

REVISED **ANNUAL PERFORMANCE PLAN** 2020/21

DEPARTMENT OF EMPLOYMENT AND LABOUR



Employment and Labour

Revised Annual Performance Plan for 2020/21

Date of Tabling: 8 July 2020



employment & labour

Department:
Employment and Labour
REPUBLIC OF SOUTH AFRICA

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Executive Authority Statement

The Department of Labour's extension to include 'Employment' has expanded its mandate beyond monitoring of the labour market regulatory framework to creation of employment as well as coordination of employment efforts throughout Government and its agencies. This Annual Performance Plan (APP) for 2020 /21 reflects the expanded mandate of the Department of Labour to include 'Employment'. The reconfiguration of the Department is already underway. There is a roadmap, but it is still a work in progress.

The traditional mandate of the Department of Labour is in no way diminished by this extension of the mandate. The mandate still includes labour market regulation, collective bargaining, social security [through the Unemployment Insurance Fund (UIF) and the Compensation Fund (CF)], health and safety, employment equity, supported employment enterprises, inspection and enforcement services.

I should also mention that we have identified non-compliance in terms of payment of the National Minimum Wage particularly amongst vulnerable workers. With this in mind, we have introduced the Impimpa Hotline, which is a simple, enabling, free and anonymous helpline to report non-compliant employers, considering the limiting environment that domestic workers find themselves in. The accompanying software will allow us to track areas and sectors where non-compliance occurs as well as track the speed with which the inspectors respond to tip-offs.

In relation to the National Minimum Wage, a comprehensive review on the impact of implementation will be published this year. There will also be a review of the amount paid. In the meantime, the National Minimum Wage Commission has recommended an inflation-linked increase to preserve the current value of the Minimum Wage. Whilst this is not a Living Wage, it has already benefited millions of workers, and it provides a foundation for future improvements.

In relation to farm workers, there is often a thin line between labour issues and issues of land rights, particularly in regards to illegal evictions of labour tenants. The law is clear, but the route through the courts to find justice is often long, expensive and cumbersome. That is why we are cooperating with the Departments of Justice, and Agriculture and Rural Development in expanding the mandate of the CCMA (Commission for Conciliation, Mediation and Arbitration) to provide a faster, simpler dispute resolution service to the sector before disputes are escalated to the courts.

In this financial year, there are several legislative amendments for finalisation, which include the Compensation for Occupational Injuries and Diseases Act (COIDA), which will be extended to cover domestic workers. I should also mention that COIDA benefits will be increased in 2020. We will be pushing through Parliament the Occupational Health and Safety Bill, which is aimed at improving the health and safety of workers, thereby keeping them at their workplace resulting in productivity gains. The Employment Equity Act (EEA) is being strengthened after years of minimal compliance. The amendments will allow us to set sector targets, and non-compliant businesses will be excluded from doing business with the State.

This mandate of the Department is critical in promoting the objectives of decent work and in the belief that a well-regulated labour market, stable labour relations and a safe and humane work environment are preconditions for attracting investment for growth and employment creation.

In line with the "Employment" mandate, we will be developing a National Employment Policy, which will be supported by strategies on employment as well as focused programmes. This is all the more important in the present fast changing environment of climate change, energy challenges and the onset of the Fourth Industrial Revolution (4IR).

The Department has outlined its understanding of the extension of the new mandate to include "Employment". We have now started the process of integrating the extended mandate through implementing the reconfiguration process to become the Department of Employment and Labour. This process will unfold in two phases:

- Phase 1: Building on the existing strengths of the Department, and
- Phase 2: In the words of President Ramaphosa in the June 2019 SoNA speech: the 'coordination of all government efforts to create jobs and reduce unemployment'.

Phase 1, which is building on the existing strengths of the Department, has two main legs: leveraging existing resources in the Department and its entities (principally the UIF and CF) and utilising existing capacity and programmes to create and preserve jobs. This is already under way and includes all projects implemented under the Labour Activation Programmes.

We are currently in the process of reviewing the Labour Activation Programme to ensure that its three streams, which are, enterprise development, training of unemployed and TERS are properly resourced for greater impact. The High Impact Social Fund and the Project Development Partnership Fund will be put into greater use to support the growth of small and medium enterprises. This we will do in collaboration with the Department of Small Business Development.

In line with the Job Summit Framework Agreement, we have reviewed the Temporary Employer/Employee Relief Scheme (TERS), shifting our focus from endless training schemes in the past, often unrelated to the demands of the labour market, towards support for actual existing jobs in distressed companies. This involves referrals from the CCMA subsequent to the

Section 189A process. The scheme will expand its impact with the development of improved turnaround times for applications for TERS funding.

The Project Development Partnerships (PDP) programme seeks to assist start-ups and small businesses, where there is no appetite from the usual funding institutions. The programme is expected to create 10 000 direct jobs plus additional jobs downstream. The programme involves incubation of entrepreneurs and assistance to access markets, as well as a specific project to support previously disadvantaged youth and women to establish six new Asset Managers.

The second leg of Phase 1 of the reconfiguration is to strengthen the role of National Economic Development and Labour Council (NEDLAC) to promote social dialogue between the social partners labour, business, communities and Government. This provides a strong foundation for government's priority of attaining 'inclusive growth'. The implementation of the Jobs Summit commitments is an example of this. A major objective is to create the conditions for increased business confidence to unlock investments for growth and jobs.

Since the last SoNA in June 2019, NEDLAC has been effectively mobilised to support the implementation of the Presidential Youth Employment Intervention. This includes accelerating our efforts to pathway young people into the economy. Unemployed work-seekers will receive active support, information and work-readiness training to access employment, education and other opportunities. Through a partnership between the Harambee Youth Employment Accelerator and National Youth Development Agency, we are mapping all of the services that are available to young people so that they can find help and support anywhere in the country. We will be opening new Youth Employment Centres in KwaZulu-Natal (Newcastle and Durban) and Gauteng (Johannesburg), adding to the Cape Town Centre, which is already up, and running.

The implementation of Phase 2: coordinating all Government efforts to create jobs and reduce unemployment is envisaged as a longer-term process and will require further research and resources. This phase will be characterised by heightened engagement across Government and the private sector in order to increase cooperation and alignment in tackling the current unemployment challenges with clear policies and strategies.

Therefore, the practical task of reconfiguring the Department of Labour into the Department of Employment and Labour to incorporate the expanded mandate of "Employment" is underway. In the meantime, we will continue to provide vocational services through our Public Employment Services (PES). Through this programme, the work-seekers will get proper advice on job opportunities, will be registered on our employment database and, where possible, matched to the job opportunities available.

Improving accessibility to our services is very important in connecting us with our clients. To ensure that our suite of services reach almost everyone, we will be implementing a number of initiatives such as our "Taking services to the people" campaign, procurement of mobile buses, and exploring the possibility of extending our service hours. The Department will recruit young unemployed graduates to work at our key service points. This initiative will go a long way in improving service delivery, providing these young graduates with practical work place experience, and 'growing our own timber' in areas of critical skills.

All these initiatives, which are well articulated in our Annual Performance Plan, are intended to give effect to the government's goal of stabilising our labour market, and creating that conducive environment for investment, economic growth and job creation. We will therefore ensure that this plan is fully implemented by the Department.

I wish to thank for all their support, in particular Deputy Minister, Ms. Boitumelo Moloi, and the Director-General, Mr. Thobile Lamati, as well as the management and staff of the Department and its entities: the CCMA, Productivity SA, NEDLAC, the CF, the UIF and SEE (Supported Employment Enterprises).



MR TW NXESI, MP

Executive Authority of Employment and Labour

Foreword by the Deputy Minister

President Ramaphosa appointed the Minister TW Nxesi as the new Executive Authority for the reconfigured Department of Employment and Labour. This is the power assigned to the President in terms of Section 91(2) of the Constitution of the Republic of South Africa, 1996. The Constitution further outlines the Ministerial Responsibilities in Chapter 5.

Just recently, the Minister signed a Performance Agreement with the President to deliver on the Electoral Mandate. The contents of which sets out the powers and functions assigned to the Executive Authority. The performance agreement outlines in detail the electoral mandate prioritised in the 2020/2025 MTSF or the five-Year Strategic Plan.

Our 2020/2025 Strategic Plan and the 2020/2021 Annual Performance Plan is a detailed reflection of the SONA Commitments, the NDP Priority areas, specific targets and measurable performance indicators.

Our indicators, baselines and targets also have a direct link to the Medium-Term Strategic Framework (MTSF). The Director General of the Department has submitted to the Executive Authority, the delivery plan towards achieving the set Departmental targets. The Minister and I will be very tough on the evaluation, review and impact assessment of the planned targets and indicators. The 80 to 100% targets set by the President for this Department must be achieved in the following key responsibility areas:

- Provide political leadership contributing to the country's triple challenges, NDP Priorities and Medium-Term Strategic Framework 2020 – 2025
- Work towards achieving a capable, ethical and developmental state
- Provide institutional oversight on the HOD and the Department of Employment and Labour
- Provide political leadership and oversight. We are mandated to ensure that there's optimal political and administrative interface within the Department, provide support for good governance and participate in international and regional integration programmes and commitments.

This Departmental Strategic Plan and APP is a direct and actionable response to the Performance Agreement of the Minister. Our new mandate is to coordinate all government efforts to create jobs and reduce unemployment. The key responsibility area on political leadership contributing to the country's triple challenges, the NDP Priorities and the MTSF 2020 -2025 also responds to this new mandate.

Our target in this regard is to reduce unemployment to 20 - 24% with 1 million jobs especially for Youth, to grow the economy by 2- 3% and grow the country's levels of investment to 23% of the GDP.

This Administration led by the Director- General who brings more than 20 years of experience in the Public Service, with the adequate support of all the Deputy Director-Generals and all Senior Officials, will achieve all these targets.

In our very short period of this 6th Administration, the Minister and I have tabled very crucial pieces of legislation namely the Employment Equity Amendment Bill and the Compensation for Occupational injuries and Diseases Amendment Bill, that impact on the lives of the ordinary people. We owe it to the collective effort of the hardworking Departmental team, all Branches as well as Entities of this Department for the outstanding work. We know there's still much to be done.

The toughest journey of the next five years has just begun. It's going to be very difficult we know. What makes it even more difficult and yet exciting is the will of the people we serve who constantly need government services.

I wish to thank the Minister, Mr TW Nxesi, and the Director-General, Mr Thobile Lamati, as well as the management and staff of the Department and its entities: the CCMA, Productivity SA, NEDLAC, the CF, the UIF and SEE (Supported Employment Enterprises).



MS BE MOLOI, MP

Deputy Minister of Employment and Labour

Accounting Officer Statement

The revision of this Annual Performance Plan (APP) is caused by a magnitude of reasons, most predominantly that of the worldwide COVID-19 pandemic causing a decline in economic activity. As a result thereof the budget allocation to the Department was decreased with 7,2% or R261 924 million. Despite the budget cuts, the service delivery of the Department cannot be compromised- particularly in a time of economic hardship faced by so many of our citizens. The work of the Inspectorate and that of PES continues to be prioritised in this amended APP.

On 8 May 2019 South Africa held its sixth general elections to select a new National Assembly and Provincial Legislature. On conclusion of these general elections the President of the Republic of South Africa introduced a number of changes in our operating environment. Our Department is amongst the departments affected by the changes introduced by the President. After the general elections the President announced that the Department of Labour will now be known as the Department of Employment and Labour.

The consequential effect of the name change is an automatic extension of the mandate of the Department of Labour to include employment. There were many debates in the media and amongst ourselves as officials of the Department as to what this extension of mandate entails. Amongst other things, the first thing that came to our minds is that Government is serious about creating jobs and our country is embarking on a serious journey to create decent sustainable jobs.

We welcomed the President's announcement; because it confirmed to us that what we were doing all along as the Department through Public Employment Services; the Unemployment Insurance Fund and Productivity South Africa is aligned with the Sixth Administration's focus on job creation; generating higher income growth and most importantly serving the people of South Africa better.

The Government's focus on job creation initiatives like the Job Summit and the extension of the mandate of the Department of Labour are understandable; because the South African unemployment rate continues to be a challenge. In the last quarter of 2019 the South African unemployment rate remained at 29.1%. The concerning factor is that the net addition of 45 000 jobs over the quarter was not enough to compensate for the 125 000 people entering the workforce over the same period. It is also alarming to note that over the course of 2019 as whole, there was a net loss of 108 000 jobs. The largest loss of jobs was in the craft, and related trade sector, followed by technicians, elementary workers, plant and machine operators.

The 108 000 job losses had a knock on effect on other sectors such as the Domestic Worker sector. At the end of 2019 the Domestic Worker sector had a net loss of 16 000 jobs. It should be understood that when difficult economic conditions hit, households take a knock and resort to dropping their domestic workers, a way to cut monthly costs. This seems to suggest that we have a deep rooted structural unemployment challenge that affects everyone at all levels and immediate measurable action is required. We believe as the Department of Employment and Labour we cannot tackle this huge responsibility of creating jobs alone.

Therefore, there is only one question that stems out from the Department of Labour's extension of its mandate; the massive numbers of people entering the workforce and job losses. That question is "What are we as the Department of Employment and Labour planning to do to accommodate the new entrants in the labour force and prevent further job losses." At face value this appears to be a simple question to answer; therefore, a no brainer. The response to this question is not as simple as the question suggests; however, we are excited to respond to the challenge through detailed time bound strategies.

In responding to the challenge the Department has taken stock of all job creation instruments we have as a country; engaged in discussions with our strategic private and public stakeholders entrusted with these job creation instruments and now we are busy crafting a detailed long term Employment Strategy that will inform the mandate of the Department of Employment and Labour. However, the work cannot wait while we are doing all of that; therefore, we had to align our strategic direction as the Department of Employment and Labour with the Sixth Administration Government priorities.

