



Department of Labour

Annual Report

1 April 2000/31 March 2001

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**Department of Labour
Laboria House
Pretoria
15 August 2001**



**Minister MMS Mdladlana, MP
Minister of Labour**

It is my privilege and honour to submit to you the first Annual Report of the Department of Labour for the period 1 April 2000 to 31 March 2001, in terms of the Public Finance Management Act, 1999.

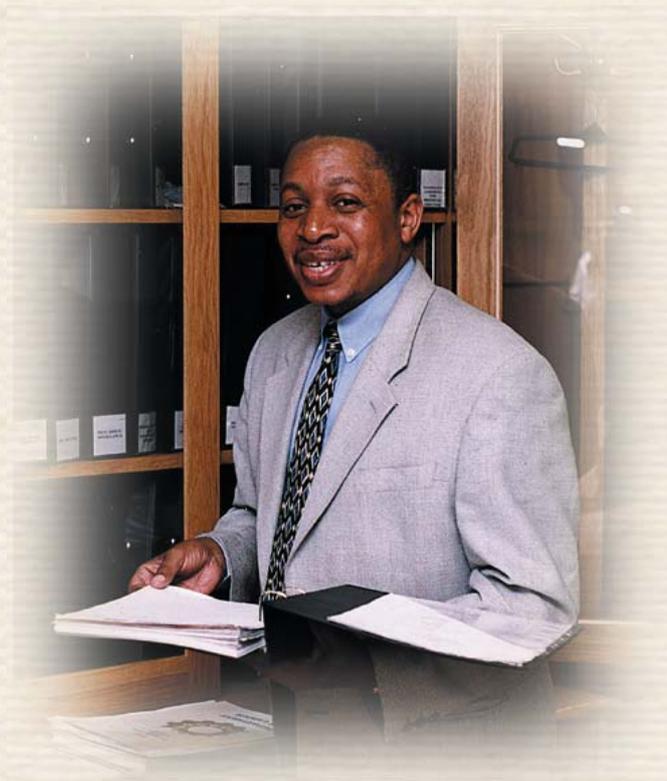
**Adv Rams Ramashia
Director-General of Labour
Pretoria**



Executive Committee



Minister Membathisi Mdladlana



Director-General Adv Rams Ramashia



Deputy Director-General Dr Vanguard Mkosana.



Deputy Director-General Les Kettleidas

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Part I

General information

Introduction by Director-General, Adv Rams Ramashia

When the Minister of Labour, the honourable MMS Mdladlana addressed Cabinet and the nation in May this year, he poignantly, appropriately and bravely declared that the Department was “on course” in its journey to deliver the mandate with which it is constitutionally charged. This 2000/2001 annual report of the Department of Labour attests to the Minister’s assertions.

The Department strives for a labour market that is conducive to economic growth, investment and employment creation, and is characterised by rising skills, equity, sound labour relations, respect for employment standards and worker rights.

The Minister’s ambitious yet strategically-crafted Fifteen Point Programme of Action sets specific targets and benchmarks to steer the country towards the fulfillment of the ideals mentioned above. To support the realisation of these ideals, the Department developed a Five Year Strategic Plan (Phetogo ke Matla) to serve as a beacon in this journey. The year 2001 marks the second year of the Department’s 2000 – 2004 strategic plan, that commits the Department to the following key strategic objectives:

- monitoring and reviewing of labour market policies to ensure that we maintain the elusive balance between labour market efficiency and decent labour standards
- effective implementation of the Skills Development Act and Skills Development Levies Act in meeting the skills needs essential to promote economic growth, investment, job creation and social development
- implementation of the Employment Equity Act to remove unfair discrimination and promote equity in the workplace
- providing increased protection to the country’s most vulnerable workers, including farm and domestic workers
- providing a most needed social safety net by overhauling the antiquated Unemployment Insurance Fund legislation
- embarking on an extensive initiative to improve the operations of the Compensation Fund, including speedier and more efficient processing of claims
- promotion of health and safety at the workplace through the reduction of workplace accidents, fatalities and diseases. The focus being the implementation of a preventative strategy with particular emphasis on advocacy and building of partnerships
- promoting sound labour relations in workplaces through improving the functions of dispute prevention and dispute resolution institutions.

A discernable characteristic of the 2000 – 2004 strategic plan which distinguishes it from the 1994 – 1999 one, is a clear and deliberate shift from a policy making focus to implementation of legislation.

The provincial operations of the Department have accordingly been restructured into the following business units in order to ensure effective implementation of our labour market policies:

- Integrated Inspection and Enforcement Services
- Beneficiary Services
- Employment and Skills Development Services
- Labour Market Information and Statistics Services
- Management Support Services.



In respect of the agricultural workers investigation, consultations and information sessions were held in all provinces. A total of 27 towns and 60 farms were visited. Approximately 1 500 farm workers were reached.

Resources of the Department have accordingly been decentralised to provincial offices and labour centres responsible for the implementation of the Department's programmes. Particular focus was placed on the improvement of service delivery. To this end, a Service Delivery Charter was introduced. This Charter commits the officials of the Department to conduct themselves professionally and courteously towards clients that they serve on a daily basis.

As you go through this annual report - I believe - you will indeed agree with me when I concur with the Minister and say – "we are on course!"

The 2000/2001 financial year was marked by specific highlights of which the following were the most significant ones:

The **Chief Directorate of Labour Market Policy** reported as follows:

- assisted in coordinating the Mesebetsi Labour Force Survey and provided technical support in compiling the report of the survey
- the Survey is a Department of Labour Project undertaken by FAFO and managed by the Chief Directorate. The Survey was completed in 2000, and a draft report was prepared by FAFO. The Department was the first in the country to undertake this type of survey
- the Chief Directorate also assisted in coordinating the Survey of Activities of Young People (SAYP), an ILO-funded project conducted by Statistics SA on behalf of the Department of Labour
- Statistics SA was commissioned by the Department of Labour to conduct the SAYP. The Survey, which has an impact on labour relations policies, was completed and released in the year 2000.

The **Chief Directorate of Employment and Skills Development Services** reported as follows:

- established 25 SETAs
- submitted the first batch of sector skills plans and provincial implementation plans
- drafted the National Skills Development Strategy, which sets out the priorities for skills development in the next five years
- collected skills development levies through SARS from employers since April 2000 and subsequently disbursed those funds to firms that submitted workplace skills plans in July 2000
- established Provincial Skills Development Forums as a focal point for coordinating skills development in the Provinces

- incorporated the government's HRD Strategy into the Skills Development Strategy, thanks to the support and commitment received from other government departments.

The **Chief Directorate of Occupational Health and Safety** reported as follows:

- twenty-one inspections were conducted at explosives factories and 73 consultation meetings took place. One training session was held at a large explosives factory to train workers in explosives safety matters and procedures
- a record was kept of a total of 337 people injured, 68 of them fatally. This represents a decrease of 30% in incidents in the Building and Construction industry. The incidents records show a 35% decrease in injuries and a 9% increase in fatalities
- notices for a total of 3 043 contraventions were served under the Mechanical Engineering Regulations, 2 647 of which were served under the Driven Machinery Regulations and Vessels under Pressure Regulations. These regulations address the safe and correct use and maintenance of plant and machinery. Notices under Vessels under Pressure Regulation 13, which addresses the inspection period and testing of vessels under pressure, were served 376 times and notices under Driven Machinery Regulation 18, dealing with the inspection and testing of lifting machinery and related tackle, were served 917 times
- a total of 10 060 inspections were conducted. These can be broken down into 5 060 safety inspections, 128 hazardous substance inspections, 47 monitoring inspections, 1 111 special safety inspections, 231 inspections of registered entities, 26 Approved Inspection Authorities inspections, 2 832 incident investigations and 625 follow-up inspections
- of the incidents investigated by inspectors only 2,4% were attributable to occupational diseases
- the highest number of occupational diseases reported to the Compensation Commissioner for compensation was for noise-induced hearing loss, namely 1 492, followed by major depression syndrome with 848. These statistics reflect a decrease of 1 969 when compared to those of 1999.

The **Chief Directorate of Labour Relations** reported as follows:

- a record was kept of the total number of registered unions, which peaked at 536 this year. However, the Department initiated a process of cancellations of registrations of unions that have failed to comply with the 1995 Act. Consequently, at the end of the period, the total number of registered trade unions showed a decline of 35 against the previous year. Registrations of 72 trade unions were cancelled in terms of the Transitional Arrangements of the 1995 Labour Relations Act. Almost all of them failed to amend their constitutions to comply with the 1995 Act. In most cases these unions were, in effect, only an extension of existing RSA trade unions which functioned in the former TBVC countries and self-governing territories and which were registered in terms of the labour legislation applicable in the area. In terms of Item 5 of schedule 7 of the Act they were deemed to be registered at the commencement of the LRA, 1995
- the number of registered employers' organisations also decreased slightly from 260 in 1999 to 252. They represent 63 499 employers. The overall decline in the number of organisations can be attributed to organisations that have become dormant over a period of time and were identified only because they failed to submit new constitutions in terms of the Transitional Arrangements of the Act. Some 28% of these organisations represent less than 10 employers. Whereas most of the employers' organisations in previous years, up to the end of 1999, tended to register and restrict their membership to specific economic sectors, a number of existing registered organisations and most of the new applicants opted to open up membership to any employer in all of the various industrial sectors. Twelve applications were rejected and one organisation lodged an appeal to the Labour Court against the decision of the Registrar. The case is still pending
- in terms of the LRA, federations of unions and employers' organisations are not required to register. As at the end of the year 2000, there were 17 trade union federations and 10 federations of employers' organisations
- the total number of bargaining councils in the private sector stood at 73
- a total of 80 agreements were published, two of which were First Main Agreements and 49 Amending Agreements. The private sector bargaining council agreements cover some 751 872 workers and approximately 20 482 employers who are members of employers' organisations, which are parties to councils
- a total of 16 808 disputes were referred to bargaining councils, compared with 13 212 in 1999. Of these, 3 834 were settled at bargaining council level, compared with 3 625 during 1999
- as at 31 December 2000, a total of 4 152 employment equity reports were registered in the registry as compared to 3 083 on 2 October 2000 when the registry was launched. While compliance was about 60% during the launch of the Registry on 2 October 2000, it had increased to about 89% by 31 December 2000
- in respect of the agricultural workers investigation, consultations and information sessions were held in all provinces, involving trade unions, workers, commodity organisations, employer organisations and NGOs. A total of 27 towns and

60 farms were visited. Approximately 1 500 farm workers were reached

- in respect of the domestic worker investigation, a pamphlet and poster campaign focusing on taxi ranks in large towns was undertaken to create awareness. A total of 64 hearings were conducted in all provinces. Approximately 3 000 domestic workers and 900 employers attended the hearings. Further research was also conducted. Two telephone surveys were run by the FAFO Institute for Applied Social Science to determine trends in wages and conditions of employment in predominantly urban areas, and questionnaires were distributed at taxi ranks
- the results of a Survey on the Activities of Young People were released at a public launch on 7 November 2000. The survey had been conducted by Statistics SA on behalf of the Department, and was funded by the International Labour Organisation (ILO)
- key findings of the survey include that child labour in the exploitive sense is rare in South Africa. Of the 13,4 million children in South Africa aged 5-17, only -
 - 1,4% were engaged in commercial agriculture
 - 0,4% were engaged in manufacturing
 - less than 0,05% were engaged in construction or mining
- although children are expected to undertake various activities to assist their families financially and generally, these activities did not take up a large proportion of their time, or prevent the children from attending school
- thirty-two project proposals totalling R11 447 000 were received for assistance from the Strengthening Civil Society Fund. Of these, 11 projects, costing R3 402 000, were approved, 12 are pending and 9 which did not meet the requirements, were rejected.

The **Directorate of International Relations** reported as follows:

- South Africa finalised the objective of ratifying all ILO core labour standards by obtaining Parliament's approval to ratify the following fundamental Conventions:
 - Convention 182 – Worst Forms of Child Labour Convention, 1999, ratified on 7 June 2000
 - Convention 176 – Health and Safety in Mines, 1995, ratified on 9 June 2000
- South Africa has been elected a member of the ILO Governing Body and was elected by the Africa Group at the ILO to coordinate the group in its activities at the ILO, and in doing so to strengthen the regional position and to advance national interests.

The **Chief Directorate of Human Resources Management** reported as follows:

- the development of the Employment Handbook for the Department progressed as follows:
 - an Employment Handbook for all staff members was developed and adopted by the Chief Directorate of Human Resources Management
 - A5 files were purchased for the distribution of the Employment Handbook to all staff members
- the HIV/AIDS awareness strategy was implemented as follows:
 - the HIV/AIDS preventive strategy was developed and implemented
 - a condom dispenser was procured and condoms were distributed on an ongoing basis
 - pamphlets/posters were distributed
- an Employee Assistance Programme (EAP) Unit was established
 - two qualified EAP Practitioners were appointed
 - the EAP Unit was marketed and publicised throughout the Department
- the development of the employment equity policy and plan progressed as follows:
 - a responsible manager for employment equity was identified and appointed
 - wide consultations were held and a Consultative Forum for the whole Department was established
 - research was conducted on the organisational profile and the employment equity report was submitted to the Director-General on 1 June 2000
 - a Provincial Consultative Forum was established
 - an Employment Equity Plan was finalised and submitted to the Director-General for approval
- the Skills Plan development progressed as follows:
 - a Human Resources Development (HRD) strategy was developed
 - an HRD strategy was implemented from April 2001
 - a training committee was established
 - a skills development facilitator was appointed

- a service provider was appointed to conduct a skills audit
- five hundred job profiles were developed and verified through focus groups
- the development of a Performance Management System progressed as follows:
 - a Performance Management Policy was developed and implemented
 - performance agreements were developed
 - a brochure was compiled and circulated on how to assess performance
 - the first performance assessment was conducted in accordance with the new policy.

As at 31 December 2000, a total of 4 152 employment equity reports were registered in the registry as compared to 3 083 on 2 October 2000 when the registry was launched.



