



Annual Report of the

Department of Labour

1 April 2008 to 31 March 2009



labour

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REPUBLIC OF SOUTH AFRICA

Annual Report

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Minister MMS Mdladlana, MP
Minister of Labour

It is my privilege and honour to submit to you the
Annual Report of the Department of Labour
for the period 1 April 2008 to 31 March 2009,
in terms of the Public Finance Management Act, 1999.



S Morotoba
Acting Director-General
of Labour

Organisational Structure

Top Leadership



Minister of Labour

M M S Mdladana, MP

Institutions reporting to the Executive Authority

- 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)
- Productivity SA
- National Skills Authority (NSA)
- Sector Education and Training Authorities (SETAs)
- Umsobomvu Youth Fund (UYF)
- Unemployment Insurance Board

Vacant

Acting Director-General

S Morotoba



Labour Policy and Labour Market Programmes

Deputy Director-General
L Kettleidas



Employment and Skills Development Services and Human Resources Development

Deputy Director-General
S Morotoba



Unemployment Insurance Fund (Commissioner)

Deputy Director-General
B Seruwe



Service Delivery

Deputy Director-General
S Zondeki



Compensation Fund (Commissioner)

Deputy Director-General
S Mkhonto

Vacant

Corporate Services

Acting Deputy Director-General
B Maduna



Chief Financial Officer

B Maduna

Content

	Page
Section 1: General Information	1
Introduction	1
Ministry of Labour	2
Mission Statement	3
Legislative Mandate	3
Section 2: Programme Performance	9
Voted Funds	9
Departmental revenue, expenditure and other specific topics	9
Departmental expenditure	9
Transfer payments	10
Aim of the Vote	10
Programme purpose and measurable objectives	11
Broad policies, priorities and strategic goals	12
Programme 1: Administration	26
Programme 2: Service Delivery	35
Programme 3: Employment and Skills Development Services/Human Resource Development	53
Programme 4: Labour Policy and Labour Market Programmes	67
Programme 5: Social Insurance	68
National Skills Fund	69
Section 3: Report of the Audit Committee	77
Section 4: Annual Financial Statements	79
Department of Labour	
Report of the Auditor-General	80
Report of the Accounting Officer	88
Appropriation Statement	105
Notes to the Appropriation Statement	115
Statement of Financial Performance	118
Statement of Financial Position	119
Statement of Changes in Net Assets	120
Cash Flow Statement	121
Accounting Policies	122
Notes to the Annual Financial Statements	130
Disclosure Notes to the Annual Financial Statements	139
Annexures	156
Sheltered Employment	
Report of the Auditor-General	164
Statement of Responsibility by the Accounting Officer	171
Report of the Accounting Officer	172
Balance Sheet	175
Income Statement	176

Annual Report

Statement of Changes in Equity	177
Cash Flow Statement	178
Accounting Policies	179
Notes to the Annual Financial Statements	189
Detailed Income Statement	197

National Skills Fund

Report of the Auditor-General	199
Report of the Accounting Officer	204
Approval of Accounting Authority	213
Statement of Financial Performance	214
Statement of Financial Position	215
Statement of Changes in Net Assets	216
Cash Flow Statement	217
Accounting Policies	218
Notes to the Annual Financial Statements	227

Section 5: Human Resource Management 247

1 Expenditure	247
2 Employment and vacancies	249
3 Job evaluation	251
4 Employment changes	252
5 Employment equity	256
6 Performance rewards	259
7 Foreign workers	261
8 Leave utilisation	262
9 HIV and AIDS and Health Promotion Programmes	263
10 Labour relations	265
11 Skills development	267
12 Injuries on duty	268
13 Utilisation of consultants	269

Section 1

General Information

Introduction

The Department of Labour is pleased to present its Annual Report in terms of the Public Finance Management Act for the 2008/09 financial year. This report is shaped by the Ministerial Programme of Action for the period 2004 to 2009.

Key amongst the issues shaping our focus as the Department, as highlighted in the Ministerial Programme of Action, is the need to enhance our contribution to ensure that our country's economy grows, jobs are created, and ultimately – poverty is eradicated.

It is in this context that our vision remains relevant – which seeks to ensure that “The Department will strive for a labour market which is conducive to economic growth, investment and employment creation and which is characterised by rising skills, equity, sound labour relations, respect for employment standards and worker rights”.

In pursuance of these goals, we have set ourselves the objective of increasingly containing the bureaucracy that comes with the functioning of government, and put in place an innovative project management approach to enhance service delivery.



S Morotoba
Acting Director-General
of Labour

General Information

2 Ministry of Labour

2.1 Institutions reporting to the Executive Authority

- 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 Skills Authority (NSA)
- Productivity South Africa
- Sector Education and Training Authorities (SETAs)
- Umsobomvu Youth Fund (UYF)
- Unemployment Insurance Board.

2.2 Bills submitted to the legislature during the financial year

The President signed the Skills Development Amendment Act, 2008 on 27 November 2008.

