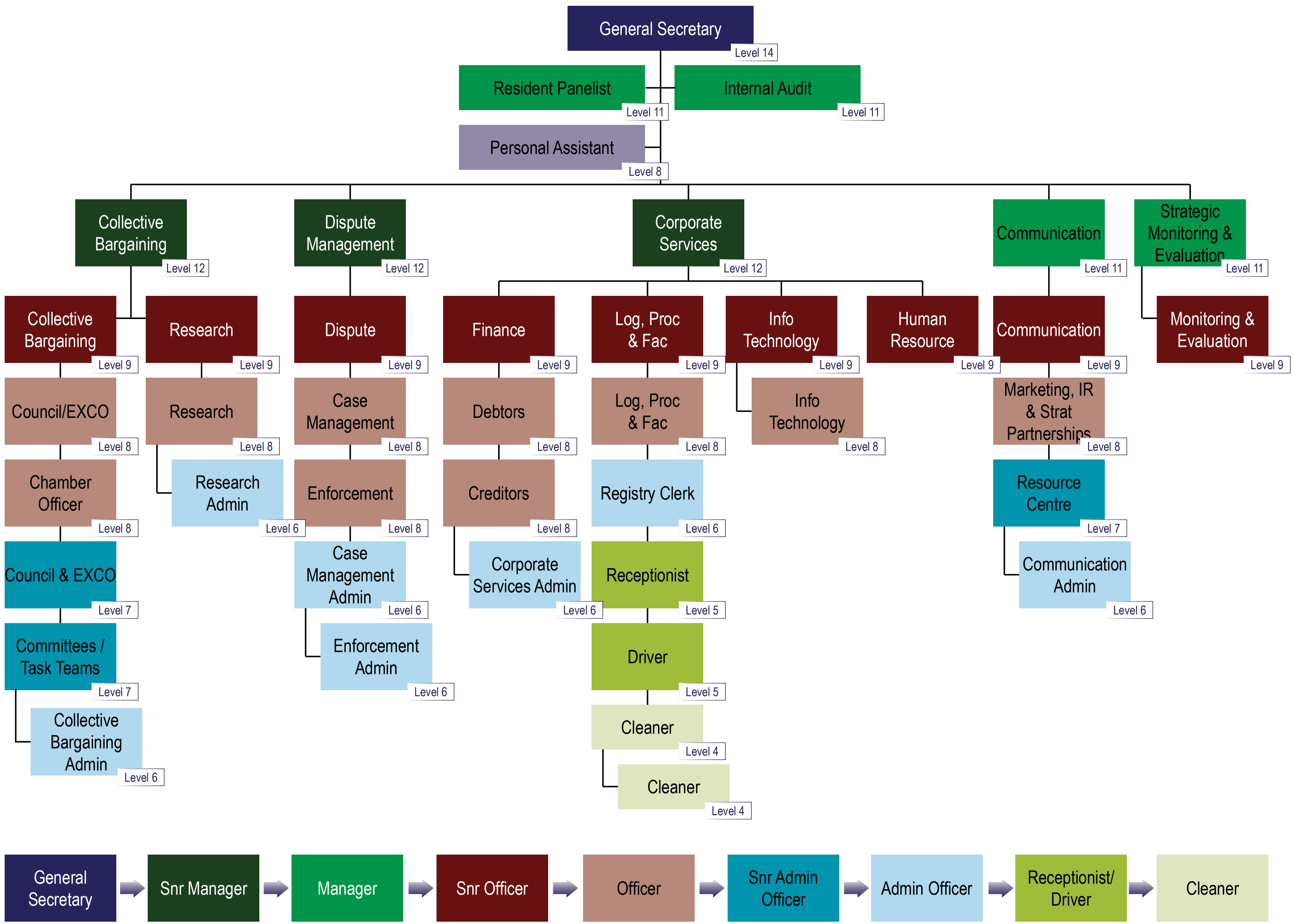
6.12 Skills Development

Council seeks to further strengthen its relations with strategic partners and external stakeholder. All relevant procedures have been undertaken to maintain compliance with the Public Service Sector Education and Training Authority.

6.13 The Year ahead

Following the adoption of the organisational structure, measures have been taken in ensuring that Council functions at an optimal level and meets its strategic objectives.

7. ORGANISATIONAL ORGANOGRAM



8. SECRETARIAT PROFILE 2017/18

OFFICE OF THE GENERAL SECRETARY

Frikkie **De Bruin**

General Secretary

Makwena **Ramaru**

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: Dispute Management

Lebo **Papo**

Administrator: Dispute 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

Xolani **Magagula**

Senior Officer: Human Resource

Bianca **Singh**

Officer Finance: Creditors

Zanele **Zwane**

Officer Finance: Debtors

Divine **Ngwenya**

Officer: Logistics, Procurement & Facilities

Cwayita **Mbaba**

Officer: Information Technology

Phillip **Kgoadi**

Driver

Rekha **Sooknunan**

Administrator: Corporate Services

Tsumbedzo **Tshinavha**

Registry Clerk

Debra **Kutumela**

Receptionist

Evelyn **Molaudzi**

Cleaner

Busi **Makgaretsa**

Cleaner

COMMUNICATIONS

Oomang **Parag**

Manager: Communications

Kwena **Manamela**

Senior Officer: Communications

Tseke **Mphahlele**

Officer: Marketing, International Relations & Strategic Partnerships

Shana **Trail**

Administrator: Communications

Keegan **Tobin**

Administrator: Communications

9. CORPORATE SERVICES UNIT

9.1 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

9.2 Finance Committee

The Finance 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 Finance 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).