The **Chief Directorate of Administration** reported as follows:

- the Department of Labour is in the process of procuring, via a Public-Private Partnership, an IT solution to enhance service delivery to its clients and improve internal functioning and effectiveness. During the course of the Department's internal strategic planning processes, the need to capitalise on advances in the information management environment was identified as a departmental priority. The departmental Information Technology Plan (ITP), developed in 1998, suggested that consideration be given to a Public-Private Partnership (PPP) as a means whereby the Department's information management requirements could be met. It has become clear that PPPs play an important role in service delivery and that the private sector brings innovation, skills and financial resources. The need to reduce public expenditure and improve the quality of services has resulted in a need for creative solutions to be found within the structure of the public sector. Bringing in the private sector will enable the Department to improve the quality of services, retain control over policy and public interest issues and infuse much needed capital and human resources, to the benefit of its clients
- the Department was also identified as a pilot site for the implementation of LOGIS. At the end of the year 2000 LOGIS was implemented at all 10 provincial offices. This development augurs well for the Department's meeting the asset management requirements of the PFMA. The Balance Scorecard, a management information tool, is available to monitor and provide feedback on key performance areas for logistics management, such as stock turnover periods and value of moveable assets, such as furniture and the value of redundant or damaged stock.

Publications and key documents published were the following:

- National Skills Development Strategy
- Phetogo ke Matla (Strategic Plan)

- Employment Handbook
- Social Plan Employer's Guidelines
- Pamphlet: What every worker should know about health and safety in the workplace
- Poster and flier on inspections by the Department
- Employment Equity Report
- Service Charter poster
- Corporate Plan.

Ministry of Labour

The Directorate of Ministerial and Parliamentary Services consists of two components, namely the Office of the Minister and the Office of the Director-General. The Directorate provides a support service to the Minister and the Director-General and acts as a liaison between the Ministry, the Department and Parliament. The year was an extremely busy one for the directorate. Owing to the local government elections which took place in December 2000, the parliamentary session was fragmented and shortened to allow time for more constituency work by Members of Parliament prior to the elections.

A large part of the work involved dealing with replies to parliamentary questions. Following the introduction of a new questions system in Parliament, Ministers were no longer required to reply to questions every week but Ministries were divided into clusters. The Directorate also provided information to the President's Office and other departments to assist them in preparing their responses to parliamentary questions.



One of the briefings to the Portfolio Committee on Labour and to the Select Committee on Labour and Public Enterprises was on ILO Convention 182 on the Elimination of Child Labour.

The Department provided several briefings and presentations to both the Portfolio Committee on Labour (National Assembly) and the Select Committee on Labour and Public Enterprises (NCOP). These included:

- a briefing on the Department's Programme
- the Department of Labour's Budget Vote
- the Annual Report of the Department of Labour
- the Unemployment Insurance Bill
- a progress report with regard to the implementation of the Skills Development Act
- ILO Convention 182 on the Elimination of Child Labour.

The Unemployment Insurance Bill was completed and submitted to Parliament in September 2000, for tabling in January 2001.

The following Annual Reports were tabled in Parliament:

- Department of Labour Annual Report, 1999
- National Productivity Institute Annual Report, 1999
- CCMA Annual Report, 1999
- Nedlac Annual Report.

Institutions falling under the Executive Authority's control

- Advisory Council for Occupational Health and Safety
- Commission for Conciliation, Mediation and Arbitration (CCMA)
- Commission for Employment Equity (CEE)
- Compensation Board
- Employment Conditions Commission (ECC)
- National Economic Development and Labour Council (NEDLAC)
- National Productivity Institute (NPI)
- National Skills Authority (NSA)
- Unemployment Insurance Board.

Bills submitted to the legislature during the financial year

- The Unemployment Insurance Bill.

Ministerial visits abroad 2000/2001

SADC Employment and Labour Sector Meetings

Ministerial Leg of Meeting	13-14	April 2000
Ministerial Leg of Meeting	2 - 3	March 2001

ILO 2000 – Geneva Switzerland

88th Session International Labour Conference	3-11	June 2000
Attendance of the 279th Session of the Governing Body	11-18	November 2000

ILO 2001

Attendance of 280th Session of the Governing Body 26-31 March 2001

Technical Cooperation – 2000

Visit to Tunisia 29 October - 4 November 2000

Mission statement

The Department of Labour will play a significant role in reducing unemployment, poverty and inequality through a set of policies and programmes developed in consultation with social partners, which are aimed at:

- improved economic efficiency and productivity
- skills development and employment creation
- sound labour relations
- eliminating inequality and discrimination in the workplace
- alleviating poverty in employment.

Legislative mandate

The Department of Labour's legislation provides for the establishment of the following nine Statutory Bodies:

- Advisory Council for Occupational Health and Safety (ACOHS)
- Commission for Conciliation Mediation and Arbitration (CCMA)
- Commission for Employment Equity (CEE)
- Compensation Board
- Employment Conditions Commission (ECC)
- National Economic Development and Labour Council (NEDLAC)
- National Productivity Institute (NPI)
- National Skills Authority (NSA)
- Unemployment Insurance Board.

Advisory Council for Occupational Health and Safety

This Council was established in terms of section 2 of the Occupational Health and Safety Act, 1993 (OHSA).

The functions of the Council include the following:

- advising the Minister on policy matters arising out of or in connection with the application of the provisions of the Act
- advising the Minister on any matter relating to occupational health and safety
- performing the functions assigned to it by the Act or referred to it by the Minister
- conducting investigations and doing research with a view to the performance of its functions
- making rules relating to the calling of Council meetings, the determination of a quorum for and the procedure at such meetings and generally relating to all matters which may be necessary for the effective performance of its functions
- advising the Department on the formulation and publication of standards, specifications or other forms of guidance for the purpose of assisting employers, workers and users to maintain appropriate standards of occupational health and safety

- advising the Department on the promotion of education and training in occupational health and safety
- advising the Department on the collection and dissemination of information on occupational health and safety
- concluding agreements for the performance of a particular act or particular work or for the rendering of a particular service.

Commission for Conciliation, Mediation and Arbitration

This Commission was established in terms of section 112 of the Labour Relations Act, 1995 (LRA).

The Commission's functions are to:

- attempt to resolve disputes through conciliation and arbitration
- assist in the establishment of workplace forums
- compile and publish information and statistics about its activities
- advise a party to a dispute about the procedure to follow in terms of this Act
- assist a party to a dispute to obtain legal advice, assistance or representation
- offer to resolve a dispute that has not been referred to the Commission through conciliation
- conduct, oversee or scrutinise any election or ballot of a registered trade union or registered employers' organisation if asked to do so
- publish guidelines in relation to any matter dealt with in this Act
- conduct and publish research into matters relevant to its functions
- provide, upon request, workers, employers, registered trade unions, registered employers' organisations, federations of employers' organisations or councils with advice or training relating to the primary objects of the LRA
- perform any other duties imposed, and exercise any other powers conferred on it by or in terms of the LRA and perform any other function entrusted to it by any other law.

Commission for Employment Equity

This Commission was established in terms of section 28 of the Employment Equity Act, 1998 (EEA).

The Commission's functions are to advise the Minister on:

- codes of good practice issued by the Minister in terms of section 54 of the Act
- regulations made by the Minister in terms of section 55
- policy and any other matter regarding this Act
- awarding achievements of employers in furthering the purposes of the Act
- any matter relating to the application of this Act, including appropriate and well-researched norms and benchmarks for the setting of numerical goals in various sectors
- the performance of any other prescribed function.

Compensation Board

This Board was established in terms of section 10 of the Compensation for Occupational Injuries and Diseases Act, 1993 (COIDA).

Its functions include advising the Minister on:

- matters of policy arising out of or in connection with the application of the COIDA
- the nature and extent of the benefits payable to workers or dependants of workers, including the adjustment of existing pensions
- the appointment of assessors
- the amendment of the COIDA.

The Board also advise the Director-General regarding the performance of a particular aspect of its functions.

Employment Conditions Commission

This Commission was established in terms of section 59(1) of the Basic Conditions of Employment Act, 1997 (BCEA).

The functions of the Commission are to advise the Minister on:

- sectoral determinations in terms of Chapter Eight
- any matter regarding basic conditions of employment
- any matter arising out of the application of the Act
- the effect of the policies of government on employment
- trends in collective bargaining and whether any of those trends undermine the purposes of the Act
- any matter concerning the employment of children, including the review of section 43 (including the Minister of Welfare and Population Development)
- any matter concerning basic conditions of employment in the public service (including the Minister of Public Service and Administration)

National Economic Development and Labour Council

This Council was established under section 2 of the National Economic, Development and Labour Council Act, 1994 (NEDLAC Act).

The functions of the Council are to:

- strive to promote the goals of economic growth, participation in economic decision-making and social equity
- seek to reach consensus and conclude agreements on matters pertaining to social and economic policy
- consider all proposed labour legislation relating to labour market policy before it is introduced in Parliament
- consider all significant changes to social and economic policy before it is implemented or introduced in Parliament
- encourage and promote the formulation of coordinated policy on social and economic matters.

Furthermore, and to achieve the above, the Council:

- may make such investigations as it may consider necessary
- shall continually survey and analyse social and economic affairs
- shall keep abreast of international developments in social and economic policy
- shall continually evaluate the effectiveness of legislation and policy affecting social and economic policy
- may conduct research into social and economic policy
- shall work in close cooperation with government departments, statutory bodies, programmes and other forums and non-governmental agencies engaged in the formulation and the implementation of social and economic policy.

National Productivity Institute

This is a section 21 Company (Incorporated Association without Gain), established under the Companies Act, 1973.

Its functions are to:

- promote, develop capacity and facilitate partnerships in national productivity drives
- disseminate information on the nation's productivity performance and productivity improvement experiences
- initiate relevant productivity improvement approaches and techniques
- influence the creation of a conducive socio-economic, legislative and policy environment for ongoing productivity

improvement and for South Africans to adopt a culture of sustainable productive practices, in order to enjoy a high quality of life.

National Skills Authority

The National Skills Authority was established in terms of section 4 of the Skills Development Act, 1998.

The functions of the NSA are to:

- advise the Minister on a national skills development policy, a national skills development strategy, guidelines on the implementation of the national skills development strategy, the allocation of subsidies from the National Skills Fund, and any regulations to be made
- liaise with Sector Education and Training Authorities (SETAs) on the national skills development policy and the national skills development strategy
- report to the Minister in the prescribed manner on the progress made in the implementation of the national skills development strategy
- conduct investigations on any matter arising out of the application of this Act
- exercise any other powers and perform any other duties conferred or imposed on the NSA by this Act.

Unemployment Insurance Board

The Unemployment Insurance Board was established in terms of section 12 of the Unemployment Insurance Act, 1946. This Act has been repealed, but section 12 of the Unemployment Insurance Act, 1996, provides for the continued existence of the Board.

Its functions include the following:

- to enquire into and submit recommendations to the Minister on any matter connected with the Fund or any committee or any matter connected with or likely to affect employment and any proposal which has as its object the prevention or reduction of unemployment
- to hear and determine appeals against decisions of a committee referred to it in terms of section 21 of the Act
- to determine the benefits, if any, to be paid in terms of section 35 (14) or 36 (9) of the Act
- to approve and register or reject the rules made by any committee in terms of section 19, and it may order the inclusion of specified provisions in such rules
- to consider the recommendations and proposals of committees in regard to any matter falling within the scope of their functions in terms of section 17 of the Act and to make recommendations thereon to the Minister
- to keep statistics and records of the incidence of unemployment
- to furnish the Director-General with an annual report on its activities
- to make any investigation or perform such other functions as are assigned to it by or under the Act or as may be assigned to it by the Minister.

Accountability arrangements

The various Acts of Parliament under which the above entities were established prescribe the way in which the finances of the entity should be managed and also the way in which reporting should be done (accountability).

The Public Finance Management Act, 1999 (as amended by Act 29 of 1999) provides specifically for this and states that every public entity must have an authority, which must be accountable for the purposes of the Act.

If the public entity has a board or other controlling body, that board or controlling body is the accounting authority.

If it does not have a board or controlling body, the chief executive officer or other person in charge of the entity is the accounting authority.

The executive authority responsible for a public entity under the ownership control of the national or a provincial executive must exercise that executive's ownership control powers to ensure that that public entity complies with this Act and the financial policies of that executive.

Public entities may not borrow money or issue a guarantee, indemnity or security, or enter into any other transaction that binds or may bind that institution or the Revenue Fund to any future financial commitment, unless such act is authorised by the PFMA and is also authorised by other legislation not in conflict with it (PFMA).

The trading and/or public entities comply with all reporting and accountability requirements in terms of the relevant legislation.