Our Strategic Plan, over the next five-years, 2020/2025 and Annual Performance Plan for 2020/21 gives an indication of our strategic direction and the performance targets; which amongst others will ensure that immediate actionable steps are put in place to stabilize the climbing unemployment rate. I am confident that with the support received from the Minister; Deputy Minister; Oversight Committees; Top Management and the entire staff of the Department of Employment and Labour the actionable steps outlined in our Strategic Plan and Annual Performance Plan will bear positive results.

A handwritten signature in black ink, appearing to be 'T Lamati', with a stylized, cursive script.

Mr T Lamati
Accounting Officer of Employment and Labour

Official Sign-Off

It is hereby certified that this Revised Annual Performance Plan:

- Was developed by the management of the Department of Employment and Labour under the guidance of the Minister of Employment and Labour
- Takes into account all the relevant policies, legislation and other mandates for which the Department of Employment and Labour is responsible
- Accurately reflects the outcomes and outputs which the Department of Employment and Labour will endeavour to achieve over the period 2020/21.



Ms B Matebesi

Deputy Director-General: Corporate Services



Ms A Moiloa

Deputy Director-General: Inspection and Enforcement Services



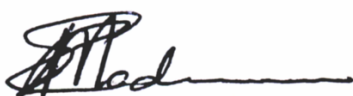
Mr S Morotoba

Deputy Director-General: Public Employment Services



Mr V Seafeld

Deputy Director-General: Labour Policy and International Relations



Mr B Maduna

Chief Financial Officer



Ms M Bronkhorst

Chief Operations Officer



Mr T Lamati

Director General



Ms BE Moloi

Deputy Minister

Approved by:

A handwritten signature in black ink, appearing to read 'Nxesi', with a long horizontal stroke extending to the right.

Mr TW Nxesi
Minister

Part A: Our Mandate

1. Updates to the relevant legislative and policy mandates

The Department of Employment and Labour derives its mandate from the Constitution of the Republic of South Africa and gives effect thereto through a number of Acts which regulate labour matters in South Africa. Such legislation includes the Labour Relations Act (1995), the Basic Conditions of Employment Act (1997), the Employment Equity Act (1998), and the Occupational Health and Safety Act (1993).

The Department of Employment and Labour's legislative framework is informed by the South African Constitution, Chapter 2, and Bill of Rights:

- Section 9, to ensure equal access to opportunities
- Section 10, promotion of labour standards and fundamental rights at work
- Section 18, Freedom of association
- Section 23, To ensure sound Labour relations
- Section 24, To ensure an environment that is not harmful to the health and wellbeing of those in the workplace
- Section 27, To provide adequate social security nets to protect vulnerable workers
- Section 28, To ensure that children are protected from exploitative labour practices and not required or permitted to perform work or services that are inappropriate for a person of that child's age or their well-being, education, physical or mental health or spiritual, moral or social development is placed at risk and
- Section 34, Access to courts and access to fair and speedy labour justice.

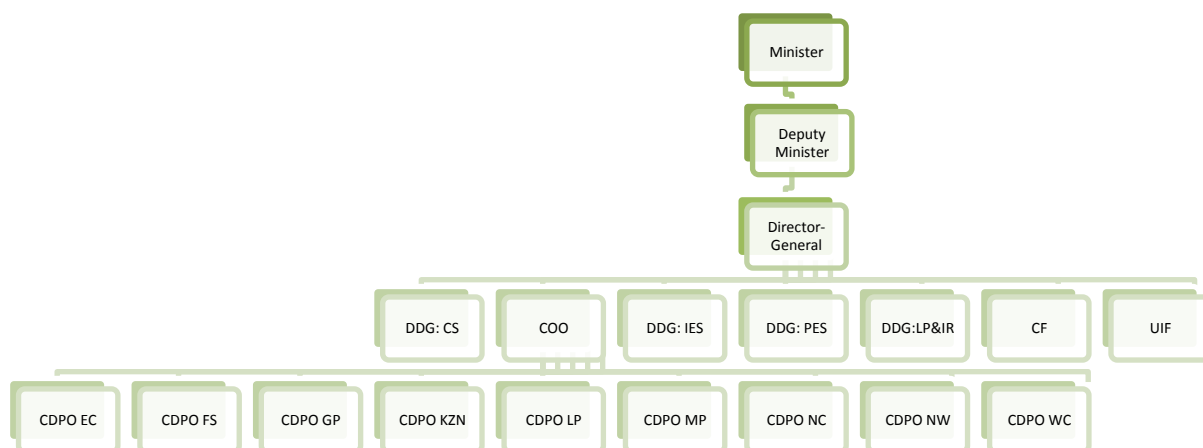
2. Legislative and policy mandates

The Department administers the following legislation:

Serial No	LEGISLATION	PURPOSE
1	Labour Relations Act, 66 of 1995 (LRA), as amended	The Labour Relations Act (LRA), Act 66 of 1995 aims to promote economic development, social justice, labour peace and democracy in the workplace
2	Basic Conditions of Employment Act, 75 of 1997 (BCEA), as amended	The purpose of this Act is to advance economic development and social justice by fulfilling the primary objects of this Act which are: (a) To give effect to and regulate the right to fair labour practices conferred by section 23(1) of the Constitution by: (i) Establishing and enforcing basic conditions of employment (ii) Regulating the variation of basic conditions of employment (b) To give effect to obligations incurred by the Republic as a member state of the International Labour Organisation
3	Employment Equity Act, 55 of 1998 (EEA), as amended	The purpose of the Act is to achieve equity in the workplace, by (a) Promoting equal opportunity and fair treatment in employment through the elimination of unfair discrimination

Serial No	LEGISLATION	PURPOSE
		(b) Implementing affirmative action measures to redress the disadvantages in employment experienced by designated groups, to ensure their equitable representation in all occupational categories and levels in the workforce
4	Unemployment Insurance Act, 30 of 2001, as amended (UIA)	The Act empowers the Unemployment Insurance Fund to register all employers and employees in South Africa for unemployment insurance benefits
5	Occupational Health and Safety Act, 85 of 1993 (OHSA)	The Occupational Health and Safety Act aims to provide for the health and safety of persons at work and for the health and safety of persons in connection with the activities of persons at work and to establish an advisory council for occupational health and safety
6	Compensation for Occupational Injuries and Diseases, Act 130 of 1993 (COIDA)	To provide for compensation for disablement caused by occupational injuries or diseases sustained or contracted by employees in the course of their employment, or for death resulting from such injuries or diseases; and to provide for matters connected therewith
7	National Economic Development and Labour Council Act, 35 of 1994 (NEDLAC)	To provide for the establishment of a national economic, development and labour council; to repeal certain provisions of the Labour Relations Act, 1995; and to provide for matters connected therewith
8	Employment Services Act 4 of 2014 Skills Development Act 97 of 1998 subsections 22 - 24	To provide for public employment services, their governance and functioning, including the registration of private employment agencies To provide for transitional arrangements with regard to regulation of private employment agencies
9.	Unemployment Insurance Contributions Act, 4 of 2002	To provide for the imposition and collection of contributions for the benefit of the Unemployment Insurance Fund; and to provide for matters connected therewith
10.	National Minimum Wage Act, Act 9 of 2018	The National Minimum Wage Act 9 of 2018 aims: <ul style="list-style-type: none"> • To provide for a national minimum wage • To establish the National Minimum Wage Commission • To provide for the composition and functions of the National Minimum Wage Commission • To provide for the review and annual adjustment of the national minimum wage • To provide for exemption from paying the national minimum wage • To provide for matters connected therewith

Organogram



Service Delivery Sites of the Department

Services are rendered at nine Provincial Offices, 126 Labour Centres, 36 Satellite Offices and 490 Visiting Points across the country. To deliver on its core business of Public Employment Services, Inspection and Enforcement Services and Labour Policy and Industrial Relations, the Department has a staff complement of 9 250. The Department uses its fleet to provide services at satellite offices and visiting points. The provincial breakdown is as follows:

- In the Eastern Cape the Department delivers services at 16 Labour Centres, 5 Satellite Offices and 78 visiting points with a staff complement of 828 posts
- In the Free State the Department deliver services at 11 Labour Centres, 3 Satellite Offices and 69 visiting points with a staff complement of 535 posts
- In Gauteng the Department delivers services at 27 Labour Centres, 1 Satellite Office and 7 visiting points with a staff complement of 1 649 posts
- In KwaZulu-Natal the Department delivers services at 16 Labour Centres, 3 Satellite Office and 49 visiting points with a staff complement of 1 111 posts
- In Limpopo the Department delivers services at 13 Labour Centres, 7 Satellite Offices and 28 visiting points with a staff complement of 553 posts
- In Mpumalanga the Department delivers services at 14 Labour Centres, 2 Satellite Offices and 26 visiting points with a staff complement of 540 posts
- In the Northern Cape the Department delivers services at 7 Labour Centres and 95 visiting points with a staff complement of 342 posts
- In the North West Province the Department delivers services at 10 Labour Centres, 7 Thusong Service Centres and 34 visiting points with a staff complement of 458 posts
- In the Western Cape the Department delivers services at 12 Labour Centres, 8 Satellite Offices and 104 visiting points with a staff complement of 822 posts
- The Department is currently rolling out Kiosks to all Labour Centres, Youth Employment Centres and have other applications such as employment services available on internet and e-gov

3. Updates to Institutional Policies and Strategies

STRATEGIES

Inspection and Enforcement Services (IES) Branch started with its first strategy in 1999 and by 2001 it was being implemented. The premise of the first strategy was to offer a one-stop service to clients in order to avoid duplications of services and to avoid several inspectors pitching up at the workplaces of employers.

By 2008, IES was ready to implement its second strategy, this strategy was different from the first in that it sought to introduce four Pillars of service delivery and in so doing, ensure the professionalisation of the inspectorate. The process was broken up in phases with the first phase focusing primarily on changes to the inspectorate in the provinces in relation to the structure specifically in the provincial offices. The second phase included changes to the inspectors in the Labour Centres, this was halted due to amongst other things, funding.

There was also the introduction of the Standard Operating Procedure which focussed on the standardisation of the manner in which the inspector conducted his/her work daily (before, during and after the inspection or other similar work).

The Pillars are comprised as follows:

1. **Professionalisation of inspectors and services** - Task base inspector to professional inspector.
2. **Customer centred approach** - The client comes first
3. **Improved compliance** - Re-active response to self-monitoring. Prosecutions are prioritised.
4. **Effective and supportive business process management** - Silo to teams and systems –and includes: ICT; Operationalise service package and Appropriate structure.

POLICIES

On 1 January 2019, the National Minimum Wage Act (NMWA) was introduced for implementation by IES (monitoring and enforcement) and Labour Policy and Industrial Relations (establishment and implementation of a National Minimum Wage Commission). The primary purpose was to provide for a minimum wage for the most vulnerable. Certain sectoral determinations would still be applicable after the introduction of the NMWA.

The recent updates of various pieces of legislation such as the Employment Equity Act were also being fully implemented in order to give effect to the recent changes introduced.

The Public Employment Services Branch will develop a number of policies during the MTEF period to respond to a number of identified challenges:

1. **Employment Policy** – the policy will be developed in line with the ILO Employment Policy guidelines to ensure that the country has a coordination framework for all employment initiatives in the country. The policy will be consulted extensively to receive maximum input and to ensure buy in or support during its implementation stages
2. **Labour Migration Policy** – the policy is in line with the South African Development Countries (SADC), Ministers of Employment/Labour and Ministers of Interior/Home Affairs for all member states to have Migration Policies that will assist in the management of movement of labour and the African Union (AU) protocol on the movement of labour in the region

3. **Strategy or Employment Schemes framework** – the framework is intended to provide short term employment in the midst of oversupply of labour and few employment opportunities available. The framework is intended to provide short term employment relief especially amongst young people, to stimulate the economy through multiple exit strategies that will allow participants to generate own income
4. **Partnership Agreements** - PES will also embark on a number of partnership agreements that are intended to assist in the capacity development of staff, to expand the PES services and secure commitment by employers to use PES services.

4. Updates to Relevant Court Rulings

a) African Labour Civil Rights Union (ALCRU) v Registrar of Labour Relations: (J 1605/17)

This was an appeal in terms of section 111(3)(b) of the Labour Relations Act. The Registrar of Labour Relations refused to register the Applicant (ALCRU) as a trade union as a result of its shortcomings in terms of the relevant sections of the Labour Relations Act, 66 of 1995 as amended. The Registrar found that the union:

1. Had no members
2. Could not account financially
3. There was no proper formation of the union.

The court found that the Registrar was correct in finding that the union was not formed as a genuine trade union. The Court further found that the Registrar was correct to conclude that the union did not have proper financial control measures. The appeal of the Appellant (ALCRU) was dismissed.

Judgement was delivered on 9 November 2018.

b) Solidarity v Minister of Employment and Labour and 5 Others (J 3092/2018)

The Human Rights Commission published their Equality report titled “Achieving substantive economic equality through rights-based radical socio-economic transformation in South Africa. In short, this report finds that the definition of designated groups as determined in the Employment Equity Act (EEA) is non-compliant with both the Constitution and international law obligations. This report therefore recommends that the EEA be amended in order to target more nuance groups, based on needs and socio economic indicators. Solidarity took the view that the report cannot merely be ignored due to its factual existence. Solidarity was of the view that the Equality report has recommendations that ought to be actioned by the Respondents including the Minister of Employment and Labour.

In summary: The court held that there is no statutory or other regulatory provision that deems the Equality Report binding on government or any other party. The court placed emphasis on the fact that the South Africa Human Rights Commission itself did not intend the Report to be binding and considered it to be a research report intended to contribute to the public discourse and to provide advice and guidance to government in fulfilling its constitutional obligations. Hence, the court found that there was no basis on which this court is empowered to confirm or otherwise enforce the report’s findings and recommendations for the purpose sought by Solidarity or for any other purpose. The court dismissed the application with no cost.