9.3 Meetings

The Finance Committee held three meetings during the financial year, with attendance as follows:

	18 Apr 17	07 Jul 17	09 Nov 17
Adv L. Bono (Chairperson)	-	-	-
Mr M. Phophi (Vice-Chairperson Employer)	√	√	√
Mr M. Sebiloane / Ms T. Msibi (Vice-Chairperson Labour)	-	-	-
Mr T. Moralo (NEHAWU)	√	√	√
Ms L. Motshwane (SADTU)	√	√	√
Mr T. Ngwenya (POPCRU)	-	-	√
Mr T. Sonyathi (DENOSA)	√	√	√

	18 Apr 17	07 Jul 17	09 Nov 17
Mr H. Brynard (DPSA)	-	-	√
Ms D. Mogane (National Treasury)	√	-	√
Mr V. Sakala (DPSA)	√	√	√
Ms F. Van Vuuren (DPSA)	√	√	-

9.4 Financial analysis

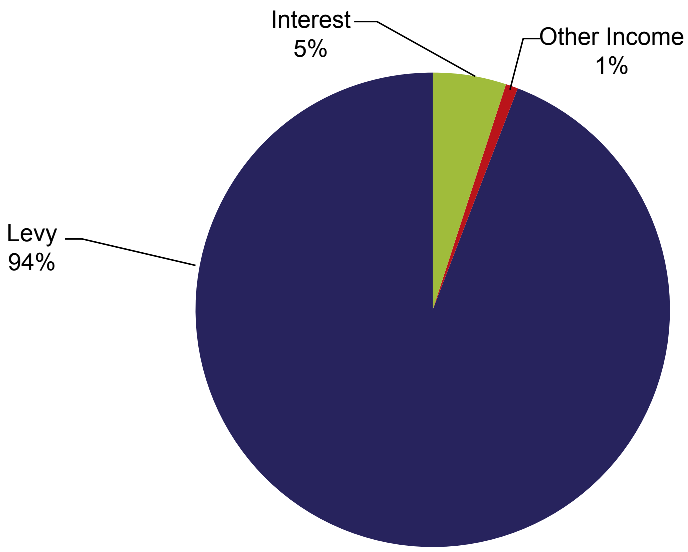
9.4.1 Total Income – Levy Account

The overall income for the Council during the 2017/2018 financial year was R39, 561,102 of which:

- 94% was generated out of the Levies from the Public Service as per Resolution 2 of 2013,
- 5% was generated from interest earned on levies and reserves,
- 1% was generated from other income.

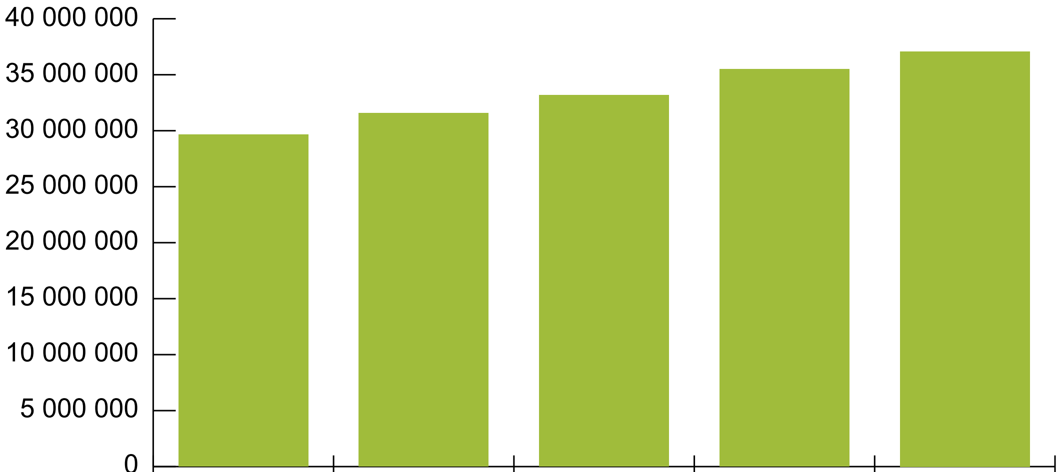
The Levies received of R37, 080,566 were slightly lower than the projected income of R37, 750,448. A higher interest income was received due to surplus funds that were reinvested in the current year.

Total Income for the period
1 April 2017 to 31 March 2018



The graph below illustrates annual increases to the PSCBC Levy, based on National Treasury's year-on-year projected Consumer Price Index (CPI) as per Resolution 2 of 2013. The agreement lapses in 2018/2019.

Annual Levy Income



	2014	2015	2016	2017	2018
Levies	29 662 834	31 567 581	33 178 544	35 501 965	37 080 565

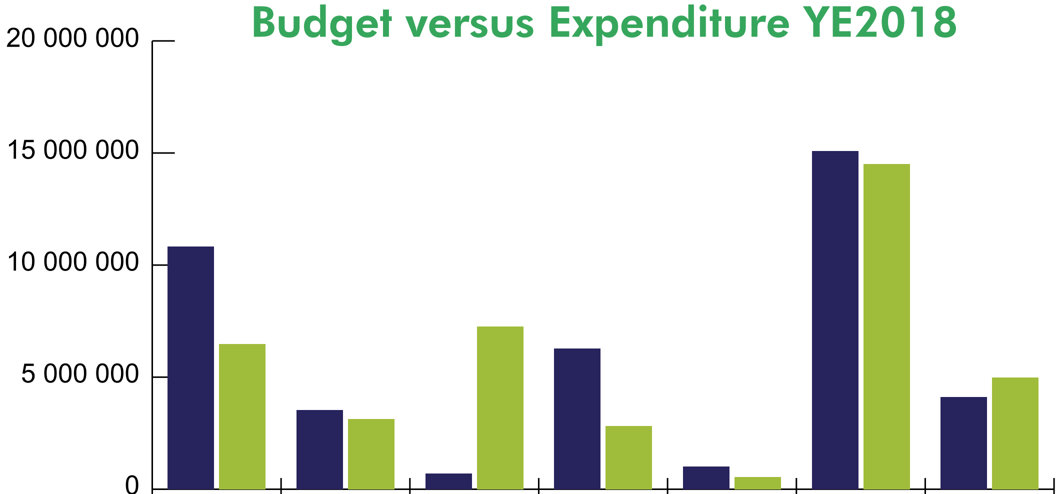
Total Expenditure – Levy Account

The overall Expenditure for the Council during the 2017/2018 financial year amounts to R39, 719,996 which was lower than the projected expenditure of R 47,800,332.