Part 2

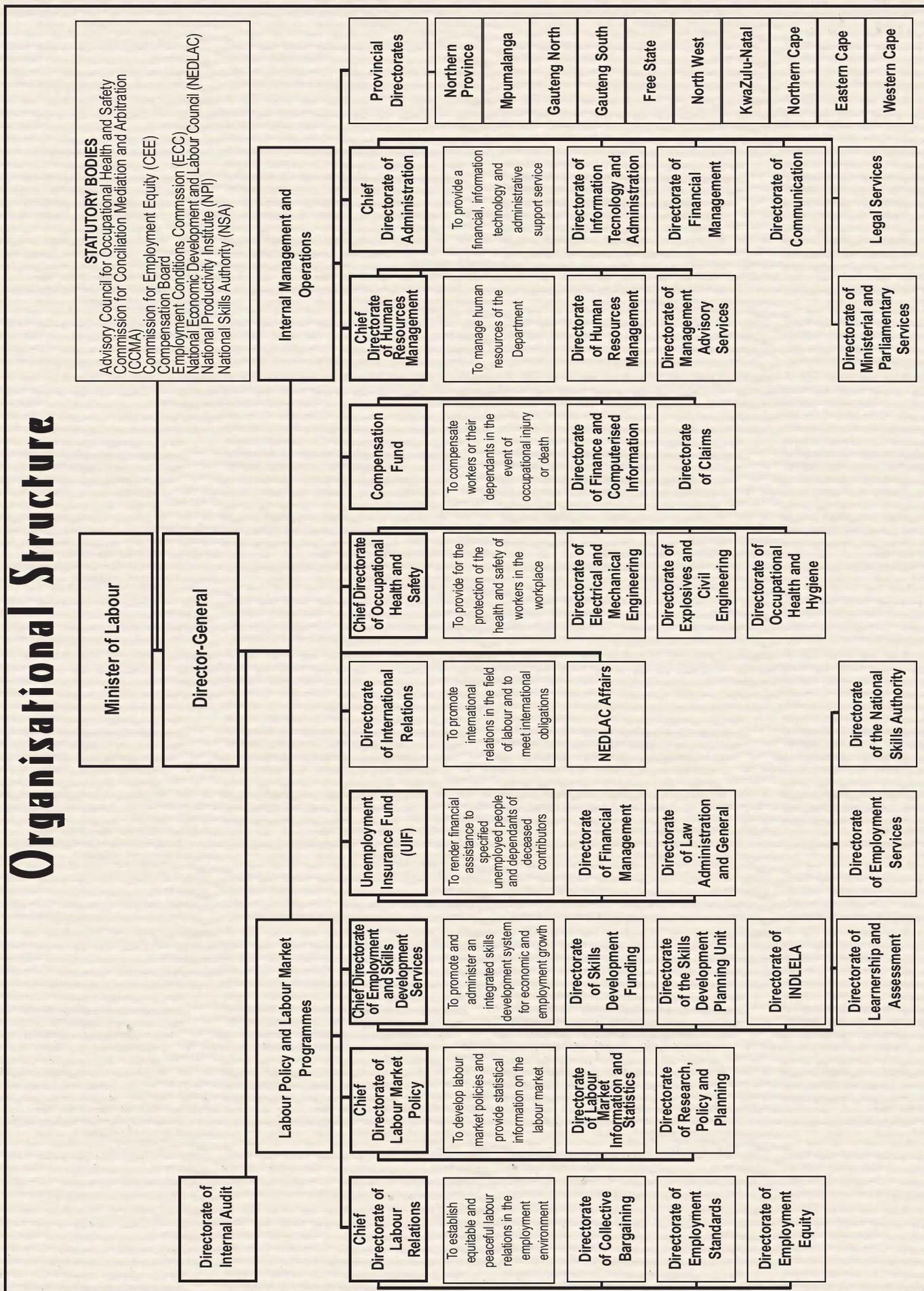
Human Resources Management

Organisation

Employment numbers and vacancies indicated by component

Programme	Filled	Vacant	Frozen	Add. Fill	Add. Vac	Total
Administration	207	48	9	0	0	264
Occupational Health and Safety	20	1	1	11	1	34
Social Insurance	922	165	0	10	1	1 098
Employment and Skills Development Services	343	42	28	1	2	416
Labour Relations	66	18	0	1	0	85
Labour Market Policy	15	6	0	0	0	21
Auxiliary and Associated Services	14	9	5	0	0	28
Western Cape Provincial Office	425	54	130	0	0	609
KwaZulu-Natal Provincial Office	512	107	274	0	0	893
Mpumalanga Provincial Office	302	24	44	0	0	370
Free State Provincial Office	303	54	30	0	0	387
Northern Province Provincial Office	250	38	74	0	0	362
North West Provincial Office	272	58	72	0	0	402
Gauteng North Provincial Office	339	26	81	0	0	446
Gauteng South Provincial Office	614	110	97	0	0	821
Eastern Cape Provincial Office	580	49	30	28	0	688
Northern Cape Provincial Office	155	23	41	0	0	219
Total	5 339	832	916	51	4	7 143

Organisational Structure



Job evaluation

Posts evaluated	68
Posts upgraded	13
Posts downgraded	0
Promoted as a result of posts that were upgraded	5

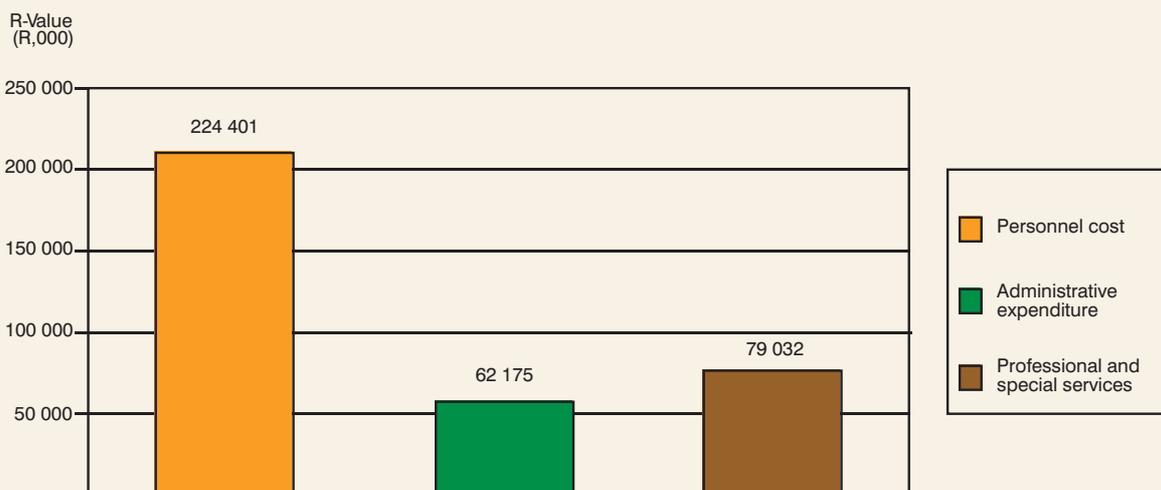
Remuneration

Percentage of total personnel costs spent on senior management services

Management Level	Total officials	Total salary
Minister	1	605 000
Director-General	1	573 000
Deputy Director-General	2	884 000
Senior Executive Manager	7	2 562 000
Executive Manager	41	12 669 000
Total	52	17 293 000

A total of 7,7% of the total personnel expenditure is spent on senior management services

Remuneration 2000/2001



Recruitment of staff in terms of affirmative action 1 April 2000 to 31 March 2001

Progress report

Policy:

- the Affirmative Action and Employment Equity Report was approved and implemented
- the Employment Equity Report was developed in line with the Employment Equity Act, 1998, and submitted to the Director-General of Labour on 1 June 2000
- the Employment Equity Plan was developed and approved by the Director-General. The main purpose of the Act is to address identified barriers and any factors that do not promote equity in the workplace
- numerical goals of the Department were set in the departmental plan to be achieved by 2003 and they are as stated below.



The Employment Equity Report was developed in line with the Employment Equity Act and submitted to the Director-General on 1 June 2000. Left, Adv Rams Ramashia and Senior Executive Manager Vuyi Raseroka

Targets for achieving representativeness

	Male					Female				
	Africans %	Coloureds %	Asians %	Whites %	Subtotal %	Africans %	Coloureds %	Asians %	Whites %	Subtotal %
Actual	28	4	2	9	43	25	6	2	24	57
Suggested	39	6	2	8	55	33	5	1	6	45

5% of the set targets should comprise people with disabilities.

These percentages take into consideration the demographics of each individual province.

Recruitment of staff
Distribution curves of staff recruited
2000/2001

Number recruited	Grade	Occupation (Domestic rank designations)	Africans		Asians		Coloureds		Whites	
			M	F	M	F	M	F	M	F
1	1	Cleaner	1							
303	2	Clerk	133	146	4	4	11	2	2	1
1	2	Driver	1							
9	2	Security Officer	5	2			2			
3	2	Telecom Operator	1	2						
1	2	Typist		1						
80	3	Clerk	18	26	1	5	16	12		2
2	3	Data Typist		2						
2	3	Secretary		2						
1	4	Chief Messenger	1							
2	4	Computer Operators	1				1			
3	4	Senior Secretary		3						
1	5	Clerk		1						
1	5	Data Typist				1				
1	5	Programmer	1							
1	6	Communication Officer	1							
4	6	Data Typist	2	2						
43	7	Practitioner	20	18	1		1	2	1	
18	8	Employment Services Practitioner 2	1	13			2	2		
5	8	Senior Practitioner	3	2						
11	9	Assistant Manager	4	3	1	2	1			
5	11	Manager	2	2	1					
5	13	Executive Manager	3	1					1	
503			198	226	8	12	34	18	4	3

Promotion of staff

Distribution curves of staff promoted

2000/2001

Number promoted	Grade	Occupation (Domestic rank designations)	Africans		Asians		Coloureds		Whites	
			M	F	M	F	M	F	M	F
2	1	Tradesman Aid	2							
3	2	Cleaner	2	1						
38	2	Clerk	14	14				6		4
4	2	Data Typist		2						2
103	3	Clerk	29	47	1	2	3	4	1	16
4	3	Secretary		2						2
8	3	Security Officer	4	1				1	2	
68	4	Clerk	18	22	1		1	10	1	15
4	4	Security Officer	3						1	
3	4	Senior Secretary								3
74	5	Clerk	23	9		3	3	2	8	26
1	5	Computer Operators							1	
3	5	Data Typist		2						1
1	5	Security Officer							1	
1	5	Senior Secretary								1
	5	Telecom Operator								
1	5	Typist								1
4	6	Assistant Practitioner	2	2						
1	6	Clerk	1							
1	8	Inspector Level 2	1							
29	8	Senior Practitioner	16	3	2	1			1	6
22	9	Assistant Manager	7	7	2			1	3	2
13	11	Manager	6	2			1		1	3
2	13	Executive Manager	1		1					
461			146	138	9	8	16	34	21	89

Distribution curves of staff that terminated their services in terms of section 17(2)(a) of the Public Service Act 2000/2001

Number owing to ill health	Grade	Occupation (Domestic rank designations)	Africans		Asians		Coloureds		Whites	
			M	F	M	F	M	F	M	F
2	1	Cleaner				1		1		
1	1	Food Service Aid	1							
2	1	Tradesman Aid	2							
1	3	Security Officer	1							
5	5	Clerk						1		4
1	7	National Technical Examiner	1							
2	7	Practitioner								2
1	7	Principal Computer Operator							1	
1	9	Assistant Manager							1	
16			5	0	0	1	0	2	2	6

**Termination of services of staff
Distribution curves of staff that resigned
2000/2001**

Number terminated	Grade	Occupation (Domestic rank designations)	Africans		Asians		Coloureds		Whites	
			M	F	M	F	M	F	M	F
1	1	Cleaner						1		
1	1	Handyman	1							
1	1	Tradesman Aid	1							
7	2	Clerk	1	1	1		2		1	1
1	2	Messenger	1							
1	2	Security Officer	1							
16	3	Clerk	1	1	1		3	2	1	7
1	3	Secretary								1
11	4	Clerk	1					1	7	2
1	4	Security Officer							1	

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4	4	Senior Secretary		1						3
19	5	Clerk	5	1		3	2		3	5
6	6	Assistant Practitioner	2	4						
9	6	Clerk							1	8
2	6	Data Typist								2
2	6	Inspector Level 1	1						1	
1	6	Typist								1
1		Head: Data Capturing								1
2	7	National Technical Examiner							2	
32	7	Practitioner	7	5	1	4	1	1	1	12
1	8	Chief Computer Operator							1	
1	8	Inspector Level 2							1	
1	8	Senior National Technical Examiner							1	
35	8	Senior Practitioner	4	6		1	2	1	6	15
16	9	Assistant Manager	3	6	1	1		1		4
18	11	Manager	2	1					14	1
1	11	Principal Medical Officer							1	
1	13	Executive Manager	1							
193			32	26	4	9	10	7	42	63

Distribution curves of staff that retired 2000/2001

Number retired	Grade	Occupation (Domestic rank designations)	Africans		Asians		Coloureds		Whites	
			M	F	M	F	M	F	M	F
1	1	Handyman							1	
1	2	Messenger								1
2	3	Clerk	1							1
1	3	Data Typist								1
2	4	Security Officer		1						1
9	5	Clerk	3	1					1	4
1	6	Assistant Practitioner								1
1	7	Principal Programmer								1

1	9	Assistant Manager					1			
2	11	Manager							2	
21			4	2	0	0	1	0	4	10

Performance management and skills development

Category A Merit Awards made for performance by grade, core, race gender and disability

Grade	Core	Africans		Asians		Coloureds		Whites		People with disabilities
		M	F	M	F	M	F	M	F	
1	Line Function and Support Staff	1								
4	Line Function and Support Staff		1							
5	Line Function and Support Staff							1		
6	Line Function and Support Staff								3	
7	Line Function and Support Staff		3						3	
8	Line Function and Support Staff	1	1	1				2	4	
9	Line Function and Support Staff		1	1					2	
10	Line Function and Support Staff							3	1	1 white male
12	Line Function and Support Staff							1		
3	Management and Support Staff	1	2						1	
4	Management and Support Staff	2							1	
5	Management and Support Staff	1							4	
6	Management and Support Staff	1					1	1	10	
7	Management and Support Staff		2						7	
8	Management and Support Staff	1						1	3	
9	Management and Support Staff				1					
10	Management and Support Staff							1	1	
6	Medical Science and Support Staff	1								
8	Medical Science and Support Staff		1							
12	Medical Science and Support Staff						1			
		7	13	2	1	0	2	10	40	

Category B Merit Awards

Grade	Core	Africans		Asians		Coloureds		Whites	
		M	F	M	F	M	F	M	F
3	Line Function and Support Staff		1						
4	Line Function and Support Staff		2			1			1
6	Line Function and Support Staff							3	6
7	Line Function and Support Staff	2	2		1		1		1
8	Line Function and Support Staff		2						2
9	Line Function and Support Staff			1	1			4	
10	Line Function and Support Staff		1	1				2	
12	Line Function and Support Staff	4	3					12	
2	Management and Support Staff							1	
3	Management and Support Staff		1						
4	Management and Support Staff				1		1		1
5	Management and Support Staff		1						1
6	Management and Support Staff		1		3			1	4
7	Management and Support Staff		2						2
8	Management and Support Staff							1	3
9	Management and Support Staff		1						1
12	Management and Support Staff							2	1
8	Medical Science and Support Staff								2
10	Human and Support Staff	1							
12	Human and Support Staff							1	
12	Information Technology and Related Staff							1	
7	Artisan and Support Staff							6	
8	Artisan and Support Staff							4	1
8	Communication and Information Staff								3
12	Safety and Related Staff							2	
		7	17	2	6	1	2	40	29

The performance of the staff of the Department is a determining factor of the successes achieved in serving our clients.