Judgement was delivered on 8 October 2019.

Part B: Our Strategic Focus

5. Updated Situation Analysis

As the country adjusts to the drastic technical recession, questions are inevitably being asked about the impact of Covid-19. At this stage, it is reported that no one knows when the pandemic will be brought under control, or what the multiplier effects of different negative economic shocks will bring. However, it is reported that Covid-19 is a health shock, which has mutated into a complicated tangle of a demand shock, a supply shock and a financial shock, all coming together at a time when South Africa was poorly fortified economically to deal with it¹.

According to Statistics South Africa (Stats SA), the South African economy slipped already into recession in quarter four of 2019 by 1.4% followed a contraction of 0.8% (revised) in the third quarter of 2019. Again, the real GDP decreased by 2.0% in the first quarter of 2020². This is the third consecutive quarter of economic decline while the Covid-19 impact is still looming. Furthermore, the International Monetary Fund (IMF) projections reported that: *"...Because of the Covid-19, the global economy is projected to contract sharply by -3% (but by -5.8% in South Africa) in 2020, much worse than during the 2008/09 financial crisis. Because the economic fallout is acute in specific sectors, policymakers will need to implement substantial targeted fiscal, monetary, and financial market measures to support affected households and businesses domestically³..."*

Besides, an experimental survey study conducted by Stats SA⁴ has also deepened our understanding on the business impact resulting from Covid-19. Only 707 businesses that were VAT registered have participated to the survey for the reference period from 30 March - 13 April 2020. In the report, the following key results are highlighted amongst others⁵:

- ✓ 46.4% indicated temporary closure or paused trading activity;
- ✓ 50.4% expected their workforce size to stay the same in the two weeks after the survey, while 36.8% reported that their workforce size is expected to decrease;
- ✓ 28.3% indicated that their workforce has decreased working hours and 19.6% reported laying off of staff in the short term;
- ✓ 38.2% of businesses applying for financial assistance reported that they would use government relief schemes;
- ✓ 30.6% indicated they can survive less than a month without any turnover, while 54% can survive between 1 and 3 months;
- ✓ 46.3% of the workforce was able to meet business demands, and 43% of the workforce was not able to meet business demands (the rest reported 'unsure').

In view of this, the South African President Cyril Ramaphosa announced⁶ an R500 billion (\$26bn) stimulus package about 10% of the Gross Domestic Product (GDP) to deal with the devastating socio-economic impact of Covid-19 and days of lockdown. He said *"the money would come from its adjustment budget, the Unemployment Insurance Fund and multilateral institutions... he stressed that the pandemic requires an economic response that is equal to the scale of the disruption it is causing..."* Thus, the measures introduced to assist the economy include:

- R20 billion to assist efforts that address the pandemic;

¹ <https://www.capetalk.co.za/articles/379782/south-africa-s-economy-to-shrink-by-23-5-in-2q-2020-absa-forecast>

² Stats SA released GDP figures on 30 June 2020 at 11h30.

³ International Monetary Fund (IMF), World Economic Outlook, April 2020.

⁴ The official statistics take time to be published, as in real time economic data produced by other statistical data producers, e.g., the Department of Employment and Labour.

⁵ Statistics South Africa, Business Impact Survey of the Covid-19 pandemic in South Africa, 21 April 2020

⁶ The Presidency of South Africa, President Speech, 21 April 2020.

- R20 billion for municipalities for the provision of emergency water supply, increased sanitisation of public transport and facilities, and providing food and shelter for the homeless;
- A six-month temporary Covid-19 grant of R50 billion. This means that child support grant beneficiaries will receive an extra R300 in May and from June to October they will receive an additional R500 each month. All other grant beneficiaries will receive an extra R250 per month for the next six months;
- A special Covid-19 Social Relief of Distress grant of R350 a month for the next 6 months will be paid to individuals who are currently unemployed and do not receive any other form of social grant or UIF payment;
- R100 billion for protection of jobs and to create jobs;
- R40 billion for income support payments for workers whose employers are not able to pay their wages;
- R200 billion-loan guarantee scheme to be introduced to help businesses pay salaries, rents and suppliers. Companies with a turnover of less than R300 million a year can participate;

With regard to the above, the Department of Employment and Labour (DEL) has made significant progress in the payment of applications. As of 24 June 2020, the Unemployment Insurance Fund (UIF) has paid R8.4 billion (R 8 401 750 767.94) to 149 120 employers who submitted applications on behalf of 2 037 458 employees. In total, the Funds has disbursed close to R28 billion (R27 717 930 315.10) since 16th April 2020. The payments were intended as a stopgap measure for a period of three months or until such time that lockdown restrictions were eased and the economy slowly reopened.

5.1. External Environment Analysis

South Africa is faced with triple socio-economic challenges of high unemployment, inequalities and poverty as identified in the National Development Plan (NDP), Vision 2030. The unemployment rate is among the highest in the world, in the third quarter of 2019, unemployment remained at 29% (official definition) or 38.5% (expanded definition) from June 2019. Young people are the most affected group with a youth unemployment rate of 41% (official definition) and 52% (expanded definition)⁷.

Over half of unemployed young people including those that are discouraged from looking for jobs, find it difficult to access opportunities in the labour market as a result of their low levels of education, low skills, lack of experience and other social and economic related factors. The high levels of unemployment also mirror the low levels of economic growth of the country.

Compliance levels to labour laws in the country remains relatively static with one in every three employers complying when inspected. Some sectors have better compliance levels than others. Transformation in the market place remains a challenge with very low compliance levels at Employment Equity - DG review level with little or no movement in relation to black people in senior management level positions and little movement in relation to women in senior positions.

The National Minimum Wage Act that was introduced on 1 January 2019 will receive most of the attention throughout the 2019/2020 financial year. There will be a concerted effort to intensify inspections in order to contribute to improved compliance.

⁷ Statistics South Africa, Quarterly Labour Force Survey, (Quarter two 2019), Statistical release P0211, South Africa

OHS has been focused more on the formal sector and to some degree on the SMMEs but very little attention has been given to the informal sector that makes up most of the population. Very little attention has also been paid to the important aspect of HIV/AIDS at the workplace and this should change as it has the potential to destabilise the existing workforce.

5.2 Internal Environment Analysis

In line with the Presidential Cabinet announcement post National and Provincial Elections in June 2019, the purpose of an internal strategic session was to concretise the President's injunction to expand the mandate of the Department of Labour and to establish the Department of Employment and Labour along the following lines:

Department of Employment and Labour *"will coordinate all government efforts to create jobs and reduce unemployment"*, and by extension, it *"will be required to change its approach from mere compliance enforcement to facilitating job creation."* [SONA, 20 June 2019]

The strategic session undertaken by the Department followed extensive engagements between the Project Management Office (PMO) in the Presidency and the Department, research and analysis into possible options and the practical steps already taken to strengthen the employment dimension of the Department, which is already implicit in the mission of the Department.

The process of the reconfiguration of the Department of Labour to Department of Employment and Labour is not taking place in a vacuum. The department and its entities have a massive physical and digital footprint. It has established structures, processes and programmes – though there are challenges around ICT, financial controls (in certain cases) and lack of coordination resulting in working in silos. In addressing these challenges, the Department builds a basis for the expanded mandate, whilst strengthening its capacity to implement the traditional mandate of labour market regulation, compliance enforcement, decent work, etc.

Politically, the department is tasked with expanding the mandate and charting a way forward towards the creation of the Department of Employment and Labour. Legally and administratively, before the promulgation process is finalised and at the time of tabling this Strategic Plan in March 2020, the Department is still constituted as the Department of Labour. The task at hand is to close this gap as part of a larger project to streamline the architecture of government. The President will announce the new configuration of government departments at the end of March 2020. The Department is expected to take a lead in making proposals on the future shape and direction it intends to take.

After extensive strategic sessions it was resolved that:

1. That the reconfiguration of Department of Labour to Department of Employment and Labour would take place in two phases:
 - *Phase 1: Building on the strengths of the current department*
 - *Phase 2: Coordinating all government efforts to create jobs and reduce unemployment.*
2. **Phase 1** to consist of the following:
 - Expanding the employment dimensions of the current department and leveraging existing resources for greater job creation and retention. The Temporary Employee Relief Scheme programme would be an example of this. Therefore, in practical terms, the process of reconfiguration is already underway, albeit in an ad hoc fashion.

- Strengthen the role of NEDLAC for greater engagement with business to foster confidence and investment and to promote participation in job creation and protection. The Department/NEDLAC's leadership of the Presidential Jobs Summit implementation process has provided important indicators of what would be required in this respect. Again, this is an indication that, on the ground, reconfiguration is already taking place.

3. **Phase 2** will entail the following:

- Coordinating all government efforts to create jobs and reduce unemployment is envisaged as a process involving further research, expanded capacity in relation to labour market policy and extensive engagement with stakeholders.

In achieving the abovementioned it was further resolved as follows::

4. The Department will engage the Technical Advisory Centre (GTAC) of National Treasury to provide an objective rapid diagnosis of the Department and its entities to:
 - Identify strengths and weaknesses of the Department and entities as is, and in the light of the new mandate
 - Undertake a skills and resources audits – and deficits/gap analysis
 - Assess the impact and cost effectiveness of current programmes and structures of the Department and its entities, as is – and in relation to the new mandate
 - Provide proposals/options to strengthen/leverage existing programmes and for remedial action where necessary.
5. The Department will engage the ILO to assist to conceptualise the 'End State' for the Department and the entities:
 - Drawing on best international practice
 - Concretising the expanded mandate on employment
 - Continuing its work on the role of NEDLAC – with a view to expanding its role in relation to employment creation and driving social dialogue.
6. The Department will further strengthen NEDLAC by:
 - Finalising processes to appoint an Executive Director and Chief Financial Officer
 - Resourcing NEDLAC to provide the necessary services to social partners in line with the previous ILO review of NEDLAC and any further research.

5.3 Strategic Planning Process in the Department of Employment and Labour: STOP, START and CONTINUE Concept.

From 2018 to date, to further strengthen its situational analysis and respond to emerging challenges, the Department adopted a new strategic planning approach where Branches and the Funds were assigned a responsibility to complete a the STOP (Current State), START (Strategy) and CONTINUE (Desired State) Concept. This concept was further developed for strategic planning aligned to the new MTSF of the sixth administration and the Theory of Change in the Public Sector. The STOP (Current State), START (Strategy) and CONTINUE (Desired State) Concept informs the impact statement devised by the Department: **A labour market which is conducive to decent employment.** The process entailed the institutional outcomes of the four executing programmes of DEL. Linked to these, interventions, indicators and assumptions upon which the execution of the strategy of the Department would be based were devised below.

- To analyse the current state of affairs and to stop anything that is not beneficial to the service delivery of the Department
- To develop a pathway for change by starting projects, initiatives that have a great impact for the service delivery of the Department
- To continue with projects that are yielding intended outcomes, results and have significant impact on service delivery.

The Department's four Branches and the two Funds developed their proposals on the STOP (Current State), START (Strategy) and CONTINUE (Desired State) Concept for implementation during 2019/20 and the MTEF.

Action plans have been developed by Branches and the Funds to execute the Stop (Current State), Start (Strategy) and Continue (Desired State) Concept. The expectation was that Branch Plans and those of the Funds will continue to reflect the Stop (Current State), Start (Strategy) and Continue (Desired State) Concept for 2020/21. Conducting situational analysis during the planning exercise is key in coming up with realistic priorities. The Stop (Current State), Start (Strategy) and Continue (Desired State) exercise is a practical example of a situational analysis with a view to effect change that will take the organisation to its desired state. The 2020/21 Planning Cycle is taking place following the elections; therefore, it is a requirement for the department to align its plans with a renewed government agenda and start to implement new priorities. Most importantly, the 2020/21 Planning Process requires the Department to position itself to deliver on its new and expanded mandate of Employment.