The graph below depicts the Departmental Expenditures:

Actual expenses per Department were lower than budget, except for Communications and Corporate Services. Budget understated by the non-inclusion of depreciation amount of R1, 685,685 being a non-cash item.

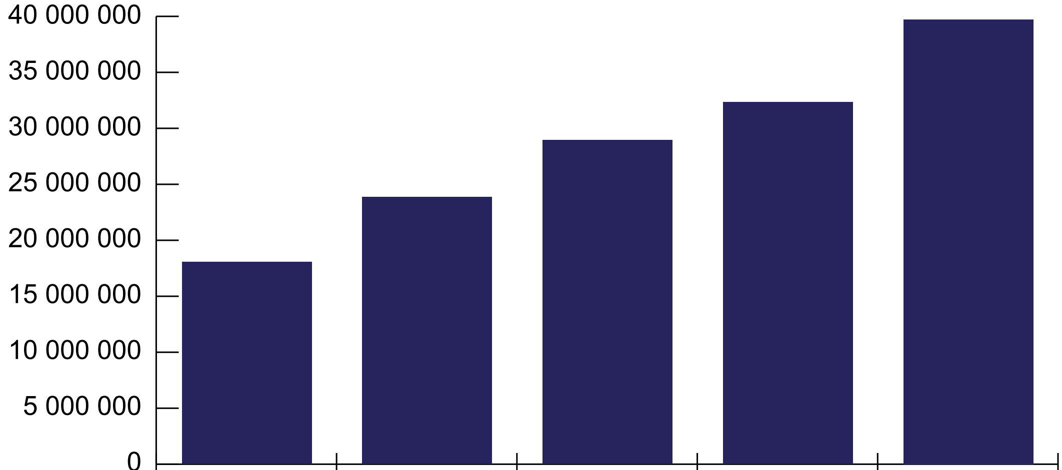
Budget versus Expenditure YE2018



	Collective Bargaining	Dispute Management	Communica-tions	Management Services	Information Technology	Human Resources	Corporate Services
Budget	10 819 328	3 527 027	6 950 497	6 274 358	1 023 731	15 081 996	4 123 395
Actual	6 479 903	3 125 111	7 266 254	2 822 373	539 849	14 501 615	4 984 889

The graph below indicates the expenditure over the last five years. An increase in the expenditure graph in 2018 is expected, due to the levy increase therefore allowing Council to implement its strategic objectives with the available funds.

Annual Expenditure



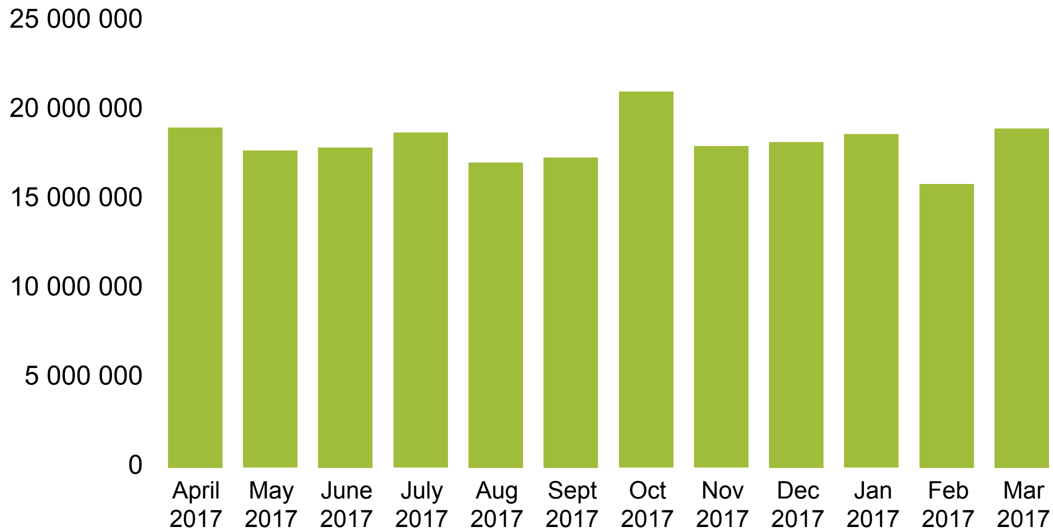
	2014	2015	2016	2017	2018
Levies	18 063 561	23 864 154	28 945 547	32 323 806	39 719 995