Performance categories of staff

Category	Number
Preferential	144
Out of turn	866
In turn	3 423
Not scored	906
Total	5 339

Training

Departmental Training Budget R3,5 million

Amounts spent on training

	R
Customer Service	250 000,00
Certificate Programme for Management Development (CPMD) (Wits)	500 000,00
Skills Audit	270 000,00
Management Advancement Programme	15 500,00
Other	2 464 500,00

Staff trained 2000/2001

Rank	Africans			Asians			Coloureds			Whites		
	M	F	D	M	F	D	M	F	D	M	F	D
Executive Manager		1										
Manager and equivalent	7	3		1	1		2	1		5	2	
Assistant Manager	12	7								4	4	1
Senior Officer, equivalent and lower	95	161	2	16	13		25	18		25	43	2
Total	451											



Staff are trained, among others, to render an effective and efficient service to the various clients.

Types of training programmes

External	Internal
Customer Service Training	Integrated Registration and Inspection Services (IRIS)
Interview Skills	Orientation
Skills Audit	Computer Skills
Certificate in Management Development	PERSAL Intranet Performance Management System (IPMS) Job Evaluation
Management Advance Programme	Basic Accounting System (BAS)
Project Management	

Injury/illness/death of staff on duty

Distribution curves of staff injured/ill/died on duty 2000/2001

Number of staff affected	Grade	Occupation (Domestic rank designations)	Africans		Asians		Coloureds		Whites	
			M	F	M	F	M	F	M	F
1	1	Cleaner		1 Injured						
1	1	Food Service Aid	1 Illness							
1	1	Tradesman Aid							1 Injured	
5	2	Clerk	2 Death	1 Injured				1 Injured		1 Injured
1	2	Telecom Operator								1 Injured
6	3	Clerk	2 Injured	1 Injured				1 Injured	1 Illness	1 Illness
1	3	Security Officer		1 Injured						
1	4	Clerk							1 Injured	
6	5	Clerk	1 Injured	1 Injured					2 Injured	2 Injured
2	8	Senior Practitioner							1 Injured	1 Injured
2	9	Assistant Manager		1 Death						1 Injured
27			6	6	0	0	0	2	6	7

Sick leave

1/4/2000 - 31/12/2000

Salary level	Number of people	Africans		Asians		Coloureds		Whites		Total days	Average days per person	Total salary lost R	
		M	F	M	F	M	F	M	F			Per category	Per person
1	23	12	8	2	1	0	0	0	0	174	7,56	11 791,48	512,67
2	256	107	103	6	16	1	2	12	9	2 451	9,57	177 283,14	692,51
3	439	117	249	19	29	1	5	8	11	3 444	7,84	289 548,47	659,56
4	452	104	228	20	44	0	12	7	37	3 997	8,84	392 979,48	869,42
5	414	76	90	17	55	2	3	30	141	4 274	10,32	496 593,56	1 199,50
6	938	164	132	26	79	18	38	55	426	10 876	11,59	1 581 192,05	1 685,70
7	493	120	95	26	27	12	14	51	148	4 357	8,83	795 503,19	1 613,59

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8	410	89	71	14	7	15	2	70	142	3 953	9,64	898 884,69	2 192,40
9	84	21	21	3	2	2	4	19	12	502	5,97	134 906,87	1 606,03
10	71	15	5	4	1	3	0	34	9	528	7,43	181 059,71	2 550,13
11	32	9	10	2	0	3	2	3	3	168	5,25	66 530,69	2 079,08
12	47	8	11	3	1	0	0	18	6	387	8,23	180 925,82	3 849,48
13	2	0	1	0	0	0	0	1	0	2	1	1 012,55	506,27
Total	3 661	842	1 024	142	262	57	82	308	944	35 113	9,59	5 208 211,70	1 422,61

Note:The above sick leave data is for the period 1 April 2000 till 31 December 2000. Owing to the implementation of the new leave dispensation there has been a backlog with sick leave since 1 January 2001.

Disciplinary measures

Office	Nature of case	Saction	Date finalised	Africans		Whites		Coloureds		Asians	
				M	F	M	F	M	F	M	F
Compensation Fund	Fraud	Dismissal	23/08/2000				1				
Eastern Cape	Fraud	Dismissal	30/06/2000					1			
Free State	Fraud	Dismissal	03/10/2000	1							
Free State	Fraud	Dismissal	11/07/2000	1							
Free State	Theft	Dismissal	07/04/2000			1					
Free State	Misuse of Government Transport	Dismissal	19/01/2001					1			
Free State	Misuse of Government Transport	Dismissal	16/08/2000					1			
Gauteng South	Fraud	Dismissal	11/09/2000				1				
Gauteng South	Fraud	Dismissal	14/11/2000	1							
Gauteng South	Fraud	Dismissal	26/07/2000	1							
Gauteng South	Theft	Dismissal	26/03/2001	1							
Gauteng North	Theft	Dismissal	19/03/2001	1							
Head Office	Fraud	Dismissal	14/03/2001			1					
Head Office	Fraud	Dismissal	25/01/2001						1		
KwaZulu-Natal	Theft	Dismissal	29/09/2000							1	
KwaZulu-Natal	Fraud	Dismissal	26/01/2001		1						
KwaZulu-Natal	Fraud	Dismissal	24/08/2000				1				
North West	Fraud	Dismissal	19/01/2001	1							
			Total	7	1	2	3	3	1	1	0

Part 3

Programme Performance

Aim of the Vote

The aim of the Department of Labour is to play a significant role in reducing unemployment, poverty and inequality through policies and programmes developed in consultation with role players, which are aimed at improved economic efficiency and productivity, skills development and employment creation, sound labour relations, eliminating inequality and discrimination in the workplace, alleviating poverty in the workplace as well as protection and enhancement of worker rights and benefits.

Overview and key policy developments

Programme 1

Administration and Human Resources Management

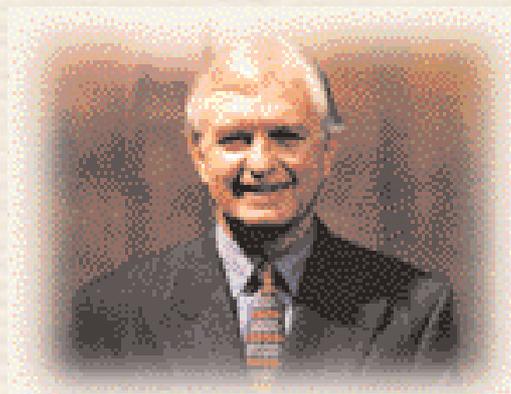
Aim

The Administration and Human Resources Management Chief Directorates are responsible for the overall management of the Department of Labour, which includes policy formulation by the Minister, Director-General and other members of the Department's management team. The different services include human resources management, financial management, legal and office administration, logistics, strategic and operational planning and the rendering of a communication service by means of media and advertising, media production and stakeholder relations.

A: Administration

The Chief Directorate of Administration's strategic intent is informed by the overall drive within Government to improve the efficiency of service delivery and to develop a culture of good governance. It set itself the goal of improving the internal efficiency of the Department of Labour through services, systems and procedures aimed at empowering and supporting its clients in realising the mission of the Department.

The Chief Directorate broadly covers eight functional areas, namely ministerial and parliamentary services, financial management, communication, legal services, information technology, logistics, office administration and internal audit. The core business of the Chief Directorate is to render a range of corporate services aimed at building and strengthening the internal capacity of the Department.



Dr Deon Haasbroek, Senior Executive Manager of Administration.

A corporate plan has been developed for the period 2000 – 2004 articulating the Chief Directorate's strategic approach and desired outcomes. The plan is based on four pillars, namely its culture, its techniques, its services and its products.

The Chief Directorate conducts its business by taking into account the following:

- the government's objective to communicate its policies to the people in a manner that is streamlined, credible, cost-effective and professional, serves as the underlying principle informing its communication policy and strategies

- the Medium-Term Expenditure Framework (MTEF) serves as a guideline for financial planning with a view to acquiring the necessary funding for the achievement of the Department's objectives over the medium to long term
- the Batho Pele initiative of the Government serves as a guiding principle for improving the efficiency and effectiveness of the way in which services are rendered
- accountability and transparency in management processes and systems are encouraged
- information technology serves as an enabler to link information systems digitally with business processes and to shift human involvement from routine low-value tasks to high-value personal consultancy on important issues for clients.

Policy developments

The Department is engaged in a process of negotiating a public private partnership aimed at improving the effectiveness and efficiency of its services. As part of the public private partnership, an Electronic One-Stop Service Infrastructure will be developed to make provision for integrated systems, call centres, remote access terminals or kiosks and a central database. These will facilitate digital transactions between the Department and its clients. It will further also turn staff into knowledge workers by giving them digital information tools to make it possible to shift human involvement in services from routine, low-value tasks to high-value personal consultancy on important issues for the Department's clients.

Outputs and service delivery trends

Communication

The Directorate of Communication pursued the following objectives:

- to promote the image of the Ministry and the Department
- to promote public awareness of labour market policies and services
- to empower labour market stakeholders, specific target groups and the public in general with information so that they can effectively exercise their rights and obligations.

Close cooperation was established and maintained with managers from Head Office and the provincial structures to create an environment conducive to the ongoing implementation of the Ministry of Labour's Fifteen Point Programme of Action.

The major outputs of the Directorate were the following:

Provision of a wide range of communication support to the Ministry, the Department and the general public through rendering information dissemination support services. Briefly, the following represent the major outputs of the Directorate:

- the development and implementation of over 20 integrated marketing communication campaigns and/or projects to create an environment conducive to the implementation of the Ministry of Labour's Fifteen Point Programme of Action and the Department's 5-year Strategic Plan . These campaigns ranged from workers' rights and employment equity to various aspects of occupational health and safety, etc.
- the development and implementation of over 40 stakeholder relations projects and/or campaigns to cultivate an atmosphere of mutual understanding between the Ministry and the Department on the one hand and the various sectors of the public whose goodwill, support and understanding is critical for the implementation of the Ministerial and Departmental objectives and mandates. Deliberate emphasis was also placed on the internal stakeholders – the staff as well as the provinces – and the year ahead will see intensified programmes aimed at this important target group.
- linked to the Department's stated aim of empowering, labour market stakeholders, specific target audiences and the public in general, with information so that they can effectively exercise their rights and obligations, the Directorate produced not less than 2,5 million individual information, education and communication (IEC) materials (such as pamphlets, posters, banners, exhibitions, etc).
- to unlock value and to reposition the Directorate in order to achieve more effective communication as a strategic management tool so that the Ministry and the Department may deliver on their respective mandates, the Directorate is re-engineering itself to be more focused and similar processes are being undertaken with communication structures within the Department.

Financial Management

The Directorate of Financial Management strives to ensure sound administration of and accountability for public funds allocated to the Department by Parliament.

Outputs of the Directorate revolve around budget development, expenditure control, salary payments, compliance with the Public Finance Management Act (PFMA) and training and development of managers and staff directly involved in financial management.



The winning team of the Gauteng South Provincial Office of the Director-General's Financial Management Trophy, with the Minister and the Director-General.

The key outputs of the Directorate were as follows:

- the Directorate has held various work sessions with both middle management and junior staff in order to develop the required level of financial knowledge and skills. The work sessions have also been utilised to enhance diversity management within the Directorate and to build a corporate team spirit
- substantial progress was made during the year 2000 in stabilising the Basic Accounting System (BAS) and the Department is currently operating with no more than one open month at any time. The 2000/2001 financial year was closed within three working days after the end of the financial year, a first in the history of the Department
- actual expenditure for the 2000/2001 financial year was managed to within 5,32% of the original budget allocation
- formal training in Financial Management (BAS and budgets) was presented to 150 staff members at Head Office and at provincial offices
- staff visited provincial offices in order to enhance financial management and control by providing in-service training
- a successful pilot version of the Financial Performance Toolkit was launched during October 2000. The Department was chosen for this project owing to the experience and knowledge of its users
- the Public Finance Management Act (PFMA) was implemented with effect from 1 April 2000. Owing to the Department's concerted effort to inform and empower staff in this regard, the Act was successfully implemented on the date in question.

Information Technology

The Department regards Information Technology (IT) a key enabler to enhance service delivery levels. Through the application of IT the Department intends to fully enhance the e-government vision of Government by developing a digital

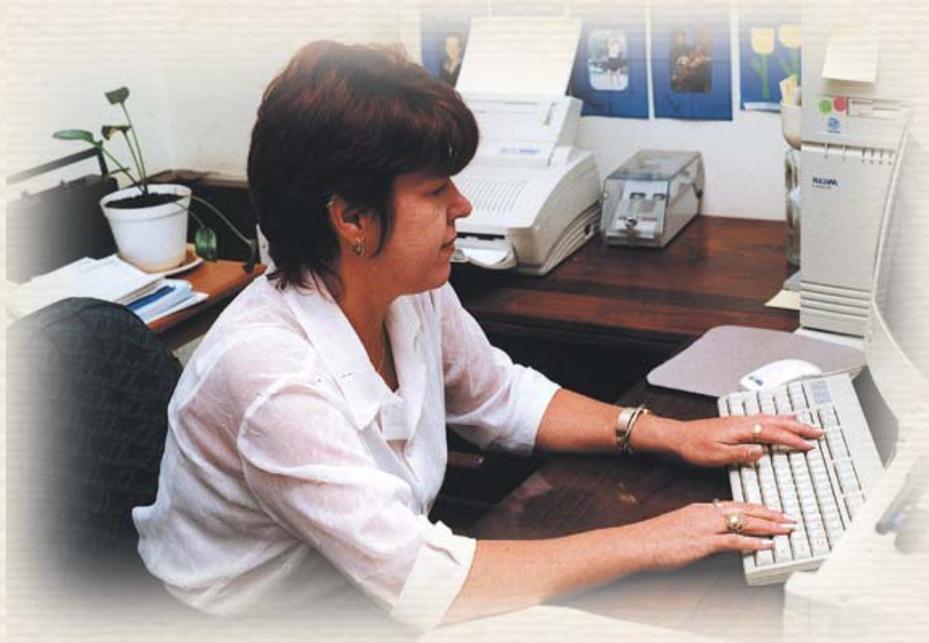
system, which will facilitate online transactions with its clients. The Department opted for a public private partnership (PPP) as a solution to budgetary constraints and the requirement of specialised knowledge and expertise needed to manage a modern IT service.

Through the PPP the Department is convinced that it can find answers to the following challenges:

- a shortage of experienced and suitably qualified staff which forces the Department to use expensive contract resources
- a significant increase in the demand for labour market services, particularly with regard to the services rendered by the Unemployment Insurance Fund and the Compensation Fund
- an integration of labour market services enabling the Department's clients to benefit from a One-Stop Service
- systems to curb fraud in terms of revenue collected and paid.