Programmes	Departmental Outcome	STOP (Current State)	START (Strategy, interventions, activities)	CONTINUE (Desired State)
Impact Statement: A labour market which is conducive to decent employment				
Administration	Strengthen the institutional capacity of the Department	<ul style="list-style-type: none"> • Distant relationship with clients • Haphazard implementation of ICT projects • Missing / delay planned targets on the ICT projects • Reactive behaviour on support response • Can't be done mentality 	<ul style="list-style-type: none"> • Organisational Structure evaluation and alignment to the business of the Department • Improving on communicating Departmental stories in both traditional and electronic media • Prioritisation methodology for ICT projects • Managing and proactive measures on the unplanned ICT downtimes • Provision of solutions to the clients • Proactive in building partnerships with clients and reaching out • Advocacy of the HRM policies and monitoring of implementation • Reorganising and re-assignment of staff that has been rendered "redundant" after implementation of e-gov initiatives • Incorporate the issue of skills transfer to staff on all the contracts and also enforce the employment of locals on these contracts, and monitor • Find a happy place to do work and be productive and effective and inculcate a culture being self-driven 	<ul style="list-style-type: none"> • Improve on the head office provincial coordination and support for corporate services • Leading department in the use of social media • Review of policies in line with the new Public service regulations • Managing unplanned ICT down times • Employee and client satisfaction surveys • Embracing the advent of new technology and smart way of doing administrative processes

Programmes	Departmental Outcome	STOP (Current State)	START (Strategy, interventions, activities)	CONTINUE (Desired State)
Impact Statement: A labour market which is conducive to decent employment				
Inspection and Enforcement Services	<ul style="list-style-type: none"> Promote Occupational health services Contribute to decent employment creation Protect vulnerable workers Strengthen occupational safety protection Promote sound labour relations Development of the Occupational Health and Safety policies 	<ul style="list-style-type: none"> Complaining about limited resources, inter alia and over reliance on the fiscus Tolerating mediocrity around discharging of management functions Not paying enough attention to the CSOs as part of the value chain in relation to capacity building and development, etc. 	<ul style="list-style-type: none"> Implement a comprehensive and effective implementation of the case management system (including change management) Commencement of the 2nd phase of specialisation Defining of the calibre of the inspector in the 4th IR Leveraging of technology (usage of drones in investigations and conducting skype inspections etc.) Conducting inspections through the use of auxiliary inspectors 	<ul style="list-style-type: none"> Training Academy (full implementation) Non-monetary recognition for performance Strengthen monitoring as a governance function (e.g. monitoring of the SOP; filling of vacancies and expenditure of the budget) Strengthen the implementation of the MoUs with the internal and external stakeholders
Public Employment Services	Contribute to decent employment creation	<ul style="list-style-type: none"> Underspending on the budget Stop registering opportunities without verification No current PES Indicator will be stopped 	<ul style="list-style-type: none"> Present a new value proposition to employers, to encourage them to use the PES services In exchange for free quality service, employers must commit to placing work seekers Get closer to the recruitment needs of the individual employers Reduce recruitment costs to employers, freeing up their resources to employ more workers 	<ul style="list-style-type: none"> Improve Quality of service Improve Quantity by widening coverage Improve speed through real time processing Service through targeting individual recruitment needs of employers Digitise the ESSA platform further, by benchmarking and partnering with modern platforms like LinkedIn, and other employment related databases Increase marketing and communication of the PES services Improve the operational efficiency and effectiveness
Labour Policy and Industrial Relations	<ul style="list-style-type: none"> Contribute to decent employment creation Protect vulnerable workers Promote sound labour relations Monitor the impact of legislation 	<ul style="list-style-type: none"> Poor planning by departmental officials when applying for visas should not impede on. Embassies adherence to strict protocols and such should be respected Non-compliance with ILO Constitutional obligations under article 19 (unratified conventions) and article 22 (ratified conventions) Non-compliance with project updates in terms of the Decent Work Country Programme 	<ul style="list-style-type: none"> Effectively discharging our obligations to international institutions by virtue of our affiliation Developing effective strategies to encourage conformity with international labour standards internationally and regionally Strengthening our links in Southern Africa, to encourage a convergence in labour policies between South Africa and her neighbouring countries and to promote regional economic integration by monitoring and assessing labour trends in the region 	<ul style="list-style-type: none"> Monitoring the impact of legislation through research Amending legislation in areas where research evidence point to Socio Economic Impact Assessment truthfully and engage affected stakeholders to get their views and also to action their views where they shows advantage to building sound labour markets

5.4 External Analysis

PESTEL

According to the Department of Planning, Monitoring and Evaluation (DPME), SWOT and PESTEL analysis are planning tools suitable for the planning process. The new DPME Planning Guideline provides clear guidelines for conducting Environmental Analysis for a government planning exercise.

The Departmental Environmental Scanning process followed the guidelines provided by DPME in an attempt to identify strategic internal capabilities while trying to understand external influences. Branches and Provinces responded with their unique inputs to the Departmental Environmental Analysis.

Internal strengths within an organisation include dedicated and properly skilled human resource, motivated employees, and adequate financial resources, initiatives for IT systems, developmental performance management system, and strong seamless communication channels. Both Branches and Provinces provided inputs highlighting areas of strengths. The analysis of the internal weaknesses focused on shortfalls in areas that if not strengthened the organisation might not achieve its intended results. Some of the examples that are known as weaknesses include, lacking the required resources, (human, financial, ICT, processes and structure supported by strong organisational culture towards managing for results) is an indication that an organisation will not achieve its mandate and no public value will be created. The Branches and Provinces provided inputs highlighting areas of weaknesses in their respective operational units.

The analysis of the external environment was guided by a PESTEL Analysis with a focus on identifying Threats and Opportunities. The identified threats and opportunities are situations that are presented by the external environment. Some areas that can be considered as threats or challenges include: reduction in budget allocation due to poor economic conditions, unfunded mandates which may lead to failure to meet organisation goals which will affect the image of the organisation, poor or weak relations with unions, lack of support from the public, etc.

This exercise provides an organisation a chance to exploit these opportunities presented by the external environment in order to meet the goals of the organisation and create public value. The external environment presents opportunities. It should be noted that based on the inputs received, the Department has many opportunities that need to be exploited.

A comparison summary of the PESTEL analysis focusing on external opportunities has been provided. Below is a summary of Branches and Provincial inputs of the Department:

Threats /Challenges	Opportunities	Options for overcoming each Threat	Options for taking advantage of each opportunity
Political Analysis			
<ul style="list-style-type: none"> More public service protests as people tend to resort to violent protests for effective service delivery Duplication of Services and government departments and municipalities all having a database of unemployed work seekers Political interference in the recruitment and selection process of 	<ul style="list-style-type: none"> Establishing relationships and partnerships with stakeholders such as SETAs and Municipalities to recruit for EPWP projects from PES Revive the local stakeholder forums where new developments on legislation will be discussed. Make use of local forums to educate 	<ul style="list-style-type: none"> The engagement of key stakeholders will help address challenges of inter-government relations Working through clusters may also assist to overcome the challenge of duplication of services 	<ul style="list-style-type: none"> In order to create a conducive environment for employment creation, the Department will have to work closely with key stakeholders Establishing relationships and partnerships with stakeholders such as SETAs and Municipalities to recruit for EPWP projects from PES

Threats /Challenges	Opportunities	Options for overcoming each Threat	Options for taking advantage of each opportunity
work-seekers	the stakeholders <ul style="list-style-type: none"> Integration of PES/LAP/Entities 		
Economic Analysis			
<ul style="list-style-type: none"> Shrinking economy with job losses Increased Retrenchments High levels of unemployment, particularly amongst youth Budget cuts may lead to failure to fulfill the mandate 	<ul style="list-style-type: none"> Job summit agreement concentrating on areas with job opportunities to be implemented 	<ul style="list-style-type: none"> Implementation and monitoring of the job summit agreement Lessen the policy regulation burden on small businesses to create a conducive environment for business growth and job creation Economic depression poses challenges to current labour market programmes and policies, necessitating high level of research to be done 	<ul style="list-style-type: none"> The shrinking economy provides an opportunity for the public sector to be innovative and prioritise on how to use government resources effectively Value for money should be created at all times
Social Analysis			
<ul style="list-style-type: none"> High unemployment rate means an increase in beneficiaries and a greater reliance on UIF The slow pace of transformation has negative implication on social cohesion and societal unity Increased immigration resulting in increased unemployment rate High levels of unemployment threaten political and social stability 	<ul style="list-style-type: none"> Strengthening the working relationship with external stakeholders in established statutory institutions such as Chapter 9 institutions and other similar bodies like NEDLAC, CCMA, ILO, etc. Increase in compliance rate which in-turn leads to an increase in disposable income resulting in alleviating poverty Increased media communication awareness with regards NMW which increases awareness across the country 	<ul style="list-style-type: none"> Engage with community leaders and civil society to avoid interruption of services Implement the policies with vigour as they seek to contribute in the transformation of the labour market 	<ul style="list-style-type: none"> Continue to engage with social partners for buy-in and support Intensify compliance with Departmental legislation and measure the impact
Technological Analysis			
<ul style="list-style-type: none"> Technological advancement posing big challenge to traditional definitions and venues for employment, which also challenge the way research is conducted Fourth Industrial Revolution may pose a threat to job losses due to Technology and Automation of Business Processes Rapid advancing 	<ul style="list-style-type: none"> Re-skilling, up-skilling and multi-skilling of staff to adapt to the fourth industrial revolution Roll out wi-fi in all centres to assist with services that can be rendered without having to queue ESSA System Interlink with other government departments such as Departments of Education (qualification 	<ul style="list-style-type: none"> The organisation needs to consider better use of technology as we are in the 4IR which talks to the internet of things and the future of work We are clearly not optimally utilising this aspect to its fullest 	<ul style="list-style-type: none"> New regulation to protect new job categories created by technology Introduction of paperless working environment Install Kiosks in all LC to assist in the influx and specially to have the youth register them on ESSA other than to complete ESSA forms at offices

Threats /Challenges	Opportunities	Options for overcoming each Threat	Options for taking advantage of each opportunity
technology: non response from the Department is hampering our ability to provide "world class" services	evaluations) and Home Affairs (verification of ID)		
Ecological Analysis			
<ul style="list-style-type: none"> Climate change is affecting jobs and research on this area is not considered a priority as more urgent priorities are identified due to limited resources within the Department 	<ul style="list-style-type: none"> New research focus on climate change is required to support planning on labour market support to industries that are in danger of being affected Engage with NEDLAC social partners on the future of economy 	<ul style="list-style-type: none"> Implementation of the Job summit agreement deals with green economy 	<ul style="list-style-type: none"> To identify opportunities presented by the Green Economy
Legal Analysis			
<ul style="list-style-type: none"> Low level or poor level of compliance by employers No legislation that binds other departments or potential employers to employ through department of labour (Employment Service Act) 	<ul style="list-style-type: none"> Improved compliance level Affiliation to professional bodies Customised Labour Inspector Qualification / learning academy Influence legislative changes based on experiences on the ground Strengthening the relationship with enforcement agencies Promulgation, amendment and signing of a legislation that can bind all departments and other potential employers to recruit through the Department 	<ul style="list-style-type: none"> We need to make full use of our policies to adequately protect the worker 	<ul style="list-style-type: none"> While our threats are very critical, our opportunities have the ability to harness what currently appears to be a challenge More opportunities and placement will be created

6. Departmental Resource Considerations

Table: Consolidated budget allocation

Programme	Audited outcomes			Voted (Main Appropriation)	Revised Estimate	Medium Term Expenditure Estimate		
R-thousand	2016/17	2017/18	2018/19	2019/20		Special Adjusted Allocation 2020/21	2021/22	2022/23
1 Admin	819 070	768 677	804 917	961 959	961 959	938 814	1072 964	1113 559
2 IES	464 269	520 165	549 211	631 133	631 583	628 449	720 493	747 683
3 PES	524 879	485 543	542 817	611 198	619 612	592 959	685 905	711 437
4 LP&IR	953 367	1 069 634	1 189 746	1 230 843	1 220 045	1 215 607	1 377 790	1 437 168
Total	2 761 585	2 844 019	3 086 691	3 435 133	3 433 199	3 375 829	3 857 152	4 009 847
Economic Classification								
Current Payments	1 545 323	1 571 384	1 700 607	2 065 593	2 043 811	1 985 490	2 320 190	2 417 014
Compensation of Employees	1 064 694	1 059 512	1 149 681	1 393 207	1 363 725	1 393 837	1 588 919	1 658 025
Goods and Services	480 629	511 872	550 926	672 386	680 086	591 653	731 271	758 989
Of which:								
Advertising	9 881	14 431	14 920	17 737	29 641	9 808	22 783	23 725
Communication	24 770	28 539	24 933	44 576	42 783	42 099	49 410	51 606
Computer Services	88 129	54 583	55 911	123 854	126 640	116 966	137 848	143 208
Consultants and Professional Services: Business and advisory services	10 025	6 311	8 863	10 753	9 106	11 977	14 846	15 047
Fleet Services	21 888	28 141	30 222	28 247	27 490	18 704	26 475	27 046
Consumables: Stationery, printing and office supplies	16 325	12 928	19 086	22 598	21 261	13 700	22 268	22 524
Operating Leases	115 668	138 720	132 457	157 730	157 652	160 883	169 507	176 041
Property Payments	48 428	50 869	52 307	82 164	81 604	87 123	95 192	98 539
Travel and Subsistence	72 203	85 290	110 301	84 032	84 914	58 241	84 797	89 081
Other Goods and Services	73 312	92 060	101 926	100 695	98 995	73 194	108 145	112 172
Interest and rent on land	0	0	0	0	0		0	0
Transfers and Subsidies	1 073 153	1 179 632	1 296 766	1 309 356	1 329 204	1 327 853	1 467 473	1 520 189
Provinces and municipalities	602	652	752	656	656	707	745	773
Departmental agencies and accounts	879 407	979 904	1 103 547	1 089 039	1 112 269	1 102 524	1 225 604	1 269 335
Foreign governments and international organisations	19 719	19 974	20 278	26 630	18 930	28 095	29 641	30 742
Public Corporations and private enterprises	0	0	0	0	0	0	0	0
Non-profit institutions	168 787	173 351	167 877	192 648	192 648	196 123	211 057	218 892
Households	4 638	5 751	4 312	383	4 701	404	426	447
Payments for capital assets	140 541	92 780	87 909	60 184	60 184	62 486	69 489	72 644
Buildings and other fixed structures	29 198	2 404	10 886	16 000	16 000	13 566	17 785	18 801
Machinery and equipment	64 977	78 232	77 023	44 184	44 184	48 920	51 704	53 843

Programme	Audited outcomes			Voted (Main Appropriation)	Revised Estimate	Medium Term Expenditure Estimate		
R-thousand	2016/17	2017/18	2018/19	2019/20		Special Adjusted Allocation 2020/21	2021/22	2022/23
Software and other intangible assets	46 366	12 144	0	0	0	0	0	0
Payments for financial assets	2 568	223	1 409	0	0	0	0	0
Total	2 761 585	2 844 019	3 086 691	3 435 133	3 433 199	3 375 829	3 857 152	4 009 847

The Department of Employment and Labour does not project an additional funding requirement. However, the items above were not budgeted for in the 2020/21 budget process, and as such, Virement will be required. It is anticipated that funding will be available for Virement under items such as Travel and Subsistence, Venues and Facilities, etc.