9.5 Agency Shop Fee Account – Disbursements to Admitted Trade Unions

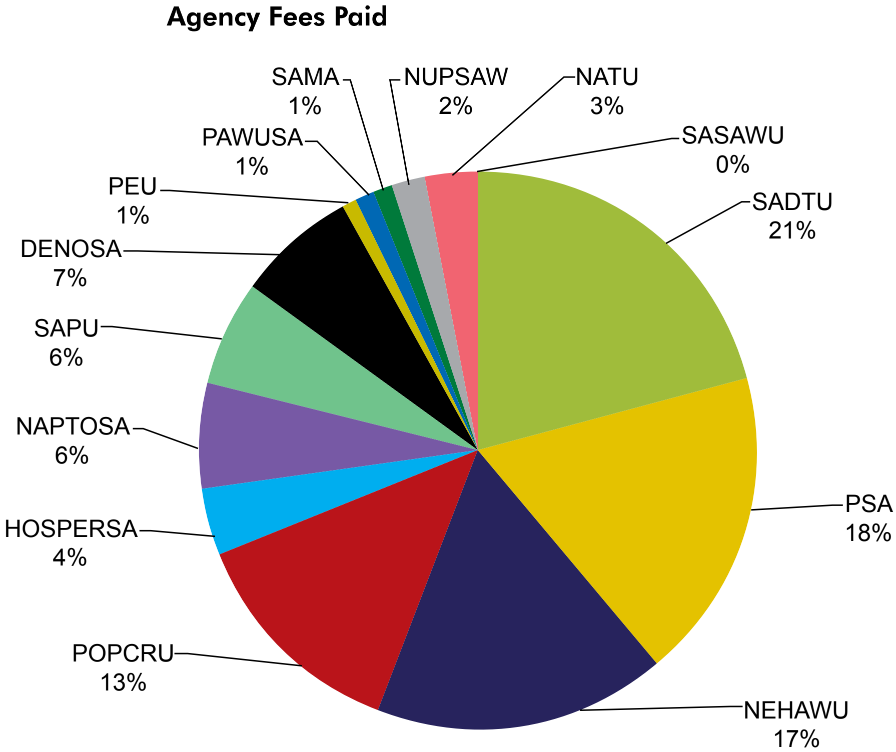
R208, 835,674 was received for the 2017 Financial Year for distributions to the Unions.

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

Agency Fee Payments



The Agency Fees were distributed according to the vote weights as per the graph below.



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. 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.

9.6 Property Development; Die Hoewes Ext 213

The successful purchase of the last erven 552 resulted in the PSCBC owning the entire vacant land, measuring approximately 10 992 square metres, for future office park development.

The next processes was to consolidate, register the vacant land into one ERF and rezone from residential to commercial property upon receipt of Town Planning and Township Ordinance,15 of 1986 Regulation 38. The entire vacant land (ERF 546 – 565) was consolidated and registered onto one ERF 882 in January 2018. The total number of ERFs combined to form one big ERF 882 is twenty (20).

For the ERF 882 to be rezoned from Residential to Commercial, Regulation 38 for energy, electricity, water and sewage were to be obtained from the City of Tshwane, Town Planning and Township Ordinance. The rezoning process also requires among others the following engineering reports be provided prior to endorsement:

- Services impact assessment and services provision detail report for roads and storm water services,
- Services report and services agreement for water, sanitation and electrical engineering services

PSCBC is in the process of obtaining these reports for submission to the City of Tshwane.

The PSCBC also advertised a Tender on Sunday Times of 29th October 2017 for the development of the Office Park. In the tender, prospective service providers were requested to indicate as to whether they are tendering for one of the following/combination thereof;

- Architect
- Quantity Surveyor and
- Structural & Civil Engineer

The total number of applications received were one hundred and two (102). For Architect, seventeen (17) applications were received. Quantity Surveyor, was twenty five (25), Structural & Civil Engineer, twenty three (23) applications were received. For the multi-disciplines, only five (5) applications were received.

The tender is not yet adjudicated by Council.

9.7 The Year ahead

The overall status of Council's finance is good. The Budget for the 2018 Financial Year indicates that there will be sufficient funds for the rollout of Council's strategic objectives, programmes. The long term focus it that is that the current year deficit will be less with a review of the expiring Levy Collective Agreement.

Public Service Co-ordinating Bargaining Council
(Registration number LR2/6/6/126)
Financial statements
for the year ended 31 March 2018

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	4 Lisbon Lane Waterfall City Juskie View 2090
Postal address	4 Lisbon Lane Waterfall City Juskie View 2090
Registration number	LR2/6/6/126
Level of assurance	These financial statements have been audited in compliance with the applicable requirements of Section 53 of the Labour Relations Act.
Preparer	The financial statements were independently compiled under the supervision of: E van Niekerk CA (SA)
Published	______________________

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Public Service Co-ordinating Bargaining Council
(Registration number LR2/6/6/126)
Financial Statements for the year ended 31 March 2018

Index

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

	Page
Council's Responsibilities and Approval	3
Council's Report	4
Independent Auditor's Report	5 - 7
Statement of Financial Position	8
Statement of Profit or Loss and Other Comprehensive Income	9
Statement of Changes in Funds	10
Statement of Cash Flows	11
Summary of Significant Accounting Policies	12 - 17
Notes to the Financial Statements	18 - 26

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

Detailed Income Statement	27 - 28

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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 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 financial statements.

The 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 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 2019 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 financial statements. The financial statements have been examined by the external auditors and their report is presented on pages 5 to 7.

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

The financial statements and additional schedules set out on pages 8 to 28, which have been prepared on the going concern basis, were approved by the Council on 28 June 2018 and were signed on its behalf by:

F de Bruin	**L Bono**
General Secretary	**Chairperson of Council**
T Msibi	**M Phophi**
Vice Chairperson Labour	**Vice Chairperson Employer**

Council's Report

1. Incorporation

The council has pleasure in submitting their report on the financial statements of Public Service Co-ordinating Bargaining Council for the year ended 31 March 2018.

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 financial statements and do not in our opinion require any further comment.

Net deficit of the Council was R 158 889 (2017: R 6 070 977 surplus).

3. Going concern

The 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.