The key outputs of the Information Technology Subdirectorates were as follows:

- The procurement of the services of an IT partner in terms of the PPP initiative involved the following:
 - to determine the viability of a PPP towards achieving the Department's IT objectives, the business advisory company KPMG/KMMT was commissioned to conduct a feasibility study in early 2000. KPMG/KMMT was also appointed to act as the transaction advisor to the Department in structuring the PPP deal and to manage the procurement process
 - on 15 March 2000 the Department took receipt of a draft Feasibility Study Report from KPMG/KMMT and on 17 March 2000 tender specifications in the form of a draft Request for Proposal (RFP)
 - the procurement process involved close consultation with the National Treasury, the Office of the State Tender Board and the State Information Technology Agency (SITA) to ensure that the process was proper, fair and transparent. The National Treasury, in accordance with the Regulations to the Public Finance Management Act, has granted approval to the Department to embark on a PPP on the strength of the Feasibility Study Report and it was also confirmed that RFP documents comply with the requirements of the National Treasury



Outlook 2000 (e-mail) was installed at all labour centres and provincial offices, which amounts to around 4 000 e-mail accounts.

- an RFP was released on 8 December 2000 to the five shortlisted consortia that were identified through a Request for Qualification (RFQ) process
- between 19 January 2001 and 8 February 2001, a series of one-on-one meetings were held with the various bidders. The final RFP was issued on 16 March 2001 and the final proposals to this RFP were due by 2 May 2001
- in accordance with the approved Evaluation Process, four Technical Evaluation Teams (TET) will be constituted to evaluate portions of the bids. In concluding their evaluation they will be expected to report to the Evaluation Committee

on their findings by not later than 20 June 2001. Thereafter the Evaluation Team will consider these reports, conclude their own evaluation, and recommend a preferred bidder to the Director-General

- negotiations with the preferred bidder leading up to conclusion of the contract are scheduled for September/October 2001
- since the commencement of the Connect 2000 project, a project aimed at connecting all the Department's provincial offices and labour centres to the Wide Area Network (WAN), a total of 151 sites have been connected to the WAN being operated currently by SITA
- Outlook 2000 (e-mail) was installed at all labour centres and provincial offices, which amounts to around 4 000 e-mail accounts.

Logistics

Logistics entail the overall management of purchases and control over moveable assets of the Department. Goods and services are procured in terms of Government's procurement policy, which requires a fair, competitive and transparent process via the tendering system. The ordering of and payment for goods and services are managed through the Logistical Information System (LOGIS).

The key outputs of the Subdirectorate of Logistics were as follows:

- the value of tenders that were awarded to historically disadvantaged persons/enterprises amounted to R5 821 749
- the Department was also identified as a pilot site for the implementation of the Logistical Information System (LOGIS). At the end of the year 2000, LOGIS was implemented at all 10 provincial offices. This development augurs well for the Department, meeting the asset management requirements of the PFMA. The Balance Scorecard, a management information tool, is available to monitor and provide feedback on key performance areas for logistics management such as stock turnover periods and value of moveable assets, which include furniture and the value of redundant or damaged stock
- the asset/commodity data that form an integral part of financial statements extracted from LOGIS contributed to complimentary remarks being made by the Standing Committee on Public Accounts (SCOPA) and the Auditor-General in respect of the Department's financial statements for the 1999/2000 financial year.

Office Administration and Security

The Office Administration and Security Subdirectorate strives to ensure the smooth functioning of the Department in terms of transport, security, office services and the provisioning and maintenance of accommodation.

The outputs of the various divisions were as follows:

Transport

- towards the end of the year 2000, Transport was identified as a specialised unit. This created a path for decentralised thinking for transport. The multi-million rand contract with Imperial Fleet Services (IFS), which replaced the old GG vehicle system, was managed successfully. The Vehicle Control Management System (VCMS) was devised in conjunction with Oracle. Although still in its testing phase, the system is an excellent management tool
- IFS have also upgraded their web reports. The Department now has quick access to all reports and queries regarding any vehicle misuse, petrol fraud, etc. Irregularities are picked up sooner. The Department is now more proactive than was the case before, when reactive management was the norm
- at present IFS is testing the On Board Computer (OBC) by means of a satellite. Transport officers will be able to track the movement of the vehicles on their computers
- subsidised vehicles still play a major role and a total of 19 applications were received, all of which have been processed and finalised
- twenty-four mini bus vehicles were procured from IFS for the period 15 March 2001 to 23 March 2001 for the Occupational Health and Safety Blitz campaign. This task was successfully carried out owing to the efforts of both Transport and IFS
- the Transport Section at Head Office now has the facility for capturing and monitoring log sheets on the new Wesbank Scheme. This results in timeous payment of fuel allowances whereas in the past this was the duty of the service provider and resulted in tremendous backlogs.

Security

- an information Security Policy was compiled
- physical security audits have been conducted to evaluate the existing security measures
- all cartridge-operated fire extinguishers were replaced by stored pressure extinguishers
- Security Instruction and Guidance Manuals for Security Officers have been presented to the security staff
- the Contingency Plan has been updated
- a Buddy-Aid Course was presented to emergency officers at Head Office.

Office Support Services

- a task team has been constituted to investigate and compile a policy document for records management as well as to align the departmental filing system with the requirements set by the National Archives of South Africa
- a new telephone system was installed in the offices of Executive Managers and higher ranks. Voicemail was also installed for all staff members
- Records Managers were appointed at the provincial offices, at the office of the Compensation Commissioner, the Unemployment Insurance Commissioner and also at INDLELA
- training for Records Managers was arranged and offered to 17 staff members by the National Archives of South Africa
- Dimension Data and Voicemail offered specific training to secretaries, and staff members received training in the use of voicemail
- a total number of 4 462 296 photocopies were made at the reproduction room and 65 098 items were posted by the Central Registry at a total cost of R432 023.

Accommodation and Maintenance

- the requirements for the upgrading of the security systems in Laboria House have been finalised. The contract period is between 6 and 12 months. The security contract consists of the two entrance foyers and security work to be done on each floor, which will also include fire safety
- Phase ii of the upgrading of Laboria House in Pretoria was brought back into planning at the Department of Public Works and the project will go out on tender late in 2002. The project has been changed from only urgent deficiencies to a full-scale upgrade of Laboria House. The contract period for the project is 24 months



Towards the end of the year 2000, the Transport Division was identified as a specialised unit.

- the Department of Public Works was requested to appoint a consultant to compile and produce a status quo report on all state-owned buildings occupied by the Department of Labour. The status quo report is expected at the end of July 2001 and the construction work will follow shortly after the report has been approved
- Head Office has embarked on an optimal space utilisation process by conducting an office space audit. This audit revealed that creating open plan offices could in many instances optimise space
- a model has been developed to refurbish the reception areas of labour centres. The model is currently in the pilot phase.

Office Support Services plays an important role with regard to the receiving and posting of thousands of letters.



Legal Services

Legal Services renders an internal legal service to the Department and the Unemployment Insurance and Compensation Funds.

The outputs of Legal Services were the following:

- drafting of the Employment Equity Regulations, and the Forms and Annexures of the Basic Conditions of Employment Act. It also drafted the Regulations for the Skills Development Act relating to the establishment of SETAs, Private Employment Agencies and Learnership Agreements. Recently, it finalised the two Unemployment Insurance Bills
- dealt with more than 258 legal matters, excluding drafting, which include litigation in more than 56 cases arising from different programmes and provincial offices, the CCMA, the Constitutional Court, the Labour Court and the High Court. Thirty-seven legal opinions were written and 16 general opinions were given to the various programmes and provincial offices. Twelve contracts were drafted and 137 other legal matters have been finalised. The various matters were often complex and involved.

The following matters are still in process:

- redesigning and implementing the procedure for compliance orders under the Basic Conditions of Employment Act, which involved meetings with the Labour Court and the Inspectorate
- planning a project with the Employment Conditions Commission in order to devise mechanisms to include domestic workers in the Unemployment Insurance and Compensation Funds benefit system
- assisting the Department of Correctional Services in developing a common Government approach to the issue of forced labour in private South African prisons
- determining the movement of labour in terms of the Department's five bilateral labour agreements with Mozambique, Malawi, Botswana, Zimbabwe and Zambia in an intergovernmental commission, involving the Departments of Home Affairs,

Foreign Affairs, Trade and Industry, and Labour

- being involved in the project inquiring into the cause of the collapse of the Injaka Bridge and ensuring that the inquiry proceeds with minimal interruption
- producing the new Unemployment Insurance Bill, which involves a series of workshops, consultations and meetings
- planning a project to formalise the Fishing Industry in the Western Cape, which meant amendments to the Merchant Shipping Act. The necessary amendments were produced pursuant to consultations, meetings and adherence to a project plan
- planning a project with the Department of Foreign Affairs to get Foreign Embassies to take into cognisance local labour laws when administering their business. Meetings and consultation are under way, which will culminate in an information session with these Embassies
- overseeing the winding-down of 33 Industry Training Boards in order for the new SETAs to effectively replace them
- introducing a computerised system to keep track of matters and progress, which is available to management on the network
- assisting with putting the Public Private Partnership deal together
- drafting the Regulations for the Electrical Contracting Industry
- developing a language policy and an information policy for the Department.

Ministerial and Parliamentary Services

The Directorate of Ministerial and Parliamentary Services consists of two components, namely the Office of the Minister and the Office of the Director-General. The Directorate provides a support service to the Minister and the Director-General and acts as a liaison between the Ministry, the Department and Parliament.

The year 2000/2001 was an extremely busy year for the Directorate. Owing to the local government elections, which took place in December 2000, the parliamentary session was fragmented and shortened to allow time for more constituency work by Members of Parliament prior to the elections.

The key outputs of the Directorate were as follows:

- a large part of the work involved dealing with replies to parliamentary questions. Following the introduction of a new questions system in Parliament, Ministers were no longer required to reply to questions every week but Ministries were divided into clusters. The Directorate also provided information to the President's Office and other departments to assist them in preparing their responses to parliamentary questions
- the Department provided several briefings and presentations to both the Portfolio Committee on Labour (National Assembly) and the Select Committee on Labour and Public Enterprises (NCOP) during the year 2000/2001.

These included:

- a briefing on the Department's Programme
- the Department of Labour's Budget Vote
- Annual Report of the Department of Labour
- the Unemployment Insurance Bill
- a progress report with regard to the implementation of the Skills Development Act
- ILO Convention 182 on the Elimination of Child Labour.
- the Unemployment Insurance Bill was completed and submitted to Parliament in September 2000
- the following Annual Reports were tabled in Parliament during the year 2000/2001:
 - Department of Labour Annual Report, 1999
 - National Productivity Institute Annual Report, 1999
 - CCMA Annual Report, 1999
 - NEDLAC Annual Report.

Internal Audit

Head Office and provincial offices, the Unemployment Insurance Fund and the Compensation Fund make use of the expertise of a single internal audit function. The primary objective of this function is to evaluate the adequacy and test for

effectiveness of all controls, implemented by management to ensure that the various programmes comply with the Department's mandate.

Key outputs of the Directorate were as follows:

- with the implementation of the Public Finance Management Act on 1 April 2000, together with the Regulations issued by the National Treasury during May 2000, the roles of the Directorate of Internal Audit and the Audit Committee have been clarified. The Internal Audit function conducts all audits in accordance with the standards set by the Institute of Internal Auditors. Consequently, the Audit Committee Charter and the Internal Charter were revised in 2000
- as a result of the regulatory requirements for the establishment and rendering of an internal audit service in the Department, under the guidance of the Senior Executive Manager of Administration, the Directorate was involved in the following:
 - a strategy to fill all vacancies at management level and to devise a corporate strategy for the effective rendering of a service for the next five years
 - the Audit Committee of the Department met on 27 October 2000. At that meeting it was decided that the charters from the Audit Committee and the Internal Audit function will only be adopted at a meeting to be held on 5 April 2001
 - the Directorate, under the supervision of the Audit Review Committee, also embarked on a strategy to develop a good governance code in the Department. This document has now been circulated to all senior staff members for comment, before it is submitted for approval
 - to ensure that all staff members are conversant with the standards set by the Institute of Internal Auditors, current audit thinking and auditing tools, such as control self-assessment, all staff members were exposed to a minimum of seven days' training during the year 2000/2001.



Ms Vuyi Raseroka, Senior Executive Manager of Human Resources Management.

B: Human Resources Management

The Chief Directorate of Human Resources Management was established to facilitate the development and effective and efficient utilisation of human resources. It covers two functional areas, namely, human resources management and management advisory services. The mission of the Chief Directorate is to provide management with advisory services on strategic management, restructuring, performance management and organisational development, which includes skills development by the Directorate of Management Advisory Services, and professional, efficient and client-oriented human resources services that promote representativity in line with the Employment Equity Act. The Chief Directorate also promotes sound labour relations and ensures timeous processing of staff benefits by the Directorate of Human Resources



Thousands of people from South Africa regularly come to the Department for assistance on unemployment insurance, training skills, health and safety, etc.

Management.

The overall objectives of the Chief Directorate are the following:

- ensuring successful recruitment and placement of staff in line with the Department's affirmative action policy
- facilitating the development and implementation of the performance management policy, which includes performance agreements
- establishing adequate information systems on staff inventory and succession planning
- ensuring timeous processing and payment of service benefits claims
- promoting the smooth functioning of the Departmental Bargaining Council
- ensuring prompt and effective handling of grievances and disciplinary issues
- promoting an integrated skills development system and facilitating the development of the new Strategic Plan for 2000-2004
- facilitating successful restructuring of the Department in line with the Strategic Plan
- developing and maintaining the performance management system
- ensuring an adequate organisational structure and establishment
- conducting job evaluation of posts.