The COVID-19 pandemic, being an unprecedented situation for the world at large including South Africa, has come with major legal challenges. Accordingly, the Department of Employment and Labour is navigating through the challenges brought on by COVID-19. The Directive on COVID-19 Temporary Employer/Employee Relief Scheme was issued by the Minister of Employment and Labour was amended several times due to grey areas and gaps. These amendments required expert knowledge and advice in order that litigation is avoided. Counsel was briefed to assist.

Emanating from the Directive on Temporary Employer/Employee Relief Scheme there were many communications received from Attorneys representing Trade Unions, Employer Organisations and NGOs. In order to avoid litigation on these matters, legal opinions were sought from Counsel.

Furthermore 10 Court Applications were received during the period 01 April 2020 and 19 May 2020 and most of these Applications relate to the COVID-19 situation. The Department through its Inspectors issued Prohibition Notices which had the effect of shutting down workplaces. In other Applications, the Department was requested to provide PPE's to self-employed individuals. Many more legal challenges are likely to arise. The Department cannot afford to have the budget allocated for legal costs to be cut. Legal costs are required to defend the position of the Department in order to ensure that the Department and the Minister are not exposed to reputational damage.

The work of the Department needs to be marketed, this need liaising with media, produce media statements, set up interviews, write opinion pieces, design graphics to promote the work of the department on different media platforms, and engage the stakeholders in relation to the government economic cluster demands at GCIS including NEDLAC social partners. The communication team needs to be up scaled to manage social media platforms, write stories in real time, monitor media and advice political principals on what is in the media for effective responses.

R298 million cut in compensation of employees will mean that some filled posts will have to be cut and some employees laid off. The 20% cut on Operating Lease amounts to R31 million and as it is the department is projecting an over spending of R10 million on this item.

Overall the department is prepared to cut 7.2% (R261, 8 million) of its main appropriation for 2020/21 financial year; R96, 8 million on Compensation of Employees, R88, 2 million Goods & Services, R78 Million on Transfers & Subsidies and R13, 7 million on Payments of Capital Assets.

Most of the funds were sourced from the assumptions that the spending will be slow due to the effects of the pandemic on the departmental activities. The filling of vacancies is anticipated to be delayed; travel will be reduced for all the programmes and some will be left. Inspection and Enforcement Services inspectors, computer services was also reduced mainly due to the historic underspend over the years. Operating leases were not cut due to the fact that the department is expecting to overspend on this item, as a result all other item under Goods & Services were severely cut to reach the minimum required by National Treasury. The transfer to CCMA was cut by R55.4 million despite the expected increase in the number of cases and interventions relating to COVID-19. NEDLAC was also cut by R5 million, which the entity will be able to accommodate. Payments of capital assets was also reduced by R 13.7 million; the acquisition of some fleet cars will be suspended for the current financial year, on the building project will realise a saving for the current financial year and less computer equipment will be purchased than it was budgeted.

Part C: Measuring Our Performance

7. Institutional Programme Performance Information

7.1 Programme 1: Administration

Purpose: Provide strategic leadership, management and support services to the department.

Sub-Programme and purpose: The programme consists of the following sub-programmes:

- **Ministry** provides political oversight to ensure that the Department's mandate is achieved
- **The Office of the Director-General** provides administrative oversight for effective implementation of the Department's mandate and overall accounting oversight.
- **Office of the Chief Operations Officer** manages and directs medium-term strategic planning processes, performance information reporting, monitoring and evaluation of performance against plan, service delivery improvement plans and provincial operations.
- **Corporate Services** that includes:
 - **Human Resource Management** ensures optimum and efficient utilisation and development of human capital and to provide an advisory service on matters pertaining to organisational effectiveness and development, transformation management, individual performance management, sound employee relations, employee health and wellness, as well as effective and efficient recruitment, selection and placement services including research and development of human resources policies and practices
 - **Internal Audit** provides management and the Audit Committee with independent objective assurance with a view to improving effectiveness of governance, risk management and control processes
 - **Risk Management** pro-actively manages / addresses risks that have a negative impact on the Department's performance
 - **Security Services** renders security support aimed at protecting the Department's information, staff and assets
 - **Communication** disseminates and improves access to information about the Department.
 - **Legal Services** exists to provide Legal Support Services to the Department
 - **Office of the Chief Information Officer** caters for the Information and Communications Technology (ICT) needs and requirements of the Department
- **Office of the Chief Financial Officer** renders effective and efficient financial management and administrative support for the Department as well as office accommodation requirements.

7.1.1 Outcomes, Outputs, Performance Indicators and Targets

DEL Outcome	Outputs	Output Indicators	Annual Targets							
			Audited/Actual Performance			Estimated Performance	MTEF Period			
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	
MTSF OUTCOME: Functional, efficient and integrated government										
Strengthen the institutional capacity of the Department	1. Reduction of vacancy rate	1.1 Vacant funded posts filled within 4 months of becoming vacant	9.27%	11.51%	9.23%	10%	80% Vacant funded posts filled within 4 months of becoming vacant	90% Vacant funded posts filled within 4 months of becoming vacant	95% Vacant funded posts filled within 4 months of becoming vacant	
	2. Outreach initiatives to change behaviour in relation to gender	2.1 Review of the sexual harassment policy				New	Sexual harassment policy approved	4 Awareness campaigns	6 awareness campaigns	
	3. Modern Systems and ICT services	3.1 Acquisition, maintenance and improvement of ICT services	N/A	N/A	N/A	N/A	90% Systems Availability	Increase Systems Availability to 92%	Increase availability of systems to more than 95%	
	4. Programme to prevent and fight corruption in the Department	4.1 Ensure functionality of ethics structures and adequate capacity				New	Ethics Governance Structures in place and Complete Roll Out of the Ethics Management Plan	Ethics Governance Structures in place and Complete Roll Out of the Ethics Management Plan	Ethics Governance Structures in place and Complete Roll Out of the Ethics Management Plan	
		4.2 % resolution of reported incidents of corruption in the Department				New	90% resolution of reported incidents by disciplinary and criminal interventions	93% resolution of reported incidents by disciplinary and criminal interventions	95% resolution of reported incidents by disciplinary and criminal interventions	

DEL Outcome	Outputs	Output Indicators	Annual Targets							
			Audited/Actual Performance			Estimated Performance	MTEF Period			
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	
MTSF OUTCOME: Functional, efficient and integrated government										
	5. Number of Annual Financial Statements (AFS) and Interim Financial Statements (IFS) compiled per year that comply with guidelines issued by the National Treasury	5.1 Annual financial statements submitted to the National Treasury by 31 May each year 3 IFS reports submitted to the National Treasury on due dates as determined by National Treasury	The published annual report and the 3 IFS' provided to the Auditor-General and National Treasury	Produced 1 AFS by 31 May, and 3 IFS 30 days after each quarter	1 AFS by 31 May, and 3 IFS 30 days after each quarter	1 AFS by 31 May, and 3 IFS 30 days after each quarter	1 AFS by 31 May, and 3 IFS 30 days after each quarter	1 AFS by 31 May, and 3 IFS 30 days after each quarter	1 AFS by 31 May, and 3 IFS 30 days after each quarter	
	6. Elimination of Irregular and/or Unauthorised expenditure, detected per financial year, reported to the Accounting Officer and National Treasury	6.1 Detection and reporting of Irregular and/or Unauthorised expenditure, to the Accounting Officer and National Treasury in terms of National Treasury's guidelines	Irregular expenditure – R257 657.79 detected and reported Unauthorised expenditure – None detected and reported	Irregular expenditure – A total of fourteen (14) cases amounting to R1 236 548.09 were detected and reported Unauthorised expenditure – None detected and reported	Irregular expenditure – A total of twenty-six (26) cases amounting to R3 446 415.51 were detected and reported Unauthorised expenditure – None detected and reported	All cases which are detected, reported monthly	25% reduction from base line	50% reduction from base line	75% reduction from base line	
	7. Elimination of Fruitless and Wasteful expenditure, detected per financial year, reported to the	7.1 Detection and reporting of Fruitless and Wasteful expenditure, to the Accounting Officer and	Fruitless and Wasteful expenditure – R129 091.84 detected and reported	Fruitless and Wasteful expenditure – A total of ninety-eight (98) cases amounting to	Fruitless and Wasteful expenditure – A total of three hundred and thirty-six (336) cases	All cases which are detected, reported monthly	25% reduction from base line	50% reduction from base line	75% reduction from base line	

DEL Outcome	Outputs	Output Indicators	Annual Targets						
			Audited/Actual Performance			Estimated Performance	MTEF Period		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
MTSF OUTCOME: Functional, efficient and integrated government									
	Accounting Officer and National Treasury	National Treasury in terms of National Treasury's guidelines		R4 024 383.02 were detected and reported	amounting to R4 450 475.23 were detected and reported				

7.1.2 Indicators, Annual and Quarterly Targets

Output Indicator	Annual Target	Q1	Q2	Q3	Q4
1.1 Vacant funded posts filled within 4 months of becoming vacant	80% Vacant funded posts filled within 4 months of becoming vacant	60% of vacant funded posts filled within 4 months of becoming vacant	65% of vacant funded posts filled within 4 months of becoming vacant	70% of vacant funded posts filled within 4 months of becoming vacant	80% of vacant funded posts filled within 4 months of becoming vacant
2.1 Review of the sexual harassment policy	Sexual harassment policy approved	-	Introduction of the Policy at DBC	Consultation with stakeholders	Approval of the policy
3.1 Acquisition, maintenance and improvement of ICT services	Phase 1 implementation of the SAP Roadmap completed	DEL and SEE explore phase completed	DEL Realization Phase concluded	Phase 1 System integration and testing completed	Phase 1 Go Live
4.1 Ensure functionality of ethics structures and adequate capacity	Ethics Governance Structures in place and Complete Roll Out of the Ethics Management Plan	Approval of Ethics Strategy and Ethics Management Plan	Roll Out of the Ethics Management Plan activities for Q2	Roll Out of the Ethics Management Plan activities for Q3	Roll Out of the Ethics Management Plan activities for Q4
4.2 % resolution of reported incidents of corruption in the Department	90%	90%	90%	90%	90%
5.1 Number of Annual Financial Statements (AFS) and Interim Financial Statements (IFS) compiled per year that comply with guidelines issued by the National Treasury	1 AFS by 31 May, and 3 IFS 30 days after each quarter	1 AFS by 31 May 2020	1 IFS by 31 July 2020	1 IFS by 31 October 2020	1 IFS by 31 January 2021

Output Indicator	Annual Target	Q1	Q2	Q3	Q4
6.1 Elimination of Irregular and/or Unauthorised expenditure, detected per financial year, reported to the Accounting Officer	25% reduction from base line	6% reduction from base line	12% reduction from base line	18% reduction from base line	25% reduction from base line
7.1 Elimination of Fruitless and Wasteful expenditure, detected per financial year, reported to the Accounting Officer	25% reduction from base line	6% reduction from base line	12% reduction from base line	18% reduction from base line	25% reduction from base line

7.1.3 Explanation of planned performance over the medium term period

The planned outcomes above will contribute towards an ethical and corrupt free public service and lead to building of trust by the Public. The settling and resolution of Hot line cases will contribute towards a citizenry that has confidence in government processes.

The outcome indicators have a direct relationship with the outcome intended and will ensure a direct response and achievement of the set outcome.

Over a period of five years the outcomes should lead to the changed perception of the Public service by citizens and bring the citizens closer to the Public service. Further the Public service should project and ethical behaviour that is representative of people holding public office and that care about the citizens.

7.1.4 Programme Resource Considerations

Table: Budget Allocation for programme and subprogrammes

Programme:	Audited outcomes			Voted (Main Appropriation)	Revised Estimate	Medium Term Expenditure Estimate		
Administration	2016/17	2017/18	2018/19	2019/20		Special Adjusted Allocation 2020/21	2021/22	2022/23
R-thousand								
Ministry	32 188	32 252	41 063	36 572	39 267	33 368	39 260	40 299
Management	255 374	256 415	272 625	265 369	268 169	261 565	296 828	308 081
Corporate Services	260 182	200 947	225 192	311 248	308 253	290 417	349 116	362 691
Office of the Chief Financial Officer	105 632	118 086	103 703	130 812	129 312	132 751	150 191	155 747
Office Accommodation	165 694	160 977	162 334	217 958	216 958	220 713	237 569	246 741
Total	819 070	768 677	804 917	961 959	961 959	938 814	1072 964	1113 559
Economic Classification								
Current Payments	708 637	721 537	751 151	919 203	915 553	895 751	1026 532	1064 636
Compensation of Employees	325 904	343 137	367 204	422 590	418 940	452 337	487 779	505 939
Goods and Services	382 733	378 400	383 947	496 613	496 613	443 414	538 753	558 697
Of which:								
Advertising	6 039	9 970	3 972	10 815	10 689	2 130	11 722	12 236
Communication	21 498	13 229	10 438	23 280	22 375	19 058	24 864	25 951
Computer Services	87 279	53 844	54 952	122 844	122 986	112 802	133 507	138 788
Consultants and Professional Services: Business and advisory services	5 859	3 838	5 350	5 315	4 905	3 569	5 905	6 257
Fleet Services	10 943	15 081	17 455	11 952	13 460	8 984	13 817	13 964
Consumables: Stationery, printing and office supplies	8 961	6 101	9 331	9 129	9 196	4 598	9 740	9 548

Programme:	Audited outcomes			Voted (Main Appropriation)	Revised Estimate	Medium Term Expenditure Estimate		
Administration	2016/17	2017/18	2018/19	2019/20		Special Adjusted Allocation 2020/21	2021/22	2022/23
Operating Leases	113 458	135 725	129 684	152 379	152 314	156 979	165 153	171 538
Property Payments	47 925	37 873	38 714	72 180	70 871	72 917	79 739	82 652
Travel and Subsistence	32 003	37 863	42 364	29 926	31 058	17 493	30 015	31 153
Other Goods and Services	48 768	64 876	71 687	58 793	58 759	44 884	64 291	66 610
Interest and rent on land								
Transfers and Subsidies	2 022	2 777	2 309	913	4 563	978	1 031	1 073
Provinces and municipalities	563	638	703	656	656	707	745	773
Departmental agencies and accounts			40					
Foreign governments and international organisations								
Public Corporations and private enterprises								
Non-profit institutions								
Households	1 459	2 139	1 566	257	3 907	271	286	300
Payments for capital assets	105 843	44 140	50 048	41 843	41 843	42 085	45 401	47 850
Buildings and other fixed structures	29 198	2 404	10 886	16 000	16 000	13 566	17 785	18 801
Machinery and equipment	30 279	29 592	39 162	25 843	25 843	28 519	27 616	29 049
Software and other intangible assets	46 366	12 144	0					
Payments for financial assets	2 568	223	1 409					
Total	819 070	768 677	804 917	961 959	961 959	938 814	1072 964	1113 559

Narrative: Explanation of the contribution of resources towards achievement of outputs.