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Independent auditor's report

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

Our opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Public Service Co-operating Bargaining Council (the Council) as at 31 March 2018, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

What we have audited

Public Service Co-operating Bargaining Council's financial statements set out on pages 8 to 26 comprise:

- the statement of financial position as at 31 March 2018;
- the statement of profit or loss and other comprehensive income for the year then ended;
- the statement of changes in funds for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

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

Independence

We are independent of the Council in accordance with the *Independent Regulatory Board for Auditors Code of Professional Conduct for Registered Auditors (IRBA Code)* and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the International Ethics Standards Board for Accountants *Code of Ethics for Professional Accountants* (Parts A and B).

PricewaterhouseCoopers Inc., 4 Lisbon Lane, Waterfall City, Jukskei View, 2090
Private Bag X36, Sunninghill, 2157, South Africa
T: +27 (0) 11 797 4000, F: +27 (0) 11 209 5800, www.pwc.co.za

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Other information

The council members are responsible for the other information. Other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the council members for the financial statements

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

In preparing the financial statements, the members of council s are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the members of council either intend to liquidate the Council or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Councils 's internal control.

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the members of council.
- Conclude on the appropriateness of the members of councils" use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the council members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In connection with our reporting responsibility in terms of Section 53 (2) (b) of the Labour Relations Act, 1995, we report that we have not identified significant exceptions in respect of the PSCBC's compliance with the provisions contained in its constitution relating to financial matters.

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.

Director: Nezira Ayob

Registered Auditor

Waterfall

28 June 2018

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Public Service Co-ordinating Bargaining Council
(Registration number LR2/6/6/126)
Financial Statements for the year ended 31 March 2018

Statement of Financial Position as at 31 March 2018

	Notes	2018 R	2017 R
Assets			
Non-Current Assets			
Property, plant and equipment	4	23 722 460	24 809 419
Intangible assets	6	3 559 370	2 144 814
		27 281 830	26 954 233
Current Assets			
Trade and other receivables	7	1 774 572	363 550
Agency fees held in trust	8	19 163 178	18 982 381
Cash and cash equivalents	9	25 781 517	27 930 901
		46 719 267	**47 276 832**
Total Assets		**74 001 097**	**74 231 065**
Equity and Liabilities			
Equity			
Retained surplus		52 853 934	53 012 823
Liabilities			
Non-Current Liabilities			
Finance lease liabilities	10	122 213	289 914
Current Liabilities			
Trade and other payables	13	1 694 071	1 766 419
Finance lease liabilities	10	167 701	179 528
Agency fees held in trust	12	19 163 178	18 982 381
		21 024 950	**20 928 328**
Total Liabilities		**21 147 163**	**21 218 242**
Total Equity and Liabilities		**74 001 097**	**74 231 065**

The accounting policies on pages 12 to 17 and the notes on pages 18 to 26 form an integral part of the financial statements.

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Public Service Co-ordinating Bargaining Council
(Registration number LR2/6/6/126)
Financial Statements for the year ended 31 March 2018

Statement of Profit or Loss and Other Comprehensive Income

	Notes	2018 R	2017 R
Revenue	17	37 080 566	35 501 965
Other operating income	18	287 768	941 706
Other operating gains	19	-	927 259
Other operating expenses	20	(39 645 019)	(32 293 255)
Operating (deficit) surplus		**(2 276 685)**	**5 077 675**
Interest received	21	2 192 748	1 032 390
Finance costs	22	(74 972)	(39 088)
(Deficit) Surplus for the year		**(158 889)**	**6 070 977**
Other comprehensive income		-	-
Total comprehensive (deficit) surplus for the year		**(158 889)**	**6 070 977**

The accounting policies on pages 12 to 17 and the notes on pages 18 to 26 form an integral part of the financial statements.

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Public Service Co-ordinating Bargaining Council
(Registration number LR2/6/6/126)
Financial Statements for the year ended 31 March 2018

Statement of Changes in Funds

	Retained surplus R	Total equity R
Balance at 01 April 2016	**46 941 846**	**46 941 846**
Surplus for the year	6 070 977	6 070 977
Other comprehensive income	-	-
Total comprehensive income for the year	**6 070 977**	**6 070 977**
Balance at 01 April 2017	**53 012 823**	**53 012 823**
Deficit for the year	(158 889)	(158 889)
Other comprehensive income	-	-
Total comprehensive loss for the year	**(158 889)**	**(158 889)**
Balance at 31 March 2018	**52 853 934**	**52 853 934**

The accounting policies on pages 12 to 17 and the notes on pages 18 to 26 form an integral part of the financial statements.

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Public Service Co-ordinating Bargaining Council
(Registration number LR2/6/6/126)
Financial Statements for the year ended 31 March 2018

Statement of Cash Flows

	Notes	2018 R	2017 R
Cash flows from operating activities			
Cash generated from (used in) operations	25	(2 074 170)	4 928 024
Interest income		2 192 748	1 032 390
Finance costs		(74 972)	(39 088)
Net cash from operating activities		**43 606**	**5 921 326**
Cash flows from investing activities			
Purchase of property, plant and equipment	4	(271 073)	(1 833 946)
Sale of property, plant and equipment	4	-	5 201 349
Purchase of intangible assets	6	(1 742 389)	(2 144 813)
Movement in agency fees held in trust		-	1 200 000
Net cash from investing activities		**(2 013 462)**	**2 422 590**
Cash flows from financing activities			
Finance lease payments		(179 528)	174 597
Total cash movement for the year		**(2 149 384)**	**8 518 513**
Cash at the beginning of the year		27 930 901	19 412 388
Total cash at end of the year	9	**25 781 517**	**27 930 901**

The accounting policies on pages 12 to 17 and the notes on pages 18 to 26 form an integral part of the financial statements.