Outputs and service delivery trends

Subprogramme	Outputs	Service delivery indicators	Actual performance
Management Support Services	Provision of timeous support and advice to managers and staff on human resource matters.	<ul style="list-style-type: none"> • Correctness of establishment records on Persal for Head Office is monitored. • Requests for advertising of funded vacancies are processed within five working days of the receipt of the request. • Secretarial services for interviews are provided. • Personal data of all new appointees are captured within three working days after the appointment notice has been received. • All requests regarding benefits are processed within five working days after receipt, except for pension benefits/leave gratuities. • Leave gratuities regarding retirements are processed within six weeks prior to the last working day. • Pension benefits of resignations are processed within a week after Annexure A has been received from the EM/FM. • An audit on leave records is conducted. 	<ul style="list-style-type: none"> • Continuous support and advice was delivered. • A cost analysis for the filling of high/medium/low priority posts was done, whereafter a total of 388 vacancies were advertised up to 31 March 2001. • A total of 6 879 applications for advertised posts were captured on computer. • Secretarial services were provided for the filling of 52 posts. • 16 transfers from the Department and 20 to the Department were processed. • 51 leave gratuities were paid on the last working day. • 4 516 leave applications were captured. • Three applications for participation in the Motor Financing Scheme (MFS) were processed. • 97 resignations were processed. • 37 applications for early retirement and 14 applications for normal retirement were finalised.
	Manage the performance of all staff in Head Office.	<ul style="list-style-type: none"> • Training on the Intranet Performance Management System (IPMS) is provided to all supervisors in Head Office. • Rank promotions/incentives are processed within 10 working days after assessments have been received. • Strict management of probation appointments is ensured. 	<ul style="list-style-type: none"> • Training on the IPMS was provided to all supervisors within Head Office. • 108 rank/level promotions were finalised.
	Employee Assistance Programme (EAP) Unit established.	<ul style="list-style-type: none"> • Two qualified EAP Practitioners are appointed. • EAP Unit is marketed throughout the Department. 	
	HIV/Aids awareness strategy implemented.	<ul style="list-style-type: none"> • HIV/Aids preventive strategy is developed and implemented. • Condom dispensers are procured and condoms are distributed. 	<ul style="list-style-type: none"> • HIV/Aids coordinators in Provinces were trained. • 40 800 condoms were distributed.
Policy, Research and Monitoring.	Developed and implemented Departmental Employment Equity Report and Plan.	<ul style="list-style-type: none"> • A Departmental Employment Equity Task Team is established. 	<ul style="list-style-type: none"> • The Senior Executive Manager of Human Resource Management was appointed to oversee compliance with the Act. • The responsible manager convened 11 task team and consultative forum meetings. • Working groups within the team undertook research and analysis on practices within the

			Department and established nine areas where barriers existed.
		<ul style="list-style-type: none"> Adherence to the numerical goals and race and gender profiles as reflected in the Employment Equity Plans is ensured throughout the Department. 	<ul style="list-style-type: none"> Monthly progress reports were compiled of each Programme, Provincial Office, the Funds and INDLELA, to establish progress on set numerical goals.
		<ul style="list-style-type: none"> Departmental human resources policies are reviewed to ensure they are employment equity compliant. 	<ul style="list-style-type: none"> An external consultant was appointed to review 22 policies to identify barriers, subtle discrimination and any other matters that do not promote equity in the workplace.
		<ul style="list-style-type: none"> Departmental National Consultative Forum is established. Departmental Employment Equity Report and Plan are developed. Departmental Employment Equity Report is approved by Director-General and is submitted to the Labour Relations Registrar. 	<ul style="list-style-type: none"> Programmes, Provincial Offices, the Funds, INDLELA, Head Office and Staff Organisations submitted nominations for representation in the National Consultative Forum (NCF) to ensure broad consultation.
	Developed and aligned Human Resources Management Policies with new legislation and resolutions taken by the Public Services Coordinating Bargaining Council (PSCBC).	<ul style="list-style-type: none"> Existing human resources management policies are reviewed and aligned with the new Public Service Regulations, 1999, PSCBC resolutions as well as with other applicable new legislation. All 22 approved and adopted Human Resources Management Policies are captured on Intranet for easy access to all staff of the Department. 	<ul style="list-style-type: none"> 22 departmental human resources management policies reviewed and aligned. All HRM policies are on the Intranet.
	Developed a Departmental Employment Handbook.	<ul style="list-style-type: none"> The Departmental Employment Handbook for all staff in the Department is developed. 	<ul style="list-style-type: none"> Departmental Employment Handbooks distributed to all staff of the Department.
	Monitored the resignation of staff in the Department.	<ul style="list-style-type: none"> Reasons for the high staff turnover within the Department are established, recorded and action taken. 	<ul style="list-style-type: none"> 33 Exit Interview Questionnaires were administered throughout the Department to be completed by staff who terminated their service in the Department to determine their reasons for this large exodus.
Employment Relations	Grievances and complaints received from staff handled promptly and effectively.	<ul style="list-style-type: none"> Long outstanding grievances are successfully handled and finalised. Grievances are minimised through advocacy and continuous guidance. 	<ul style="list-style-type: none"> All pre-2000 outstanding cases were finalised. Four cases were referred to the PSC for further investigation. 20 grievance cases were finalised.
	Misconduct cases are handled promptly and effectively.	<ul style="list-style-type: none"> Cases are submitted to management for approval of sanction within three days of receipt of Presiding Officer's report. 	<ul style="list-style-type: none"> 85 misconduct cases were finalised. 29 cases are currently scheduled for hearing. 24 cases were forwarded to the

			GPSSBC/Labour Court for Conciliation, Arbitration and Adjudication respectively, successfully handled.
	Smooth functioning of the collective bargaining structures in the Department are monitored.	<ul style="list-style-type: none"> • Consultation with all operative staff parties regarding management processes in the Department is maximised. 	<ul style="list-style-type: none"> • One collective agreement was reached to recall all pending appeal cases at the DPSA to be dealt with in terms of the transitional arrangements (GPCBC Res. No.8 of 1999).
	Provided training and advocacy regarding industrial relations matters.	<ul style="list-style-type: none"> • An internal industrial relations training programme is developed and training commences in the provinces. • Departmental officers are trained on how to preside at disciplinary hearings. 	<ul style="list-style-type: none"> • 311 officers and managers were trained in ER Skills and presiding at sessions that were provided by the Justice College, SAMDI and the Centre for Applied Legal Studies (Wits).
	Appeal cases handled promptly and effectively.	<ul style="list-style-type: none"> • Appeals are processed within set time-frames. • Appeals pending at the DPSA are recalled and dealt with in terms of Resolution 2 of 1999. 	<ul style="list-style-type: none"> • 16 appeal cases were considered by the Appeals Authority and all were dismissed. • Only three cases are still pending at the DPSA and follow-ups are done on a weekly basis.
Training and Development	Staff trained per training policy and skills plan.	<ul style="list-style-type: none"> • Skills Plan is developed. 	<ul style="list-style-type: none"> • An HRD strategy was developed. • A skills audit was conducted. • A skills development facilitator was appointed. • Provincial and Labour Centre staff were trained on Customer Service.
	Integrated Performance Management System developed (IPMS).	<ul style="list-style-type: none"> • Performance Management System is developed and implemented. 	<ul style="list-style-type: none"> • Supervisors and Managers were trained on the system. • Performance agreements were developed for all staff in the Department. • Staff were assessed in accordance with the IPMS during October 2000 and March 2001.
Organisational Development	Job evaluation conducted.	<ul style="list-style-type: none"> • Job Evaluation Policy is developed and implemented. 	<ul style="list-style-type: none"> • Job Profiles were developed. • 68 jobs were evaluated.
	Client orientation.	<ul style="list-style-type: none"> • Client Orientation Strategy is developed and implemented. 	<ul style="list-style-type: none"> • A Service Charter was developed and implemented. • A framework for Service Delivery Standards was developed.
Planning Unit	The Strategic Plan for 2000 – 2004 was implemented.	<ul style="list-style-type: none"> • Workplans for Year One of the Strategic Plan are developed. 	<ul style="list-style-type: none"> • Progress was reviewed during July and November 2000. • Management Structures were aligned to the Strategic Plan.

Programme 2 Occupational Health and Safety

Aim

To provide for the health and safety of people at work, the use of plant and machinery and the protection of people from dangerous activities at places of work.

Policy and developments

The Occupational Health and Safety Programme consists of the following subprogrammes:

- Inspections and investigations
- Administrative functions
- Research
- Services rendered to other countries
- Training of staff
- Administrative auxiliary services.

The Subprogramme of Inspections and Investigations focused on the following:

- inspection and auditing
- services provided to enforce the requirements of the Occupational Health and Safety Act, 1993
- inspections and licensing of explosives factories as required by the Explosives Act
- approvals granted for first aid training, audiometric and Personal Protective Equipment (PPEs) as required by the OHS Act and the Regulations
- developing regulations, guidelines and standards
- registration of electricians in terms of the Electrical Installation Regulations



Senior Executive Manager of Occupational Health and Safety, Faiza Salie.



The Department of Labour, Organised Labour and Organised Business cooperated to address the health and safety of all workers and several Blitz campaigns were launched.

- registration of divers, diving supervisors and diving medical practitioners in terms of the Diving Regulations
- management of the learner inspectors training scheme to supplement the OHS expertise needs of the Department
- technical investigations of incidents not done by provincial structures
- issue of exemptions.

The Subprogramme of Administration Functions focused on the following:

- administration of all approval and registration functions as per the Diving Regulations, Certificate of Competency, Electrical Installation Regulations and the other OHS Regulations.

The Subprogramme of Research focused on the following:

- research aimed at effective protection of the health and safety of workers with emphasis on specific problem areas within the occupational health and safety discipline.

The Subprogramme of Services rendered to other countries focused on the following:

- rendering of training and information services to countries in Africa.

The Subprogramme of Administrative Auxiliary Services focused on the following:

- establishing a tripartite Advisory Council for Occupational Health and Safety.

Occupational health and safety functions are fragmented, with responsibilities divided between the Departments of Health, Labour, and Minerals and Energy. Cabinet has recently approved the integration and consolidation of the occupational health and safety and compensation competencies. In order to give effect to its implementation, a national, overarching policy on occupational health and safety and compensation has to be developed. As a first step a draft document, which will form the basis of the policy, was developed during March 2001.

Outputs and service delivery trends

Subprogramme	Outputs	Service delivery indicators	Actual performance
Inspection and Investigation at workplaces	Enforce the requirements of the OHS Act through inspections.	<ul style="list-style-type: none"> • Inspections conducted at workplaces. 	<ul style="list-style-type: none"> • 10 060 inspections were conducted.
	Ensure compliance with the Explosives Act through the licensing and inspection of explosives factories.	<ul style="list-style-type: none"> • Explosives factories licensed and inspected. 	<ul style="list-style-type: none"> • 1 179 licences were issued, 21 explosives factories were inspected and 73 consultative meetings were held.
	Regulate the provision of first aid training and the use of audiometric and personal protective equipment as required by the OHS Act and Regulations.	<ul style="list-style-type: none"> • Requests for training organisations to provide first aid services and use of personal protective equipment are received, evaluated and approved. 	<ul style="list-style-type: none"> • 122 approvals were granted, to first aid training organisations (29), diving schools (1), Audiometrists (89), and inspection authorities (3). • 59 less approvals than the previous year were granted.
	Development of regulations, guidelines and standards regarding OHS.	<ul style="list-style-type: none"> • OHS legislation and health and safety standards are amended. 	<ul style="list-style-type: none"> • Four regulations (Asbestos, Lead, Diving and Hazardous Biological Agent Regulations) with guidelines were completed and are ready for promulgation. During 1999/00 three sets of Regulations were drafted and published for comment.
	Registration of electricians to ensure compliance with the Electrical Installation Regulations.	<ul style="list-style-type: none"> • Electricians in Single Phase Testing, Installations and Master Installations are registered. 	<ul style="list-style-type: none"> • 597 electricians were registered.
	Registration of divers, diving supervisors and diving medical practitioners to ensure compliance with the Diving Regulations.	<ul style="list-style-type: none"> • Divers, diving supervisors and diving medical practitioners are registered. 	<ul style="list-style-type: none"> • 766 divers, diving supervisors and diving medical practitioners were registered.
	Implementation of Learner Inspectors Training Scheme to augment the OHS expertise needs of the Department.	<ul style="list-style-type: none"> • Students are recruited and trained. 	<ul style="list-style-type: none"> • 16 students were trained.
	Assessment of the causes of accidents.	<ul style="list-style-type: none"> • Technical investigations into accidents are carried out. 	<ul style="list-style-type: none"> • One technical investigation (Injaka Bridge) was undertaken.
Management of the request for exemption from the OHS Act.	<ul style="list-style-type: none"> • Certificates of Exemption are reviewed and re-issued. 	<ul style="list-style-type: none"> • A variety of exemptions (which included Transnet, Iscor, Eskom and Telkom) were re-issued to major corporations, with the percentage reissued being about 25%. 	
Administrative functions	Administration of all approvals and registration functions as per the Diving Regulations, Certificate of Competency, Electrical Installation Regulations and the other	<ul style="list-style-type: none"> • Regulations (Diving, Certificate of Competency, Electrical Installation, etc.) are issued and listed. 	<ul style="list-style-type: none"> • 1 594 certificates were listed and issued.

	OHS regulations.		
Services rendered to other countries	Harmonisation of OHS activities and strategisation and sharing of resources with SADC countries.	<ul style="list-style-type: none"> Interaction with SADC countries to ensure safe working practices in terms of trans-boundary movement of hazardous substances or equipment maintained. 	<ul style="list-style-type: none"> One guideline document was completed for the SADC.
Administrative auxiliary services	<p>Development of National Occupational Health and Safety Policy.</p> <p>Enhancement of OHS inspection capacity.</p> <p>Raising awareness of OHS.</p>	<ul style="list-style-type: none"> Draft framework for an overarching, national Occupational Health and Safety and Compensation Policy is finalised. All inspectors are trained to deliver an OHS service as per requirements. Supervisors are trained to manage OHS services as per prescripts. Awareness campaign is implemented. 	<ul style="list-style-type: none"> Work was in progress towards the development of a national policy. 30 inspectors were trained on OHS legislation that comprised theory and practice and 53 inspectors received training in electrical installations 180 supervisors received management training. Adverts were placed in all the major national newspapers, 500 000 pamphlets were distributed, 3 459 businesses were targeted in five provinces



During OHS inspections various small businesses were targeted and informed on the requirements of the Act and the Regulations.

Programme 3 *Social Insurance*

Aim

To contribute to the Unemployment Insurance Fund and to compensate workers in the employ of the State, or their dependants, in cases of accidents or diseases sustained while on duty.



Mr Shadrack Mkhonto, Commissioner of the Unemployment Insurance Fund.



Ms Bongzi Magojo, Commissioner of the Compensation Fund.