Administration consists of 1740 posts. The officials in this section are responsible for the administrative support toward the Department. This programme is also responsible for the printing and publishing of the Departmental publications, rental of suitable office accommodation and maintenance of government owned buildings that the Department occupy. Administration also carries the bulk of the telephone expenses, audit cost and the ICT costs to ensure that the Department can execute its duties. This programme carries the capital expenses for the Departmental Fleet.

The work of the Department needs to be marketed, this need liaising with media, produce media statements, set up interviews, write opinion pieces, design graphics to promote the work of the department on different media platforms, and engage the stakeholders in relation to the government economic cluster demands at GCIS including NEDLAC social partners. The communication team needs to be up scaled to manage social media platforms, write stories in real time, monitor media and advice political principals on what is in the media for effective responses.

Payments of capital assets was also reduced by R 13.7 million; the acquisition of some fleet cars will be suspended for the current financial year, on the building project will realise a saving for the current financial year and less computer equipment will be purchased than it was budgeted.

7.1.5 Key Risks

Outcome	Key Risk	Risk Mitigation
Strengthen institutional capacity of the Department	Inability of modernisation programme to meet intended objectives	Business process re-engineering Business process mapping Stakeholder engagement
Strengthen institutional capacity of the Department	Structural deficiencies / inadequate organisational structure to service the department	Facilitate review of the existing Departmental structure
Communication and marketing of departmental work	Ineffective and inefficient communication	1. Implementation of the internal communication plan 2. Programmes to provide the budget for their advocacy programmes (i.e. publication of materials) 3. Utilisation of internal media to roll out approved strategy (iDeal magazine, departmental website and social media)
Effective financial management and governance	Budget spending not aligned with performance targets and structures	1. Engage Departmental Executives to reconfigure MSS across the Branches to monitor the Budget spending 2. Follow up and report progress on Procurement Plans
Effective financial management and governance	Non-submission of financial statements as per stipulated timeframes	Distribute Financial circulars with dates for timely submission and compliance
Effective supply chain management	Failure to detect and report irregular expenditure	1. Restructuring of the Finance Provincial structure 2. Induction and training of finance circulars
Strengthen institutional capacity of the Department	Poor, below standard security services and outdated security infrastructures	1. Security evaluation to be conducted per province. 2. Implement the recommendations of evaluation report
Strengthen institutional capacity of the Department	Exposure of the department to litigation	1. Development and Implementation of the Litigation Strategy 2. Advocacy sessions with business 3. MOUs signed with business units

7.2 Programme 2: Inspection and Enforcement Services

Programme purpose: Realise decent work by regulating non-employment and employment conditions through inspection and enforcement, to achieve compliance with all labour market policies.

Objectives

Protect vulnerable workers through the inspection and enforcement of labour legislation by ensuring that decent work principles are adhered to by:

- Conducting 188 323 compliance inspections by March 2021
- Serving 90 per cent of noncompliant employers inspected with a notice in terms of relevant employment law within 14 calendar days of inspection
- 50% of non-compliant employers received by Statutory Services referred for prosecution within 30 calendar days
- At least four Seminars and two Conferences (formal Advocacy) conducted per year to increase awareness of employment law by March 2021.

Subprogrammes

Management and Support Services: Inspection and Enforcement Services manages the delegated administrative and financial responsibilities of the office of the Deputy Director General, and provides corporate support to line function subprogrammes within the programme.

Occupational Health and Safety promotes health and safety in the workplace by conducting inspections on compliance with the Occupational Health and Safety Act (1993), and regulating dangerous activities and the use of plant and machinery.

Registration: Inspection and Enforcement Services registers incidents relating to labour relations and occupational health and safety, as reported by members of the public, and communicates these to the relevant structures within the *Compliance, Monitoring and Enforcement Services* sub programme for investigation.

Compliance, Monitoring and Enforcement Services ensures that employers and employees comply with labour legislation by conducting regular inspections and following up on reported incidents.

Training of Staff: Inspection and Enforcement Services defrays all expenditure relating to staff training within this programme.

Statutory and Advocacy Services gives effect to the legislative enforcement requirement and educates stakeholders on labour legislation.

7.2.1 Outcomes, Outputs, Performance Indicators and Targets

DEL Outcome	Outputs	Output Indicators	Annual Targets						
			Audited/Actual Performance			Estimated Performance	MTEF Period		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
MTSF OUTCOMES:									
<ul style="list-style-type: none">Investing for accelerated inclusive growthIncreased economic participation, ownership, access to resources, opportunities and wage equality for women, youth and persons with disabilitiesSafe and healthy work environment									
<ul style="list-style-type: none">Promote Occupational health servicesContribute to decent employment creationProtect vulnerable workersStrengthen occupational safety protectionPromote sound labour relationsDevelopment of the Occupational Health and Safety policies	1. Workers protected through inspection and enforcement of employment law	1.1 Number of employers inspected per year to determine compliance with employment law	187 497	186 456	214 946	218 732	188 323	297 156	297 156
		1.2 Percentage of non-compliant employers of those inspected served with a notice in terms of relevant employment law within 14 calendar days of the inspection	97.9% (36 441 of 37 225)	100% (29 612 of 29 612)	99.8% (39 609 of the 39 707)	80%	90%	90%	90%
		1.3 Percentage of non-compliant employers received by Statutory Services referred for prosecution within 30 calendar days		new	Of the 39 628 employers served with notices 7 617 failed to comply with served notice and 35% (2 667) were referred for prosecution.	60%	50%	65%	65%
		1.4 Number of formal Advocacy sessions	N/A	N/A	N/A	New	4 x Seminars to be	4 x Seminars to be identified	4 x Seminars to be identified

		conducted per year to increase awareness of employment law					identified 2 x Conferences	2 x Conferences	2 x Conferences
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7.2.2 Indicators, Annual and Quarterly Targets

Output Indicator	Annual Target		Q1		Q2		Q3		Q4	
1.1 Number of employers inspected per year to determine compliance with employment law	188 323		55 389		99 697		144 011		188 323	
	Province	No of Inspections	Province	No of Inspections	Province	No of Inspections	Province	No of Inspections	Province	No of Inspections
	EC	20 747	EC	6 102	EC	10 984	EC	15 867	EC	20 747
	FS	15 922	FS	4 683	FS	8 428	FS	12 175	FS	15 922
	GP	40 392	GP	11 880	GP	21 384	GP	30 889	GP	40 392
	KZN	37 771	KZN	11 109	KZN	19 996	KZN	28 884	KZN	37 771
	LP	17 758	LP	5 223	LP	9 402	LP	13 580	LP	17 758
	MP	14 290	MP	4 203	MP	7 565	MP	10 929	MP	14 290
	NC	8 211	NC	2 415	NC	4 347	NC	6 279	NC	8 211
	NW	12 730	NW	3 744	NW	6 738	NW	9 732	NW	12 730
	WC	20 257	WC	5 958	WC	10 723	WC	15 489	WC	20 257
	HO	245	HO	72	HO	130	HO	187	HO	245
	Total	188 323	Total	55 389	Total	99 697	Total	144 011	Total	188 323
1.2 Percentage of non-compliant employers of those inspected served with a notice in terms of relevant labour legislation within 14 calendar days of the inspection	90%		90%		90%		90%		90%	
1.3 Percentage of non-compliant employers received by Statutory Services referred for prosecution within 30 calendar days	50%		65%		50%		50%		50%	
1.4 Number of formal Advocacy sessions	4 x Seminars to be identified 2 x Conferences		1x Seminar		1 x Seminar 1 x Conference		1x Seminar 1 x Conference		1 x Seminar	

conducted per year to increase awareness of employment law					
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7.2.3 Programme 2: Inspection and Enforcement Services Annual Targets for 2020/2021 per Legislation

ANNUAL TARGET	EE PROCEDURAL	EE: DG REVIEW	EE: RE-ASSESSMENT	BCEA	OHS	EAS	COID	TOTAL
Eastern Cape	89	89	89	16 810	1 295	1 380	995	20 747
Free State	65	65	65	11 383	2 253	1 387	704	15 922
Gauteng	360	360	360	31 039	4 672	2 612	989	40 392
Kwa-Zulu Natal	136	136	136	29 336	4 845	1 989	1 193	37 771
Limpopo	88	88	88	13 903	1 520	1 377	694	17 758
Mpumalanga	88	88	88	10 925	1 030	1 377	694	14 290
Northern Cape	88	88	88	5 182	694	1 377	694	8 211
North West	65	65	65	9 464	1 153	1 224	694	12 730
Western Cape	65	65	65	14 513	2 560	1 989	1 000	20 257
HO	-	-	-	-	245	-	-	245
TOTAL	1 044	1 044	1 044	142 555	20 267	14 712	7 657	188 323

7.2.4 Quarterly target per legislation per Province

EMPLOYMENT STANDARDS

EMPLOYMENT EQUITY

Number of workplaces (designated employers) inspected per year to determine compliance with employment equity legislation

- The Branch is expected to conduct **1 044** procedural inspections on designated employers:

Province	Annual target	Q1	Q2	Q3	Q4
Eastern Cape	89	26	47	68	89
Free State	65	19	34	49	65
Gauteng	360	106	191	276	360
Kwa-Zulu Natal	136	40	72	104	136
Limpopo	88	26	47	68	88
Mpumalanga	88	26	47	68	88
Northern Cape	88	26	47	68	88
North West	65	19	34	49	65
Western Cape	65	19	34	49	65
TOTAL	1 044	307	553	799	1 044

EMPLOYMENT EQUITY

Number of designated employers reviewed per year to determine compliance with employment equity legislation

- The Branch is expected to conduct **1 044** DG Reviews on designated employers:

Province	Annual target	Q1	Q2	Q3	Q4
Eastern Cape	89	26	47	68	89
Free State	65	19	34	49	65
Gauteng	360	106	191	276	360
Kwa-Zulu Natal	136	40	72	104	136
Limpopo	88	26	47	68	88
Mpumalanga	88	26	47	68	88

Northern Cape	88	26	47	68	88
North West	65	19	34	49	65
Western Cape	65	19	34	49	65
TOTAL	1 044	307	553	799	1 044

EMPLOYMENT EQUITY

Number of designated employers re-assessed per year to determine compliance with employment equity legislation

- The Branch is expected to conduct **1 044** re-assessments on designated employers:

Province	Annual target	Q1	Q2	Q3	Q4
Eastern Cape	89	26	47	68	89
Free State	65	19	34	49	65
Gauteng	360	106	191	276	360
Kwa-Zulu Natal	136	40	72	104	136
Limpopo	88	26	47	68	88
Mpumalanga	88	26	47	68	88
Northern Cape	88	26	47	68	88
North West	65	19	34	49	65
Western Cape	65	19	34	49	65
TOTAL	1044	307	553	799	1 044

BASIC CONDITIONS OF EMPLOYMENT ACT

Number of workplaces inspected per year to determine compliance with Basic Conditions of Employment

- The Branch is expected to conduct **142 555** workplace inspections to determine compliance with labour legislation.

Province	Annual target	Q1	Q2	Q3	Q4
Eastern Cape	16 810	4 944	8 899	12 854	16 810
Free State	11 383	3 348	6 026	8 705	11 383
Gauteng	31 039	9 129	16 432	23 735	31 039

Kwa-Zulu Natal	29 336	8 628	15 530	22 433	29 336
Limpopo	13 903	4 089	7 360	10 631	13 903
Mpumalanga	10 925	3 213	5 783	8 354	10 925
Northern Cape	5 182	1 524	2 743	3 962	5 182
North West	9 464	2 784	5 011	7 238	9 464
Western Cape	14 513	4 269	7 684	11 099	14 513
TOTAL	142 555	41 928	75 468	109 011	142 555

ADVOCACY AND EDUCATIONAL

Number of advocacy and educational sessions conducted per year in identified sectors

4 x Seminars conducted in the following disciplines:

- Q1 - Occupational Health and Safety
- Q2 - Employment Standards
- Conference
- Q3 - Occupational Health and Safety
- Conference
- Q4 - Employment Standards

2X Conferences to be conducted - 1 x Employment Standards and 1 x OHS

Where	Annual target	Q1	Q2	Q3	Q4
Head Office	6	1 x Seminar	1 x Seminar 1 x Conference	1 x Seminar 1 x Conference	1 x Seminar

PUBLIC EMPLOYMENT SERVICES

Percentage of inspections on request by PES on work permits applications, PEAs and TES conducted within 25 calendar days.

- 90% of inspections on request for permits conducted within 25 calendar days.

Province(s)	Annual target	Q1	Q2	Q3	Q4
All	90% of inspections on request for permits conducted within 25 calendar days	Driven by client need.	Driven by client need.	Driven by client need.	Driven by client need.

OCCUPATIONAL HEALTH AND SAFETY ACT

Number of Employer/User inspected per year to determine their compliance with the Occupational Health and Safety legislation

- The province and head office is expected to conduct **20 267** Employer/User inspections to determine compliance with OHS legislation.