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Public Service Co-ordinating Bargaining Council
(Registration number LR2/6/6/126)
Financial Statements for the year ended 31 March 2018

Summary of Significant Accounting Policies

1. Corporate information

Public Service Co-ordinating Bargaining Council is a public company incorporated and domiciled in South Africa The address of its registered office and principal place of business is Public Service Bargaining Centre Building A and B 260 Basden Avenue. Their principal activities are to enhance labour peace and promote sound relations between employer and employees in the public service.

1.1. Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

These accounting policies are consistent with the previous period.

1.2 Basis of preparation

The financial statements have been prepared on the going concern basis in accordance with, and in compliance with, International Financial Reporting Standards ("IFRS") and the Section 53 of the Labour Relations Act.

The financial statements have been prepared on the historic cost convention, except for the measurement of investment properties of certain financial instruments at fair value, and incorporate the principal accounting policies set out below. They are presented in Rands, which is the organisation's functional currency.

1.3 Significant judgements and sources of estimation uncertainty

The preparation of financial statements in conformity with IFRS requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected

Critical judgements in applying accounting policies

The critical judgements made by management in applying accounting policies, apart from those involving estimations, that have the most significant effect on the amounts recognised in the financial statements, are outlined as follows:

Key sources of estimation uncertainty

Trade receivables

The organisation assesses its trade 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 the financial asset.

The impairment (or loss allowance) for trade receivables is calculated on a portfolio basis, except for individually significant trade receivables which are assessed separately. The impairment test on the portfolio is 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.

Summary of Significant Accounting Policies

1.3 Significant judgements and sources of estimation uncertainty (continued)

Provisions

Provisions are inherently based on assumptions and estimates using the best information available. Additional disclosure of these estimates of provisions are included in note 11

1.4 Investment property

The organisation owns property that is held to earn long-term rental income and for capital appreciation. This property is not occupied by the organisation.

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

1.5 Property, plant and equipment

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.

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 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. Land is not depreciated. 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.

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Summary of Significant Accounting Policies

1.5 Property, plant and equipment (continued)

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	5-7 years
Office furniture and equipment	Straight line	2-5 years
IT equipment	Straight line	3 years
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 seperately.

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

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

1.6 Intangible assets

An intangible asset is recognised when:

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably.

Intangible assets are initially recognised at cost.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed every period-end.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Useful life
Computer software	2-10 years

Summary of Significant Accounting Policies

1.7 Financial Instruments

Classification

The organisation classifies financial assets and financial liabilities into the following categories:

- Loans and receivables
- Financial liabilities measured at amortised cost

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.

Financial assets classified as at fair value through profit or loss which are no longer held for the purposes of selling or repurchasing in the near term may be reclassified out of that category:

- in rare circumstances
- if the asset met the definition of loans and receivables and the entity has the intention and ability to hold the asset for the foreseeable future or until maturity.

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.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the organisation has transferred substantially all risks and rewards of ownership.

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

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Summary of Significant Accounting Policies

1.7 Financial instruments (continued)

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 liabilites. 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.

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.

1.8 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.

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Summary of Significant Accounting Policies

1.9 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.

1.10 Provisions and contingencies

Provisions are raised when the organisation has a present legal or constructive obligation.

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.

Provisions are not recognised for future operating losses.

Contingent assets and contingent liabilities are not recognised

1.11 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, net of trade discounts and volume rebates, and value added tax.

Interest is recognised, in profit or loss, using the effective interest rate method.

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

1.12 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.

1.13 Borrowing costs

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

1.14 Contingent liabilities

Contingent liabilites 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.

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Notes to the 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:
• Amendments to IAS 7: Disclosure initiative	01 January 2017	The impact of the standard is not material.
• Amendments to IAS 12: Recognition of Deferred Tax Assets for Unrealised Losses	01 January 2017	The impact of the amendments is not material.

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 2018 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	01 January 2019	Unlikely there will be a material impact
• IFRS 16 Leases	01 January 2019	Unlikely there will be a material impact
• IFRS 9 Financial Instruments	01 January 2018	Unlikely there will be a material impact
• IFRS 15 Revenue from Contracts with Customers	01 January 2018	Unlikely there will be a material impact
• Amendments to IFRS 15: Clarifications to IFRS 15 Revenue from Contracts with Customers	01 January 2018	Unlikely there will be a material impact
• Amendments to IFRS 2: Classification and Measurement of Share-based Payment Transactions	01 January 2018	Unlikely there will be a material impact
• Amendments to IFRS 4: Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts	01 January 2018	Unlikely there will be a material impact

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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 2018	Less than 1 year	Between 1 and 2 years
Trade and other payables	1 694 071	-
Finance lease	167 701	179 528

At 31 March 2017	Less than 1 year	Between 1 and 2 years
Trade and other payables	799 449	-
Finance lease	254 650	340 642

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		
P-3	-	-

Notes to the Financial Statements

4. Property, plant and equipment

	2018			2017		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Land	11 903 728	-	11 903 728	11 903 728	-	11 903 728
Buildings	11 716 041	(1 667 549)	10 048 492	11 716 041	(1 277 015)	10 439 026
Office furniture and fixtures	2 562 401	(2 158 963)	403 438	2 503 751	(1 950 081)	553 670
Motor vehicles	247 999	(247 998)	1	247 999	(247 998)	1
Leased office equipment	587 030	(325 772)	261 258	587 030	(130 095)	456 935
IT equipment	4 371 680	(3 266 137)	1 105 543	4 159 257	(2 703 198)	1 456 059
Total	**31 388 879**	**(7 666 419)**	**23 722 460**	**31 117 806**	**(6 308 387)**	**24 809 419**