Policy developments

The Social Insurance Programme consists of the following two subprogrammes:

- Unemployment Insurance
- Accident Insurance

The Programme administers the Unemployment Insurance Fund and the Compensation Fund, which provide for the payment of unemployment benefits and compensation for injuries and illnesses incurred as a result of employment. These functions are addressed by the following subprogrammes:

- the Unemployment Insurance Fund provides for the payment of unemployment benefits in terms of the Unemployment Insurance Act, 1966
- the Compensation Fund provides for compensation for injuries and diseases incurred as a result of employment in terms of the Compensation for Occupational Injuries and Diseases Act, 1993. The subprogramme also provides for the medical expenses of officials employed by Government who sustain injuries and diseases while on duty.

Contributions to the Funds are solely for limited administrative costs, since the Funds are financed from earmarked payroll taxes on employers and workers. The Programme also provides certain administrative functions to the Funds. These expenses are claimed back and expenditure is shown as net of these reimbursements.

Unemployment Insurance Fund benefits have traditionally exceeded contributions in times of severe unemployment. Over the years, the Fund's character has changed from one designed to deal with well-paid workers with a low propensity to become unemployed into an inadequately backed scheme catering for mass unemployment. The International Labour Organisation actuarial findings in September 1996 projected that, in order to balance income and expenditure, the contribution rate would have to be 2,07% in 1991, increasing to 2,71% in 2000. Such an increase in the contribution rate would have had a negative effect on the overall goals of Government. The contribution was last adjusted on 1 October 1993 to the current 1% for employers and 1% for workers.

Because of continuing deficits, opportunities for the restructuring of the Unemployment Insurance Fund have been investigated. The Minister of Labour will table legislation to strengthen the administration of the Fund, target benefits more effectively to the poor and extend the coverage of the scheme.

Amendments to the Compensation for Occupational Injuries and Diseases Act, 1993, including cover for domestic workers and the integration of compensation competencies from the Departments of Health and of Minerals and Energy Affairs, are being discussed.

Medical expenses for government officials paid by the Compensation Fund increased from R7 931 million to R16 467 million in the 2000/2001 financial year, and accounts for average programme growth of 7,8% per year over the seven-year period starting from the 1994/1995 financial year to the 2000/2001 financial year.

The Department is preparing new legislation to improve coordination between the Unemployment Insurance Fund and other social and labour policies. This relates particularly to reskilling and recruitment systems, coverage of all workers (including domestic and other atypical workers) improved enforcement and compliance, and financial sustainability and cost-effectiveness.

The Compensation Fund introduced an electronic document control system to assist with the tracking of files, which will improve the handling of enquiries. The Fund is negotiating with large employers and medical providers regarding the electronic submission of documents. This should expedite the processing and settlement of claims. Pensioners and medical providers are already paid through electronic fund transfers if banking details are provided.

The Compensation Fund embarked on a Return on Earnings investigation in order to indicate over and understatement by employers. A total of 127 compliance investigations were undertaken. From these, the Department recovered R1,6 million of net additional revenue and the net collection on understatements amounted to R5,4 million.

Transfer payments

Institution	Amount transferred
Unemployment Insurance Fund	R7 000 000,00

Programme 4 **Employment and Skills Development Services**

Aim

To promote and regulate the skills development strategy.

Policy developments

The Chief Directorate's objectives and activities emanate from the South African Qualifications Act, 1995, the Skills Development Act, 1998, and the Skills Levies Act, 1999. These three Acts highlight the promotion of skills development and the ensuring of quality in education and training. A number of policy guidelines and regulations recommended by the National Skills Authority (NSA) were published.

The Chief Directorate of Employment and Skills Development Services consists of the following subprogrammes:

- Skills Development Planning Unit
- Skills Development Funding
- Employment Services
- INDLELA
- National Skills Authority (NSA)
- Programme Management Unit
- Sheltered Employment
- Training of staff
- Administrative Auxiliary Services.

The Programme aims to promote and regulate the skills development strategy in terms of the Skills Development Act, 1998, and the Skills Development Levies Act, 1999. The objectives of this Chief Directorate as outlined in the National Skills Development Strategy are to:

- develop a culture of life-long learning
- foster skills development in the formal economy for productivity and employment growth
- stimulate and support skills development in SMMEs
- promote opportunities for skills acquisitions in development initiatives
- assist new entrants with employment in the labour market.

The subprogrammes focused on the following:

Subprogramme

Skills Development Planning Unit (SDPU)

During the year 2000, the SDPU moved into its second year of operation. Progress was made in focusing on the work of the unit and staffing it. Important outcomes were achieved related to the core functions of the unit, namely, research and analysis, strategic planning and information for skills development. New projects were also set in motion.

In terms of the Skills Development Act, 1998, the functions of the SDPU are to:

- research and analyse the labour market in order to determine skills development needs for South Africa as a whole, each sector of the economy and organs of State
- assist in the formulation of the National Skills Development Strategy and sector skills plans
- provide information on skills to the Minister, the National Skills Authority, Sector Education and Training Authorities (SETAs), education and training providers and organs of State.



Senior Executive Manager of Employment and Skills Development Services, Ms Adrienne Bird.

Subprogramme

Skills Development Funding

This subprogramme is responsible for the following:

- the management of the funding mechanisms for training programmes based on a system of entering into training contracts with acceptable training providers delivering training against specific outcomes
- assisting and facilitating sectors to improve their level and quality of training for skills development in job creation schemes
- identifying target groups.

Subprogramme

Employment Services

This subprogramme's functions are in accord with the relevant Conventions of the International Labour Organisation (ILO) championing free labour market services to the citizens of countries endorsing the same principles.



One of the objectives of Employment Services is to assist employers to find the best workers for their vacancies.

The subprogramme is also mandated by the Skills Development Act, 1998, to assist the unemployed to enter income-generating opportunities and become productive citizens of the country. This is done by means of a variety of active labour market programmes, such as employment counselling, job preparation programmes (life skills training), employment support programmes and technical skills development programmes. In a broader perspective, increased employment for the

unemployed will lead to higher income per capita, economic growth and ultimately socio-economic development of the country.

It acts as intermediary between job-seekers and employers. Special measures are taken to include the designated and previously disadvantaged groups in programmes aimed at employment. The key objectives of the subprogramme are the following:

- to assist employers to find the best workers for their vacancies through best match practices
- to assist the unemployed to find training opportunities and suitable income-generating opportunities
- to enhance employment and employability of the unemployed through employment support programmes utilising various tools such as assessment, selection, employment counselling, life skills, training in technical skills and placement
- to manage the Social Plan Programme of Government agreed to during the Jobs Summit by all stakeholders to ameliorate the effects of retrenchments on retrenched
- to develop provincial skills plans in order to coordinate skills development of the unemployed, according to demands in the labour market
- to deal with all issues having an effect on the employment of people in the labour market, e.g. the immigration of foreign labour, and regulating private employment agencies.

Subprogramme

INDLELA

INDLELA's objective is to increase access to work-based qualifications, learning and assessment in different levels and in



INDLELA had to address several issues, including learnership design, development and implementation.

many fields of learning. To this end, the organisation had to drastically change its operations, while ensuring that the old system would be serviced until its final conclusion.

The new activities developed during 2000/2001, include the facilitation of the following:

- learnership policy design, writing of procedures and manuals
- learnership design, development and implementation
- Sector Education and Training Authority (SETA), Education and Training Quality Assurance (ETQA) body development and support
- development of unit standards and materials development for Education, Training and Development Practices (ETDP)
- transformation of apprenticeships to learnerships
- delivery of traditional assessments locally and on a decentralised basis.

Subprogramme

National Skills Authority

The Directorate of the National Skills Authority is an integral element of the Chief Directorate of Employment and Skills Development Services. Its purpose is to support the National Skills Authority (NSA) to establish and support Sector Education and Training Authorities (SETAs) so that they are recognised as responsive, cost-effective and efficient organisations that engage stakeholders, and to enhance the skills and capacities of those who are involved in these institutions.

This report provides information on the Directorate of the National Skills Authority only. The National Skills Authority and the Sector Education and Training Authorities are required in terms of the Skills Development Act, 1998, to provide their separate annual reports.

Subprogramme

Programme Management Unit

This subprogramme is responsible for ensuring effective financial and resources management and for coordinating the implementation of the Labour Market Skills Development Strategy.

Subprogramme

Sheltered Employment

This subprogramme is responsible for subsidising workshops for the blind and work centres for people with disabilities.

Outputs and service delivery trends

Subprogramme	Outputs	Service delivery indicators	Actual performance
Skills Development Planning Unit (SDPU)	National Skills Development Strategy (NSDS) adopted and advocated	<ul style="list-style-type: none"> The National Skills Authority is supported in finalising the NSDS. 	<ul style="list-style-type: none"> The SDPU coordinated all the research that formed the basis for the NSA's formulation of the NSDS. The SDPU made inputs for the final NSDS document and produced the NSDS context document as a companion to the NSDS.
	First Sector Skills Plans received, analysed and approved by the Director-General.	<ul style="list-style-type: none"> Sector Skills Plan (SSP) guide is finalised and distributed. SSP evaluation criteria are finalised and approved. SSP evaluation reports are completed and reported to SETAs. SSP recommendations are submitted to the Director-General. 	<ul style="list-style-type: none"> The SDPU provided all the necessary support to ensure that the first 25 SSPs were submitted by SETAs to an acceptable standard.
	Skills Development Information System (SDIS) established.	<ul style="list-style-type: none"> SDIS draft paper is finalised and approved. First draft of data dictionary is completed. 	<ul style="list-style-type: none"> The SDIS was conceptualised and a first prototype developed. Data capturing was started against SDIS requirements.
		<ul style="list-style-type: none"> Computerised module for capturing of Workplace Skills Plans (WSPs) is developed. 40% SDIS data are captured. 	<ul style="list-style-type: none"> A computerised WSP module was made available to SETAs.
	Workplace Skills Planning model and quality standard are operational.	<ul style="list-style-type: none"> Support for Workplace Skills Planning is delivered, including the Skills Development Facilitator (SDF). Project 4 Contract is finalised and signed. Inception workshop is held and logframe is finalised. 	<ul style="list-style-type: none"> SDPU staff took the lead in formulating a model for workplace skills planning. Draft unit standards for Skills Development Funds (SDFs) were developed. Supporting documentation was produced and a roadshow conducted to inform the public of new developments regarding the implementation of skills development. The contract for Project 4 was concluded and the Project launched.
	Entry of designated groups into the labour market facilitated.	<ul style="list-style-type: none"> National skills plan for domestic workers is approved. 	<ul style="list-style-type: none"> Research to inform a skills plan for domestic workers was started and is in the process of being finalised.
		<ul style="list-style-type: none"> Review and restructuring of wage subsidy and bursary scheme is concluded. Policy and advocacy for mainstreaming of designated groups is delivered. 	<ul style="list-style-type: none"> Review of wage subsidy and bursary scheme completed and transferred to the National Skills Fund. Ongoing advocacy work for designated groups is maintained and ensured.
Skills Development Funding	SETA levy grant system operational.	<ul style="list-style-type: none"> Levy grant model for year one is developed. 	<ul style="list-style-type: none"> The specifications for the levy grant model was developed and

		<ul style="list-style-type: none"> • Computer programs are developed to administer the levy grants in year one in line with the Skills Development Act, 1998, and the Regulations. • Levy grant model for year two is developed. 	<p>formed part of the tender. The tender was awarded in June 2000.</p> <ul style="list-style-type: none"> • The full Grant Disbursement System has not yet been completed, because as the system is being used, new requirements to the original specifications are identified to make the system workable. However, on the information received from the SETAs, a total of 5 537 grant payments were made to employers at a total amount of R55,5 million for the financial year. • The Grant Disbursement System is therefore working and the model was completed by 31 March 2001.
		<ul style="list-style-type: none"> • Computer programs are developed to administer the levy grants in year two in line with the Skills Development Act, 1998, and the Regulations. 	<ul style="list-style-type: none"> • Not achieved, because the Funding regulations for year two had not been approved and published by 31 March 2001.
		<ul style="list-style-type: none"> • First levies are collected by the South African Revenue Services (SARS). 	<ul style="list-style-type: none"> • SARS collected the levies from liable employers as from 1 April 2000. • The skills development levies collected by SARS and deposited into the National Revenue Fund until 31 March 2001 totalled R 1 250 003 750,64.
		<ul style="list-style-type: none"> • Levy money is disbursed to the SETAs and the National Skills Fund. 	<ul style="list-style-type: none"> • The first skills development levy money was transferred to the SETAs and the NSF on 27 July 2000. • SD-Levy money was transferred to the SETAs and the NSF for the financial year as follows: <p>* SETAs (80%) - R 720 665 466,14 * NSF (20%) - R 180 201 318,69 Total R 900 866 784,83</p>
		<ul style="list-style-type: none"> • Disbursements to firms are granted by SETAs. 	<ul style="list-style-type: none"> • For the financial year the SETAs made a total of 5 537 grant payments to employers at a total amount of R55,5 million.
	Baseline information to evaluate impact of skills development under Labour Market Skills Development Programme (LMSDP) established.	<ul style="list-style-type: none"> • Baseline Survey Report is finalised. 	<ul style="list-style-type: none"> • The Baseline Survey Report was finalised by end September 2000.
	NSF system and procedures for disbursing funds operational.	<ul style="list-style-type: none"> • Recommendation on allocations from NSF window incentives is approved by NSA. 	<ul style="list-style-type: none"> • Recommendations approved by NSA.
		<ul style="list-style-type: none"> • Interim allocation for April and May 2000 to provincial offices of 	<ul style="list-style-type: none"> • Interim allocations to provincial offices were made on 3 April