Province	Annual target	Q1	Q2	Q3	Q4
Eastern Cape	1 295	381	686	991	1 295
Free State	2 253	663	1 193	1 724	2 253
Gauteng	4 672	1 374	2 473	3 572	4 672
Kwa-Zulu Natal	4 845	1 425	2 565	3 705	4 845
Limpopo	1 520	447	805	1 162	1 520
Mpumalanga	1 030	303	545	788	1 030
Northern Cape	694	204	367	530	694
North West	1 153	339	610	881	1 153
Western Cape	2 560	753	1 355	1 958	2 560
Head Office	245	72	130	187	245
TOTAL	20 267	5 961	10 729	15 498	20 267

EMPLOYMENT AUDIT SERVICES

Number of procedural and employer payroll audits conducted per annum to determine compliance with Unemployment Insurance Act and Unemployment Insurance Contributions.

- The Branch is expected to conduct **14 712** procedural and employer payroll audits conducted to determine compliance with the UIA and UICA.

	Annual target	Q1	Q2	Q3	Q4
Eastern Cape	1 380	406	731	1 056	1 380
Free State	1 387	408	734	1 061	1 387
Gauteng	2 612	768	1 382	1 997	2 612
Kwa-Zulu Natal	1 989	585	1 053	1 521	1 989
Limpopo	1 377	405	729	1 053	1 377
Mpumalanga	1 377	405	729	1 053	1 377
North Cape	1 377	405	729	1 053	1 377
Northern West	1 224	360	648	936	1 224
Western Cape	1 989	585	1 053	1 521	1 989
TOTAL	14 712	4 327	7 788	11 251	14 712

Compensation for Occupational Injuries and Diseases Act

Number of employer audits conducted per year to determine compliance with Compensation for Occupational Injuries and Diseases Act (COIDA)

- The Branch is expected to conduct **7 657** employer audits to determine compliance with the COIDA.

	Annual target	Q1	Q2	Q3	Q4
Eastern Cape	995	293	527	762	995
Free State	704	207	373	538	704
Gauteng	989	291	524	757	989
Kwa-Zulu Natal	1 193	351	632	913	1 193
Limpopo	694	204	367	530	694
Mpumalanga	694	204	367	530	694
Northern Cape	694	204	367	530	694
North West	694	204	367	530	694
Western Cape	1 000	294	529	764	1 000
TOTAL	7 657	2 252	4 053	5 854	7 657

7.2.5 Explanation of planned performance over the medium term period

The Inspection and Enforcement Services Branch derives its mandate from the following relevant legislation:

- Basic Conditions of Employment Act, Act 75 of 1997, as amended (BCEA)
- Employment Equity Act, Act 55 of 1998, as amended (EEA)
- Unemployment Insurance Act, 30 of 2001, as amended (UIA)
- Occupational Health and Safety Act, Act 85 of 1993, as amended (OHSA)
- Compensation for Occupational Injuries and Diseases, Act 130 of 1993, as amended (COIDA)
- Employment Services Act, Act 4 of 2014, as amended (ESA)
- Unemployment Insurance Contributions Act, Act 4 of 2002, as amended (UIC)
- National Minimum Wage Act, Act 9 of 2018 (NMWA)

a) The contribution of outputs towards achieving the outcomes and impact in the Strategic Plan aligned to the mandate of the institution; as well as the achievement of priorities of women, children and Persons with Disabilities

IES contributes to the overall Departmental mandate by providing advocacy, inspections and enforcement services on the relevant labour market laws administered to employers, employees and the general public. The main purpose being the compliance of employers to labour market laws

thereby creating decent work. Women, Persons with Disabilities are covered by the Employment Equity Act and children are covered in terms of the Occupational Health and Safety Act and the Basic Conditions of Employment Act.

b) Explanation of planned performance in relation to outputs must be discussed within budget programmes, the rationale for the choice of the outcome indicators relevant to the respective outcomes

Increased compliance and therefore improved conditions of employment (decent work) will be achieved through the achievement of the following outcome indicators:

- Conducting 188 323 compliance inspections by March 2021;
- Serving 90 per cent of noncompliant employers inspected with a notice in terms of relevant employment law within 14 calendar days of inspection;
- 50 Per cent of non-compliant employers received by Statutory Services referred for prosecution within 30 calendar days;
- Four (4) seminars and two (2) Conferences conducted per year to increase awareness of employment law.

The allocated budget for the Branch to implement its Programmes, is R **628 449 000**, R**720 493 000** and R **747 683 000** over the medium term.

c) Explanation of the outputs contribution to the achievement of the outcomes

The outputs that have been selected are expected to provide the greatest improvement in workplace compliance in line with the IES business model and strategy. Decent work is a right and not 'nice-to-have whenever if feel like it' matter. Employees, including the most vulnerable will enjoy the protection of the labour market laws as was intended in the Bill of Rights.

The rationale for the choice of the outcome indicators relevant to the respective outcomes

The indicators are based on the IES business model as the vehicle most relevant and appropriate for maximum impact.

Explanation of enablers to achieve the five-year targets

Key to the achievement of the five year targets will be:

- Adequate budget in goods and services to ensure inspectors are mobilised;
- Adequate tools of trade;
- Sufficient capacitated inspectors;
- Trained resources and
- Strong partnerships

Any compromise in any of the aforementioned will have a broad impact on achievements.

Explanation of the outcomes contribution to the achievement of the impact

The achievement of the outcome indicators will have the impact of improved compliance by increased protection in all sectors. Intended impact:

- Employers are registered with UIF and CF and pay what is required of them;
- Workers are paid what is due to them;
- Labour market is transformed and
- Workers work in healthy and safe workplaces

7.2.6 Programme Resource Considerations

Table: Budget Allocation for programme and subprogrammes

Programme:	Audited outcomes			Voted (Main Appropriation)	Revised Estimate	Medium Term Expenditure Estimate		
Inspection and Enforcement Services	2016/17	2017/18	2018/19	2019/20		Special Adjusted Allocation 2020/21	2021/22	2022/23
R-thousand								
Management and Support Services: IES	6 883	6 833	6 873	6 653	6 653	6 473	7 753	8 047
Occupational Health and Safety	23 870	25 868	27 759	34 499	34 499	33 247	39 268	40 746
Registration: IES	53 648	61 115	62 510	72 620	72 620	71 596	82 185	85 007
Compliance, Monitoring and Enforcement Services	367 843	414 853	438 975	501 849	502 299	504 799	573 808	595 746
Training of Staff: IES	4 673	4 971	5 684	5 606	5 606	3 268	6 238	6 472
Statutory and Advocacy	7 352	6 525	7 410	9 906	9 906	9 066	11 241	11 665
Total	464 269	520 165	549 211	631 133	631 583	628 449	720 493	747 683
Economic Classification								
Current Payments	428 843	470 596	514 174	614 092	614 092	611 384	702 480	728 642
Compensation of Employees	381 987	406 092	432 430	522 570	522 570	524 842	603 117	625 572
Goods and Services	46 856	64 504	81 744	91 522	91 522	86 542	99 363	103 070
Of which:								
Advertising	284	254	280	52	154	1 333	1 336	1 339
Communication	1 340	9 071	9 324	17 142	15 493	17 739	18 763	19 758
Computer Services	0	0	0	0	0	0	0	0
Consultants and Professional Services: Business and advisory services	301	247	506	241	241	360	380	394
Fleet Services	7 987	8 828	10 379	10 320	9 743	9 543	11 227	11 639
Consumables: Stationery, printing and office supplies	3 026	2 635	3 042	4 651	4 672	3 393	5 228	5 423
Operating Leases	217	444	474	888	926	936	987	1 024
Property Payments	286	5 884	6 291	6 281	6 861	6 856	5 805	5 966
Travel and Subsistence	22 596	25 729	38 554	29 336	29 176	29 346	30 946	31 915
Other Goods and Services	10 819	11 412	12 894	22 611	24 256	14 036	24 691	25 612
Interest and rent on land								
Transfers and Subsidies	1 696	1 760	1 358	76	526	80	84	88
Provinces and municipalities	28	6	49					
Departmental agencies and accounts								
Foreign governments and international organisations								
Public Corporations and private enterprises								
Non-profit institutions								
Households	1 668	1 754	1 309	76	526	80	84	88
Payments for capital assets	33 730	47 809	33 679	16 965	16 965	16 985	17 929	18 953
Buildings and other fixed structures								
Machinery and equipment	33 730	47 809	33 679	16 965	16 965	16 985	17 929	18 953
Software and other intangible assets								

Programme:	Audited outcomes			Voted (Main Appropriation)	Revised Estimate	Medium Term Expenditure Estimate		
	2016/17	2017/18	2018/19	2019/20		Special Adjusted Allocation 2020/21	2021/22	2022/23
Inspection and Enforcement Services								
Payments for financial assets								
Total	464 269	520 165	549 211	631 133	631 583	628 449	720 493	747 683

Narrative: Explanation of the contribution of resources towards achievement of outputs.

The IES Branch delivers one of the core functions of the Department of Employment and Labour and is responsible for ensuring compliance with all labour laws of the Republic of South Africa. This document will provide a rationale for the IES Branch's contribution to the 20% reduction in its budget that has been proposed at this critical time in IES. The Branch is expected to show how it will contribute by reducing its allocated budget of R676 893 000 to R628 449 000. The reduction will impact on the Goods and Services as well as the Compensation of Employees budgets.

Compensation of Employees

The consequence of reducing the budget on CoE is that any posts that have been advertised and on the verge of filling, will be filled and the budget will not be available against those posts. Every inspections post that will be cut or not filled will result in 15 inspections for the month not being achieved per inspector. In the case of the OHS inspector it would mean incidents not being investigated. On the other hand, it would mean the NMW not being monitored, etc. The culling of posts would therefore have a major impact on the enforcement of labour laws overall.

Goods & Services

Having considered the Table provided to IES in the meeting by the OCFO, IES has decided that it would cut costs on the following items as listed:

- Training & Development – original allocation R4 664 000. This can be slashed by 50% to R 2 332 000.
- Venues & Facilities – original amount allocated R 4 483 000. This can be slashed by 50% to R 2 241 500.
- Catering will be taken away as indicated and there is no discussion on this R 3 148 000.

The impact of the budget cut on the NDP and the MTSF would result in workers living in abject poverty as a result of employers not paying workers what is due to them. Incidents would not be investigated and compensation not being paid to workers from the Compensation Fund. Workers that die or may be permanently or even temporarily disabled would not be compensated and would therefore be a burden to the public health system as opposed to them being able to get proper medical treatment through the Compensation Fund.

Having feet on the ground is the most important part of inspections and investigations as it impacts directly on the lives of the most vulnerable. The greatest impact on the Programmes budget will be felt by Travel and Subsistence; Venues & Facilities and Property and Payment. The greatest variable on the IES budget is due to the operations arm of the Programme at Provincial level.

Travel & Subsistence is the life blood of the IES programme and is linked to inspections on the ground. The inspectors are required to travel on a daily basis all over the country. Any cut in Travel and Subsistence will result in the inspectors being office bound and as a consequence, no work or very little work being done, depending on the size of the budget cut. The nature of inspections and investigations is that it is out of the office and is evidence based. In the case of reactive inspections, clients will report a matter for which an inspector would be required to go out and do an investigation.

The number of complaints reported is a thumb suck year on year and is dependent on several variables. Proactive inspections are more controlled and rely on the inspectors planning their work. The inspectors now identify sectors that they will inspect in a year and plan accordingly. There is therefore more control over this aspect. By reducing the budget however, the bread and butter area of the Programmes work will be affected radically.

Adding to the pressure on the budget is the month-on-month increase on the petrol price (occasional decrease) and the threat on the overall targets of the branch which is required to meet a certain number of inspections monthly.

Over and above these concerns raised, the programme will have to put on hold any of its projects. Due to these budget cuts, the Branch will need to re-evaluate how it will move forward.

In addition to the aforementioned, the programme is currently running the following model: advocacy, inspections and enforcement and the current structure is hopelessly understaffed to the extent that certain components of the model are skewed and not working synchronously with other components of the model. An example would be the current ratio of enforcement officers in statutory services that is required to prepare and submit cases to court for recommending prosecutions. This component is undoubtedly understaffed to the extent that there is an overlap of cases month after month due to cases that too numerous to be sent through. All cases are required to go through the statutory services officers before being submitted to court. Additional work was put onto the inspectors in the form of the National Minimum Wage Act (NMWA) without the addition of staff to monitor this sector. Staff was therefore redirected to monitor this area.

In Conclusion

The Branch is able to squeeze together the amount of R 95 363 899 from its overall allocation of R 676 893 000 for the FY 2020/2021 which amounts to 14%. Furthermore, R95 363 899 is 70% of the amount sought by the Department from IES Branch.

7.2.7 Key Risks

Outcome	Key Risk	Risk Mitigation
Vulnerable Employees and others are protected through inspection and/or enforcement of labour legislation	Non-compliance by employers and users with labour legislation	<ol style="list-style-type: none"> 1. Advocacy programs target problematic and high risk sectors 2. Blitz Inspection Programmes conducted at provincial level into specific sectors 3. Increasing awareness of external stakeholders 4. To improve compliance with the Employment Equity Act through targeting companies such as JSE listed companies

Outcome	Key Risk	Risk Mitigation
		and institutions of Higher Learning 5. Increasing the capacity of inspectors
Vulnerable Employees and others are protected through inspection and/or enforcement of labour legislation	Misalignment and lagging of the law with developments (technology, environmental, systemic, research based developments)	1. Contribute to the Research Agenda of the Department 2. Amendment of outdated regulations

7.3 Programme 3: Public Employment Services

Purpose: Assist companies and workers to adjust to changing labour market conditions.