Reconciliation of property, plant and equipment - 2018

	Opening balance	Additions	Depreciation	Total
Land	11 903 728	-	-	11 903 728
Buildings	10 439 026	-	(390 534)	10 048 492
Furniture and fixtures	553 670	58 649	(208 881)	403 438
Motor vehicles	1	-	-	1
Leased office equipment	456 935	-	(195 677)	261 258
IT equipment	1 456 059	212 424	(562 940)	1 105 543
	24 809 419	**271 073**	**(1 358 032)**	**23 722 460**

Reconciliation of property, plant and equipment - 2017

	Opening balance	Additions	Disposals	Transfers	Depreciation	Total
Land	11 336 565	567 163	-	-	-	11 903 728
Buildings	11 281 720	-	(440 974)	-	(401 720)	10 439 026
Furniture and fixtures	768 031	1 299	(1 350)	(1 925)	(212 385)	553 670
Motor vehicles	49 601	-	-	-	(49 600)	1
Leased office equipment	270 734	367 696	-	-	(181 495)	456 935
IT equipment	1 044 369	897 788	(9 143)	-	(476 955)	1 456 059
	24 751 020	**1 833 946**	**(451 467)**	**(1 925)**	**(1 322 155)**	**24 809 419**

Leased assets with a carrying amount of R 261 259 (2017: R 456 935), consist of office equipment and are encumbered by finance lease liabilities in the amount of R 289 914 (2017: R 469 442) (note 10).

5. Investment property

	2018			2017		
	Cost / Valuation	Accumulated depreciation	Carrying value	Cost / Valuation	Accumulated depreciation	Carrying value
Investment property	-	-	-	-	-	-

Reconciliation of investment property - 2018

	Opening balance	Total
Investment property	-	-

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Notes to the Financial Statements

	2018	2017
	R	R

5. Investment property (continued)

Reconciliation of investment property - 2017

	Opening balance	Disposals	Depreciation	Total
Investment property	3 961 309	(3 826 338)	(134 971)	-

Rental income in the statement of comprehensive income amounts to R nil (2017: R 764 941) for the year under review.

The property can not be disposed of without the prior approval of Council. Investment property was disposed of on 07 March 2017. Approval in respect of this disposal was obtained from the council.

6. Intangible assets

	2018			2017		
	Cost / Valuation	Accumulated amortisation	Carrying value	Cost / Valuation	Accumulated amortisation	Carrying value
Computer software	4 258 440	(699 070)	3 559 370	2 516 051	(371 237)	2 144 814

Reconciliation of intangible assets - 2018

	Opening balance	Additions	Amortisation	Closing balance
Computer software	2 144 814	1 742 389	(327 833)	3 559 370

Reconciliation of intangible assets - 2017

	Opening balance	Additions	Amortisation	Closing balance
Computer software	62 529	2 144 813	(62 528)	2 144 814

7. Trade and other receivables

	2018	2017
Trade receivables	171 942	209 360
Prepaid expenditure	1 546 956	118 713
Other current assets	1 925	1 925
Other receivables	53 749	33 552
	1 774 572	**363 550**

Trade and other receivables past due but not impaired

Trade and other receivables which are less than 5 months past due are not considered to be impaired. At 31 March 2018, R - (2017: R 62 564) were past due but not impaired.

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

Notes to the Financial Statements

	2018 R	2017 R

7. Trade and other receivables (continued)

Not past due	100 345	146 796
2 months past due	120	2 000
3 months past due	-	-
4 months past due	70 185	60 564
	170 650	**209 360**

8. 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.

Agency fees held in trust	19 163 178	18 982 381

9. 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:

Cash on hand	1 000	700
Bank balances	3 087 873	2 036 277
Short-term deposits	22 692 644	25 893 924
	25 781 517	**27 930 901**

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:

Credit rating		
P-3	25 711 041	27 930 901

10. Finance lease liabilities

Minimum lease payments due		
- no later than one year	207 092	254 650
- later than one year and no later than five years	133 751	340 842
	340 843	595 492
less: future finance charges	(50 929)	(126 050)
Present value of minimum lease payments	**289 914**	**469 442**

Present value of minimum lease payments due		
- no later than one year	167 701	179 528
- later than one year and no later than five years	122 213	289 914
	289 914	**469 442**

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Notes to the Financial Statements

	2018 R	2017 R

10. Finance lease liabilities (continued)

	2018 R	2017 R
Non-current liabilities	122 213	289 914
Current liabilities	167 701	179 528
	289 914	**469 442**

Office equipment is leased under two non-cancellable lease agreements for terms of 5 years and 3 years at interest rates of 10% and 20% 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 R 261 259 (2017: R 456 935) serve as security for the liabilities.

11. Provisions

Reconciliation of provisions - 2018

	Opening balance	Closing balance
Provision for Agency liability	-	-

Reconciliation of provisions - 2017

	Opening balance	Utilised during the year	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.

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.

	2018 R	2017 R
Agency fees held in trust	19 163 178	18 982 381
Breakdown of agency fees held in trust:		
Opening balance	18 982 381	17 609 907
Interest received	310 939	317 784
Less: Expenditure incurred	(83 156)	(327 585)
Agency fees received	217 860 176	210 217 948
Agency fees paid	(217 907 162)	(208 535 673)
Union claims paid	-	(300 000)
	19 163 178	**18 982 381**

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Notes to the Financial Statements

13. Trade and other payables

	2018 R	2017 R
Trade payables	27 589	389 600
Accrued leave pay	938 132	674 874
Accrued bonus	401 569	292 098
Accrued expense	215 328	350 859
Other payables	111 453	58 978
	1 694 071	1 766 419

14. Financial assets by category

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

2018

	Loans and receivables	Total
Trade and other receivables	1 774 572	1 774 572
Cash and cash equivalents	25 781 517	25 781 517
Agency fees held in trust	19 163 178	19 163 178
	46 719 267	46 719 267