2.3 Ministerial visits abroad

Ministerial Visits abroad
1 April 2008 to 31 March 2009

Description	Date	Purpose of visit
Kingdom of Lesotho	31 March to 4 April 2008	SADC Committee Meeting of Ministers responsible for Employment and Labour and Social Partners
International Labour Organisation (ILO)	28 May to 13 June 2008	97 TH Session of the International Labour Conference; Geneva
Korea	29 June to 2 July 2008	XVIII World Congress on Safety and Health at Work
Azerbaijan	24 to 27 September 2008	4th Global Youth Employment Summit
Namibia	20 October 2008	Signing of the Memorandum of Understanding on Labour
Cuba	1 to 15 November 2008	Study Tour on Safety and Health at Work
International Labour Organisation (ILO)	6 to 21 November 2008	303rd Session of the Governing Body; Geneva

General Information

3 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
- Enhancing occupational health and safety awareness and compliance in the workplace
- Nurturing the culture of acceptance that worker rights are human rights.

4 Legislative Mandate

The Department of Labour relates to the following Statutory Bodies:

4.1 Advisory Council for Occupational Health and Safety

The 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 the procedures 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

General Information

rendering of a particular service.

4.2 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 or councils with advice or training relating to the primary objectives of the LRA
- Perform any other duties imposed, and exercise any other powers conferred on it in terms of the LRA and perform any other function entrusted to it by any other law.

4.3 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
- Issuing awards of achievement by 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.

4.4 Compensation Board

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

General Information

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 dependents of workers, including the adjustment of existing pensions
- The appointment of assessors
- The amendment of the COIDA.

The Board also advises the Director-General regarding the performance of particular aspects of its functions.

4.5 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 8
- 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 undermines the purposes of the Act
- Any matter concerning the employment of children, including the review of section 43 (in consultation with the Minister of Welfare and Population Development, now called the Minister for Social Development)
- Any matter concerning basic conditions of employment in the public service (in consultation with the Minister of Public Service and Administration).

4.6 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

General Information

introduced in Parliament.

4.7 National Skills Authority

The National Skills Authority (NSA) 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.

4.8 Productivity South Africa

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

The 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.

4.9 Sector Education and Training Authorities (SETAs)

Sector Education and Training Authorities (SETAs) were established in the terms of the Skills Development Act 1998. We have 23 SETAs as listed below:

Financial and Accounting Services Education and Training Authority	FASSET
Banking Sector Education and Training Authority	BANKSETA
Chemical Industries Education and Training Authority	CHIETA
Clothing, Textile, Footwear and Leather Education and Training Authority	CTFL SETA
Construction Education and Training Authority	CETA

General Information

Education, Training and Development Practices Education and Training Authority	ETDP SETA
Energy Sector Education Training Authority	ESETA
Food and Beverages Manufacturing Education and Training Authority	FoodBev SETA
Forestry Industries Education and Training Authority	FIETA
Health and Welfare Sector Education and Training Authority	HWSETA
Information Systems, Electronics and Telecommunication Technologies Education and Training Authority	ISETT
Insurance Sector Education and Training Authority	INSETA
Local Government Education and Training Authority	LGSETA
Media, Advertising, Publishing, Printing and Packaging Education and Training Authority	MAPPP-SETA
Mining Qualifications Authority	MQA
Manufacturing, Engineering and Related Services Education and Training Authority	MERSETA
Security and Safety Sector Education Training Authority	SASSETA
Agricultural Sector Education and Training Authority	AgriSETA
Public Services Sector Education and Training Authority	PSETA
Services Sector Education and Training Authority	SERVICES
Tourism and Hospitality Education and Training Authority	THETA
Transport Education and Training Authority	TETA
Wholesale and Retail Sector Education and Training Authority	W&RSETA

4.10 Umsobomvu Youth Fund (UYF)

The UYF is a Section 21 Company established under the Companies Act, 1973.

The purpose of the UYF is to facilitate skills development and job creation for the youth. Skills development programmes are divided into National Youth Services (NYS) and School to Work (StW). NYS is aimed at providing the youth with skills whilst they provide services to their community.

- StW assists young people to access high-level careers that are scarce
- Umsobomvu has established:
 - 12 youth advisory centres, to offer information and counselling support regarding career development, employment and entrepreneurship
 - Two Business Development Support Voucher Programme (BDSVP) fund the Entrepreneurship Finance Programme consisting of three products, namely Micro Finance (loans between R1 000 and R50 000); SME Finance (loans between R100 000 and R5 million) provided through the Progress Fund (a partnership with FNB and Momentum) and the Franchise Fund (a partnership with business partners) and cooperatives.

General Information

4.11 Unemployment Insurance Board

The Unemployment Insurance Board was established in terms of section 47 of the Unemployment Insurance Act, 2001.

Its functions include the following:

- To advise the Minister on
 - unemployment insurance policy
 - policies arising out of the application of this Act
 - policies for minimising unemployment
 - the creation of schemes to alleviate the effects of unemployment insurance
- To make recommendations to the Minister on changes to legislation in so far as it impacts on policy on unemployment or policy on unemployment insurance
- To perform any other function which may be requested by the Minister for purposes of giving effect to this Act.