		Department is made.	2000.
		<ul style="list-style-type: none"> • 2000/2001 grants to provinces are allocated. 	<ul style="list-style-type: none"> • Final allocation was made to provincial offices on 23 May 2000.
		<ul style="list-style-type: none"> • Consolidated report of provincial expenditures is prepared. Target 100% of funds is allocated and spent. 	<ul style="list-style-type: none"> • Average allocation rate was 82,7% and utilisation was 63,16%.
		<ul style="list-style-type: none"> • NSF payment system is designed. 	<ul style="list-style-type: none"> • The development of the National Skills Fund Disbursement Information System (NSFDIS) was awarded to Khulisa, due for implementation by 1 October 2001.
		<ul style="list-style-type: none"> • Funding framework for new investments is designed and piloted with the Department of Trade and Industry (DTI). 	<ul style="list-style-type: none"> • Funding framework design is completed.
Employment Services	Service level agreements with provincial offices entered into, monitored and evaluated.	<ul style="list-style-type: none"> • Service level agreements are negotiated and finalised. • Restructuring of provincial office selection committees is in place. • Development of Provincial Skills Plans is supported by Head Office. • Provincial staff are supported to develop capacity to support projects including Skills Development Initiatives (SDIs), Local Economic Development (LED), Industry Development Zone (IDZ) and new investment initiatives. • New provincial selection committees are supported as agreed. • Recruitment and selection services are supported with an initial focus on support for the implementation of SPEEX (Situation Specific Evaluation Expert). 	<ul style="list-style-type: none"> • All 10 provincial offices signed off their Service level agreements with the Senior Executive Manager. • Except for two provincial offices, Provincial Skills Development Forums (PSDFs) were constituted. • ES provided all the necessary support to ensure that Provincial Skills Plans were submitted to an acceptable standard. • Two Youth Projects in Mpumalanga and North West, respectively, a Skills Development Initiative (SDI) in KwaZulu-Natal and an Industry Development Zone (IDZ) in the Eastern Cape have been supported in terms of both start-up and process. • Technical support provided to the two provinces to establish Provincial Skills Development Funds (PSDF). • Information and training sessions held with PSDFs where possible. • 100 Employment Services Practitioners were trained in the use of the SPEEX (Situation Specific Evaluation Expert).
		<ul style="list-style-type: none"> • Provincial staff are supported to develop capacity to deliver social plan services. • Relevant information from national level is relayed to provincial offices e.g., retrenchment notifications, etc. 	<ul style="list-style-type: none"> • Standards were written for the training course and the staff can now be certificated for their training if they augment their course with two more days. • Trained 16 counsellors. They in turn were assisted in setting up further training. • Notifications were immediately forwarded to provincial offices. The following were forwarded viz. Ergo mine, O'Kiep mine,

			Randfontein mine, Harmony mine, Durnacoal mine, Waverly blankets, Unitra, SA clothing, DCM and Prestige.
	Employment Services provided at national level.	<ul style="list-style-type: none"> • Consolidated provincial skills plans are submitted to SDPU. • Social Plan services are provided to national government departments, especially on restructuring of State assets. 	<ul style="list-style-type: none"> • All 10 Provincial Skills Plans could not be submitted owing to delayed technical support provided to provincial offices and concerns regarding the assessment criteria and procedure. • Preparatory consultative processes were held with the Department of Defence, coupled with a one-week workshop with the Service Corps. • Conducted counselling for Department of Water Affairs and Forestry in Mpumalanga, Northern Province, KwaZulu-Natal and the Western Cape.
		<ul style="list-style-type: none"> • Briefing sessions are held with stakeholders and information is provided on the Social Plan. • Social Plan services are linked to National Productivity Institute (NPI) Social Plan Technical Support Facility (SPTSF), and Local Government. • Input into national migration policy is given as required. 	<ul style="list-style-type: none"> • Social Plan Task Team (SPTT) for Public Enterprises and Mining, coordinating provincial support, attended on a monthly basis. • Consultative meetings for the development of the Social Plan documents held with Transnet, SpoorNet, Eskom, and Denel. • A National Advocacy workshop was held in October 2000. • Linkage with both the NPI SPTSF and Local Government ensured through joint participation at the various SPTTs. • Departmental inputs/comments to the Immigration Bill were consolidated and submitted to the Department of Home Affairs. • A national logframe was developed through Employment Services for labour migration management by all stakeholders.
	New Employment Service policies and programmes investigated, developed, piloted and revised.	<ul style="list-style-type: none"> • Private Employment Agencies (PEAs) research proposal is finalised and donor support is secured. 	<ul style="list-style-type: none"> • The research project has been awarded to the Human Sciences Research Council (HSRC) and funding was budgeted from the fiscus.
		<ul style="list-style-type: none"> • Private Employment Agencies research report is forwarded to the National Skills Strategy Executive Committee (NSSE). 	<ul style="list-style-type: none"> • Reports on the public hearings and an Australian model have been tabled at the NSSE and at the National Skills Strategy Steering committee meetings.
		<ul style="list-style-type: none"> • New PEA regulations are presented to NSA. • New services to employers are defined and implementation support is planned and piloted. • Migration services are renewed and upgraded. 	<ul style="list-style-type: none"> • Interim Regulations, Gazette No.6830, were promulgated in June 2000 and are being implemented by the provincial offices and the PEAs. • A successful assessment and selection service was rendered to the Daimler-Chrysler company in

			<p>the Coega project. 3 000 people were assessed and 880 were selected.</p> <ul style="list-style-type: none"> • Two directives were issued to streamline the regulation of cross-border migrant labour employment within the Agricultural sector between South Africa, Lesotho, Mozambique and Zimbabwe.
		<ul style="list-style-type: none"> • Employment counselling model is developed. • Youth project in Mpumalanga is monitored and evaluated for possible wider application. • Small, Macro and Medium Enterprises (SMME) learnership pilot project in KwaZulu-Natal is launched and monitored. 	<ul style="list-style-type: none"> • An employment counselling model was developed. • Dutch technical support staff handed over pilot project to the provincial office to manage. • An assessment and selection process was implemented and 90 youths were selected for the pilot project. • Danish support to the pilot project was ensured and the pilot project was implemented.
INDLELA	Systems, procedures and guidelines for the development, registration and quality assurance of learnerships and skills programmes, established.	<ul style="list-style-type: none"> • Policies and procedures for learnership (L/S) and skills programmes (SPs) are in place. 	<ul style="list-style-type: none"> • Regulations for registration of learnerships were published. • The framework and draft Learnership Manual for establishing learnerships were completed. • Thirteen SETAs have achieved accreditation as ETQAs. Twelve SETAs submitted their applications to SAQA. • Draft guidelines for SETA and ETQA functions were compiled.
		<ul style="list-style-type: none"> • Policies and procedures for Education, Training and Development (ETD) of practitioners are in place. 	<ul style="list-style-type: none"> • ETD practitioner policies and procedures were submitted to the NSA by 31 December 2000. • ETD practitioner standards and qualifications were registered with SAQA.
		<ul style="list-style-type: none"> • Policies and procedures for SETAs in respect of learnerships and skills programmes are implemented. 	<ul style="list-style-type: none"> • 117 learnerships have been drafted and registered by Project 3. Fifteen learnerships were registered and ready for implementation.
		<ul style="list-style-type: none"> • Pilot learnerships and skills programmes are supported. 	<ul style="list-style-type: none"> • SETAs named 490 learnerships to be developed. 41 funding contracts were signed by SETAs and the Department.
		<ul style="list-style-type: none"> • Systems and procedures for provincial offices in respect of learnerships and skills programmes are designed. 	<ul style="list-style-type: none"> • Provincial officials participated in a monthly provincial learnership forum with officials of the Department of Education.
		<ul style="list-style-type: none"> • Learnerships, skills programmes and ETQA functions are implemented by SETAs. 	<ul style="list-style-type: none"> • The following monthly forums and workshops were established: <ul style="list-style-type: none"> - SETA ETQA Forum - SETA Learnership Forum - SETA SMME working group - SETA working group for the

			<p>transformation of apprenticeships into learnerships.</p> <ul style="list-style-type: none"> • Seven short-term consultants were appointed to seven SETAs between 30 to 60 days to capacitate the learnerships committees of the SETAs and to assist the learnerships managers to develop learnerships to be ready for registration.
		<ul style="list-style-type: none"> • ETD practitioners implement learnerships and skills programmes. 	<ul style="list-style-type: none"> • ETD practitioners learnerships registered.
		<ul style="list-style-type: none"> • Funding for learnerships is provided. 	<ul style="list-style-type: none"> • Funds for the development of learnerships to SETAs, in cooperation with Project 6, were disbursed according to set criteria.
		<ul style="list-style-type: none"> • Standards and qualifications for learnerships and skills programmes are registered. 	<ul style="list-style-type: none"> • Undertaken as required.
		<ul style="list-style-type: none"> • Partnerships are forged. 	<ul style="list-style-type: none"> • Cooperation with Departments of Education, Trade and Industry and Arts, Culture, Science and Technology initiated.
National Skills Authority	Development of a National Skills Development Strategy and National Skills Development Plan.	<ul style="list-style-type: none"> • Vision, mission and objectives of the Draft National Skills Development Strategy are approved by NSA. 	<ul style="list-style-type: none"> • The National Skills Development Strategy was approved by the Minister and launched at a National Skills Conference on 22 February 2001.
	Effective coordination of SD policies, regulations and guidelines achieved.	<ul style="list-style-type: none"> • Framework for the development and implementation of guidelines, regulations and SD policies is established and funded. 	<ul style="list-style-type: none"> • The National SD Strategy was used as the Minister of Labour's input on the National Human Resources Development Strategy. • The following regulations were published: Employment Services Learnership and Funding. • The Legal firm, Cheadle Thomson and Hyson, submitted legal opinion reports based on the SETA outsourcing process, Industry Training Board (ITB) abolition, Media Advertising Publishing Printing and Packaging (MAPPP) SETA liability claims, inter-SETA agreements, and the Manpower Training Act Provisions that are still in operation. • A National Skills Fund guide was developed and used by SETAs to develop draft proposals on the NSF.
	Provisions of all the relevant legislation complied with.	<ul style="list-style-type: none"> • All SETAs, stakeholders, NSA members and NSA staff adhere to the provisions of all relevant legislation. 	<ul style="list-style-type: none"> • Three Workshops of PFMA were conducted for SETAs. • Criminal activities of the Forest Industries SETA's Chief Executive Officer and his Financial Manager

			were reported to the police.
	Industry Training Board (ITB) dissolution process finalised.	<ul style="list-style-type: none"> • Consultation with key stakeholders on dissolution of ITBs is done. 	<ul style="list-style-type: none"> • The ITB dissolution process is still under way. • A contract with Matlala Inco. was terminated after the company failed to meet the deadline. • A legal opinion on the implications of the delays and the next steps was submitted to the NSA.
	SETAs established.	<ul style="list-style-type: none"> • Sufficient capacity exists within SETAs to enable them to perform SETA functions within the prescribed regulations and guidelines. 	<ul style="list-style-type: none"> • Contracts were concluded with three Trade Union Federations, regarding capacity building programmes for their members participating in SETAs. • A SETA Forum was established and monthly meetings discussed emerging policy and implementation related issues. • Individual feedback meetings were conducted with SETAs on their business plans.
	SD initiatives coordinated within national departments and provincial administration.	<ul style="list-style-type: none"> • An inter departmental committee consisting of government representatives on the NSA and the Department of Finance on SD initiatives is established. 	<ul style="list-style-type: none"> • Coordination of national departments was left to the Senior Executive Manager as part of the HRD formulation process. • The provincial coordination of the NSDS was transferred to Project Steering Committee (PSC) 8.
	SD strategy effectively and efficiently promoted.	<ul style="list-style-type: none"> • A comprehensive SD marketing strategy for year one is developed. 	<ul style="list-style-type: none"> • The SD marketing concentrated on the NSDS Conference. • 2 000 delegates from all provinces and some foreign countries attended the conference. • SETA communication officers embarked on new SETA marketing initiatives during the levy grant disbursement initiatives, including new logos for their SETAs, newsletters, pamphlets and other booklets. • General information was provided to the public through the use of the tollfree number on the activities of the SETAs.
	Capacity of all NSA staff and role players developed.	<ul style="list-style-type: none"> • Sufficient capacity is developed within the NSA regarding SETA processes. 	<ul style="list-style-type: none"> • A capacity development needs exercise on immediate operational issues was conducted with SETAs and Trade Union representatives on SETAs. The objectives of the SD and SDL Acts, the role of SETA stakeholders on the Boards, and the Public Finance Management Act (PFMA) applicability to SETAs were amongst the areas identified.
	The Directorate of the NSA operates and is managed	<ul style="list-style-type: none"> • Management and information systems, and monitoring system 	<ul style="list-style-type: none"> • No fruitless expenditure was recorded in the section.

	effectively.	are developed and functioning effectively to support the NSA Directorate.	<ul style="list-style-type: none"> Under expenditure was recorded on the personnel budget as Sector Liaison Managers (SLMs) were not appointed in time and other staff resigned, to join SETAs. Donor prescriptions were adhered to and over expenditure was experienced in this area owing to the late approval of EU Work Plan 3.
	Subsidies from NSF are allocated within the policy framework.	<ul style="list-style-type: none"> Policy Framework is developed and finalised regarding the role of the NSA in respect of NSF financial allocations. 	<ul style="list-style-type: none"> The NSA Directorate made arrangements with Project Steering Committee (PSC) 6 to present to the NSA EXCO and NSA meeting a draft guide on the proposed funding windows. The Minister launched the NSF at the SD conference in February 2000.
	ETQA functions of SETAs are operational.	<ul style="list-style-type: none"> SETAs and providers are provided with the relevant advice or referred to the appropriate structures with regard to all SAQA/ ETQA related functions. 	<ul style="list-style-type: none"> SETAs are regularly sensitised on the importance of their accreditation as ETQA by SAQA at the SETA Forum and by end of March eight SETAs were already accredited. Matters relating to charging for ETQA services were referred to Public Steering Committee (PSC) 8.
	SETAs implement SAQA policies.	<ul style="list-style-type: none"> Regular reports on SAQA developments are provided to the NSA. 	<ul style="list-style-type: none"> Policy issues emanating from SAQA meetings and publications were distributed to SETAs.
Sheltered Employment	New framework for Sheltered Employment Factories approved and implemented.	<ul style="list-style-type: none"> Feasibility study is completed and recommendations are approved by Minister of Labour. Thirteen factories are effectively managed within budgetary and policy constraints. 	<ul style="list-style-type: none"> Tender for feasibility study awarded and completed. The performance of all Sheltered Employment Factories was monitored and remedial action effected when necessary.

Transfer payments

Institution	Amount transferred R
National Skills Fund	100 500 000,00
SA National Council for the Blind	95 128,95
Deaf Federation of SA	50 660,00
National Council for Physically Disabled in SA	103 802,50
Subsidised work centres for the blind	4 246 339,27
Subsidised work centres for people with disabilities	28 360 429,34