2017

	Loans and receivables	Total
Trade and other receivables	242 912	242 912
Cash and cash equivalents	27 930 901	27 930 901
Agency fees held in trust	18 982 381	18 982 381
	47 156 194	47 156 194

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:

2018

	Financial liabilities at amortised cost	Total
Finance lease liabilities	289 914	289 914
Trade and other payables	1 694 071	1 694 071
	1 983 985	1 983 985

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Notes to the Financial Statements

15. Financial liabilities by category (continued)

2017

	Financial liabilities at amortised cost	Total
Finance lease liabilities	469 442	469 442
Trade and other payables	799 449	799 449
	1 268 891	1 268 891

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

16. Post retirement benefits

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

17. Revenue

Levies income	37 080 566	35 501 965

18. Other operating income

Rental income	-	764 941
Subsidy received	149 655	132 161
Insurance, donations, recoveries and service seta income	130 933	27 604
Agency fee revenue	-	9 800
Administration fees	7 200	7 200
	287 788	941 706

19. Other operating gains (losses)

Gains (losses) on disposals		
Property, plant and equipment	-	927 259

20. Expenses by nature

Marketing and communications	1 500 246	780 381
Arbitration and conciliation	2 438 165	1 576 295
Conferences, meetings and seminars	8 067 876	4 578 176
Depreciation and amortisation	1 685 865	1 523 369
Employee costs	14 052 107	11 335 566
Information technology	683 562	395 067
Lease rentals on operating lease	18 167	57 039
Body corporate levies	526 560	735 991
Management services	250 821	140 285
Other expenses	4 243 668	5 145 814
Provincial Chamber costs	1 858 701	1 680 828
Strategic partnerships	729 490	770 827
Training	3 579 691	3 563 617
Total operating expenses	39 645 019	32 283 255

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Notes to the Financial Statements

	2018 R	2017 R
21. Interest received		
Interest income		
Levy account	2 192 748	1 032 390
22. Finance costs		
Interest paid - borrowings	74 972	39 088

23. 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).

	2018 R	2017 R
24. Auditor's remuneration		
Audit fees	462 325	436 501
25. Cash generated from (used in) operations		
Surplus before taxation	(158 889)	6 070 977
Adjustments for:		
Depreciation and amortisation	1 685 865	1 523 369
(Gains) on disposal of assets	-	(927 259)
Interest income	(2 192 748)	(1 032 390)
Finance costs	74 972	39 088
Movements in provisions	-	(1 200 000)
Changes in working capital:		
Trade and other receivables	(1 411 022)	123 525
Trade and other payables	(72 348)	330 714
	(2 074 170)	**4 928 024**

26. Related parties

Related party	Relationship	Nature of transaction	2018 R	2017 R
Senior management	Key Senior Management	Remuneration	2 965 973	2 523 758
Chairperson of Council	Council member	Attendance of meetings and reimbursement of cost	127 092	-

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.

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Detailed Income Statement

	Notes	2018 R	2017 R
Revenue			
Levy income		37 080 566	35 501 965
Other operating income			
Rental income		-	764 941
Subsidy received		149 655	132 161
Donations, recoveries and service seta income		130 933	27 604
Agency fee income		-	9 800
Administration fees		7 200	7 200
	18	287 788	941 706
Other operating gains (losses)			
Gains (losses) on disposal of assets		-	927 259
Expenses (Refer to page 28)		(39 645 019)	(32 293 255)
Operating (deficit) surplus	24	(2 276 665)	5 077 675
Interest received	21	2 192 748	1 032 390
Finance costs	22	(74 972)	(39 088)
(Deficit) Surplus for the year		(158 889)	6 070 977

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

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Public Service Co-ordinating Bargaining Council
(Registration number LR2/6/8/126)
Financial Statements for the year ended 31 March 2018

Detailed Income Statement

	Note(s)	2018 R	2017 R
Other operating expenses			
Agency expenses		-	9 800
Alarm security		16 247	7 461
Amortisation		327 833	-
Arbitration and conciliation		2 438 165	1 576 295
Auditors remuneration	24	462 325	436 501
Bank charges		38 590	32 820
Body corporate levies		526 560	735 991
Books and subscriptions		12 725	18 206
Case Management Systems and reports		48 000	56 000
Cleaning		107 305	103 816
Conferences, meetings and seminars		8 067 876	4 578 176
Corporate wear		59 326	166 113
Depreciation		1 358 032	1 523 369
Electricity expense		274 767	208 832
Employee costs		14 062 107	11 335 566
Information technology		683 562	395 067
Insurance		206 563	225 504
Lease rentals on operating lease		18 167	57 039
Legal expenses		962 241	1 647 015
Licences		9 860	11 368
Management services		250 921	140 285
Marketing and communications		1 500 246	790 381
Motor vehicle expenses		47 090	33 827
Office refreshments		56 534	60 157
Pensions redress project		470 008	-
Postage		16 971	16 659
Printing and stationery		320 850	472 551
Provincial Chamber costs		1 858 701	1 680 828
Rates and taxes		524 068	817 584
Repairs and maintenance		188 102	440 362
Research and development costs		(81 292)	-
Sewerage		9 460	6 779
Strategic partnerships		729 490	770 827
Telephone and fax		310 191	309 171
Temporary wages		8 409	-
Training		3 579 691	3 563 617
Travel - local		115 698	33 825
Waste management		27 525	10 896
Water		31 705	21 047
		39 645 019	32 293 265

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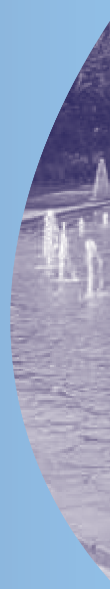
The supplementary information presented does not form part of the financial statements and is unaudited

RTM



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