Objectives

- Provide public employment services by:
 - Registering 750 000 work seekers on ESSA by 31 March 2021
 - Registering 50 000 work opportunities on the employment services of South Africa database system by 31 March 2021
 - Providing employment counselling to 220 000 work seekers by 31 March 2021
 - Filling 15 000 registered employment opportunities by 31 March 2021
 - Conclude 15 partnership agreements with various stake holders
 - Develop Employment Policies to be tabled to the ES Board
- Increasing employment for Persons with Disabilities by providing quarterly funding over the medium term, and monitoring disability organisations on an on-going basis.

Sub-programmes

- *Management and Support Services: Public Employment Services* manages delegated administrative and financial responsibilities; coordinates all planning, monitoring and evaluation functions; and provides corporate support to line function subprogrammes.
- *Employer Services* registers work opportunities, facilitates the employment of foreign nationals where such skills do not exist in South Africa, oversees placements, responds to companies in distress, provides a social plan and regulates private employment agencies.
- *Work Seeker Services* registers work seekers, retrenched workers, work and learning opportunities, training and income-generating opportunities on the Employment Services of South Africa system, and facilitates access to employment and income-generating opportunities for the unemployed and underemployed.
- *Designated Groups Special Services* facilitates the transfer of subsidies to national organisations to promote the employment of Persons with Disabilities.
- *Supported Employment Enterprises* transfers promote supported employment for persons with long-term physical, mental or sensory impairment disabilities
- *Productivity South Africa* transfers funds to Productivity South Africa, which promotes workplace productivity, competitiveness and social plan interventions.
- *Unemployment Insurance Fund* provides for the possible future funding of the Unemployment Insurance Fund.
- *Compensation Fund* provides for costs incurred through claims from civil servants for injuries sustained on duty or occupation- related illnesses and diseases, and provides for the funding of claims from the Compensation Fund.
- *Training of Staff: Public Employment Services* defrays all expenditure relating to staff training in the programme to easily identify this expenditure for reporting purposes.

7.3.1 Outcomes, Outputs, Performance Indicators and Targets

DEL Outcome	Outputs	Output Indicators	Annual Targets						
			Audited/Actual Performance			Estimated Performance	MTEF Period		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
MTSF OUTCOME: More decent jobs created and sustained, with youth, women and persons with disabilities prioritised									
Contribute to decent employment creation	1. Work seekers registered	1.1 Number of work-seekers registered on Employment Services of South Africa per year	666 719	890 523	888 553	700 000	750 000	800 000	800 000
	2. Work and learning opportunities registered	2.1 Number of employment opportunities registered on the Employment Services South Africa per year	74 510	109 917	142 804	90 000	50 000	100 000	105 000
	3. Employment counselling provided	3.1 Number of registered work-seekers provided with employment counselling per year	197 247	193 573	240 675	210 000	220 000	230 000	240 000
	4. Work seekers placed in work and learning opportunities	4.1 Number of registered employment opportunities filled by registered work seekers per year	12 517	21 076	49 968	45 000	15 000	50 000	55 000
	5. Partnerships agreements concluded	5.1 Number of partnerships agreements concluded with various stakeholders	n/a	n/a	n/a	n/a	15	46	55
	6. Policies developed and approved	6.1 Number of policies developed and approved	n/a		n/a	n/a	1	1	1

7.3.2 Indicators, Annual and Quarterly Targets

Output Indicator	Annual Target	Q1	Q2	Q3	Q4
1.1 Number of work-seekers registered on Employment Services of South Africa per year	750 000	172 500	187 500	172 500	217 500
2.1 Number of employment opportunities registered on the Employment Services South Africa per year	50 000	23 750	32 500	41 250	50 000
3.1 Number of registered work-seekers provided with employment counselling per year	220 000	52 800	114 400	162 800	220 000
4.1 Number of registered employment opportunities filled by registered work seekers per year	15 000	11 875	12 916	13 958	15 000
5.1 Number of partnerships agreements concluded with various stakeholders	15	5	8	11	15
6.1 Number of policies developed and approved	1	Draft 1 of Employment Policy finalised	Public comments received	Stakeholder consultations undertaken	Final policy revised, approved by the BMC and tabled to the ES Board

7.3.3 Programme 3: Public Employment Services Annual Targets for 2020/2021 per Province

Output Indicators Annual targets and Provincial Targets

Output Indicator	Annual Target		Q1		Q2		Q3		Q4	
1.1 Number of work-seekers registered on Employment Services of South Africa per year	750 000		172 500		187 500		172 500		217 500	
	EC	90 000	EC	20 700	EC	22 500	EC	20 700	EC	26 100
	FS	52 500	FS	12 075	FS	13 125	FS	12 075	FS	15 225
	GP	195 000	GP	44 850	GP	48 750	GP	44 850	GP	56 550
	KZN	127 500	KZN	29 325	KZN	31 875	KZN	29 325	KZN	36 975
	LP	52 500	LP	12 075	LP	13 125	LP	12 075	LP	15 225
	MP	60 000	MP	13 800	MP	15 000	MP	13 800	MP	17 400
	NC	30 000	NC	6 900	NC	7 500	NC	6 900	NC	8 700
	NW	45 000	NW	10 350	NW	11 250	NW	10 350	NW	13 050
	WC	97 500	WC	22 425	WC	24 375	WC	22 425	WC	28 275
	TOTAL	750 000	TOTAL	172 500	TOTAL	187 500	TOTAL	172 500	TOTAL	217 500

Output Indicator	Annual Target		Q1		Q2		Q3		Q4	
2.1 Number of employment opportunities registered on the Employment Services South Africa per year.	50 000		23 750		32 500		41 250		50 000	
	EC	6 841	EC	3 250	EC	4 447	EC	5 645	EC	6 841
	FS	3 948	FS	1 875	FS	2 566	FS	3 257	FS	3 948
	GP	9 579	GP	4 550	GP	6 226	GP	7 903	GP	9 579
	KZN	7 895	KZN	3 750	KZN	5 132	KZN	6 513	KZN	7 895
	LP	5 263	LP	2 500	LP	3 421	LP	4 342	LP	5 263
	MP	4 211	MP	2 000	MP	2 737	MP	3 474	MP	4 211
	NC	3 053	NC	1 450	NC	1 984	NC	2 518	NC	3 053
	NW	3 421	NW	1 625	NW	2 224	NW	2 822	NW	3 421
	WC	5 789	WC	2 750	WC	3 763	WC	4 776	WC	5 789
	TOTAL	50 000	TOTAL	23 750	TOTAL	32 500	TOTAL	41 250	TOTAL	50 000
3.1 Number of registered work-seekers provided with employment counselling per year	220 000		52 800		114 400		162 800		220 000	
	EC	27 938	EC	6 706	EC	14 528	EC	20 675	EC	27 938
	FS	19 206	FS	4 609	FS	9 987	FS	14 212	FS	19 206
	GP	45 396	GP	10 895	GP	23 606	GP	33 593	GP	45 396
	KZN	27 938	KZN	6 705	KZN	14 528	KZN	20 674	KZN	27 938
	LP	22 698	LP	5 448	LP	11 803	LP	16 797	LP	22 698
	MP	26 190	MP	6 286	MP	13 619	MP	19 381	MP	26 190
	NC	12 222	NC	2 933	NC	6 355	NC	9 044	NC	12 222
	NW	17 460	NW	4 190	NW	9 079	NW	12 920	NW	17 460
	WC	20 952	WC	5 028	WC	10 895	WC	15 504	WC	20 952
	TOTAL	220 000	TOTAL	52 800	TOTAL	114 400	TOTAL	162 800	TOTAL	220 000
4.1 Number of registered employment opportunities filled by registered work seekers per year	15 000		11 875		12 916		13 958		15 000	
	EC	2 050	EC	1 625	EC	1 766	EC	1 908	EC	2 050
	FS	1 184	FS	937	FS	1 020	FS	1 102	FS	1 184
	GP	2 874	GP	2 275	GP	2 474	GP	2 674	GP	2 874
	KZN	2 367	KZN	1 875	KZN	2 039	KZN	2 203	KZN	2 367
	LP	1 580	LP	1 250	LP	1 360	LP	1 470	LP	1 580
	MP	1 264	MP	1 000	MP	1 088	MP	1 176	MP	1 264
	NC	917	NC	725	NC	789	NC	853	NC	917
	NW	1 026	NW	813	NW	884	NW	955	NW	1 026
	WC	1 738	WC	1 375	WC	1 496	WC	1 617	WC	1 738
	TOTAL	15 000	TOTAL	11 875	TOTAL	12 916	TOTAL	13 958	TOTAL	15 000

7.3.4 Explanation of planned performance over the medium term period

Public Employment Services derives its mandate from:

- Employment Services Act 4 of 2014
- Applicable provisions that remain in the Skills Development Act 14 of 1998 and
- Applicable provisions of the Immigration Act 2002

a) The contribution of outputs towards achieving the outcomes and impact in the Strategic Plan aligned to the mandate of the institution; as well as the achievement of priorities of women, youth and Persons with Disabilities.

PES contributes to DEL mandate by providing assistance to companies and workers to adjust to changing labour market conditions, and to regulate private employment agencies.

Branch activities and outputs are focused on increased placement of work seekers to work and learning opportunities.

b) Explanation of planned performance in relation to outputs must be discussed within budget programmes, the rationale for the choice of the outcome indicators relevant to the respective outcomes

Increased placement of work seekers to work and learning opportunities will be achieved through the outcomes outlined below.

- (i) Number of work seekers registered on Employment Services of South Africa per year
- (ii) Number of work and learning opportunities registered
- (iii) Number of work seekers provided with employment counselling
- (iv) Number of work seekers placed in work and learning opportunities
- (v) Number of partnership agreements concluded with various stakeholders
- (vi) Number of policies developed and approved.

The allocated budget for the Branch to implement its Programmes, is R 592 959 000, R685 905 000 and R711 437 000 over the medium term.

c) Explanation of the outputs contribution to the achievement of the outcomes

All outputs identified by the Branch contribute to improvement of work-seekers' work readiness and placement.

The rationale for the choice of the outcome indicators relevant to the respective outcomes

The outcomes will assist many work-seekers, to register themselves as work-seekers on the national register of the employed, and receive job preparation support, including counselling, psychometric assessment and job preparation.

Explanation of enablers to achieve targets

Sufficient budget to enable the establishment of employment centres and provision of equipment is required.

Explanation of the outcomes contribution to the achievement of the impact

The achievement of the outcome indicators will have the impact of improved placement of work-seekers into learning opportunities and permanent jobs.

7.3.5 Programme Resource Considerations

Table: Budget Allocation for programme and subprogrammes

Programme	Audited outcomes			Voted (Main Appropriation)	Revised Estimate	Medium Term Expenditure Estimate		
Public Employment Services	2016/17	2017/18	2018/19	2019/20		Special Adjusted Allocation 2020/21	2021/22	2022/23
R-thousand								
Management and Support Services: PES	89 487	42 545	48 058	51 962	51 962	48 226	61 835	64 165
Employer Services	81 451	76 833	89 458	124 735	120 365	107 301	143 384	148 603
Work-Seeker Services	115 141	130 559	156 640	184 436	173 990	178 386	206 499	214 323
Designated Groups Special Services	11 300	12 221	10 125	21 525	21 525	22 709	24 412	25 322
Supported Employment Enterprises and Subsidies to Designated Workshops	148 692	145 995	142 175	155 733	155 733	160 348	169 311	175 588
Productivity South Africa	59 057	60 064	78 361	54 610	54 610	57 069	60 210	62 428
Unemployment Insurance Fund	0	0	0	1	1	1	1	1
Compensation Fund	19 031	15 917	16 123	16 877	40 107	17 805	18 784	19 482
Training of Staff: PES	720	1 409	1 877	1 319	1 319	1 114	1 469	1 525
Total	524 879	485 543	542 817	611 198	619 612	592 959	685 905	711 437
Economic Classification								
Current Payments	294 637	253 968	296 994	367 956	352 990	338 947	414 942	430 987
Compensation of Employees	272 276	220 393	255 780	327 729	312 763	310 079	372 897	386 777
Goods and Services	22 361	33 575	41 214	40 227	40 227	28 868	42 045	44 210
Of which:								
Advertising	233	676	1 841	1 346	1 346	670	870	870
Communication	1 478	4 088	4 156	3 086	3 086	3 589	3 792	3 810
Computer Services		45	60		2 700	2 700	2 700	2 700
Consultants and Professional Services: Business and advisory services	27	108	195	500	500	400	500	500
Fleet Services	2 751	4 023	2 209	5 774	4 074	0	1 198	1 198
Consumables: Stationery, printing and office supplies	1 531	1 246	2 556	3 661	2 661	1 576	2 012	2 012
Operating Leases	310	416	356	2 107	2 107	798	998	998
Property Payments	158	5 922	6 399	2 746	2 746	6 165	8 399	8 612
Travel and Subsistence	8 910	10 822	13 743	12 088	12 088	5 389	11 365	12 943
Other Goods and Services	6 963	6 229	9 699	8 919	8 919	7 581	10 211	10 567
Interest and rent on land								
Transfers and Subsidies	229 351	230 845	241 808	241 986	265 366	250 686	264 931	274 745
Provinces and municipalities	11	8						
Departmental agencies and accounts	78 088	75 981	94 461	71 488	94 718	74 875	78 995	81 911
Foreign governments and international organisations								
Public Corporations and private enterprises								
Non-profit institutions	149 868	153 528	146 904	170 448	170 448	175 758	185 880	192 775
Households	1 384	1 328	443	50	200	53	56	59
Payments for capital assets	891	730	4 015	1 256	1 256	3 326	6 032	5 705

Programme	Audited outcomes			Voted (Main Appropriation)	Revised Estimate	Medium Term Expenditure Estimate		
	2016/17	2017/18	2018/19	2019/20		Special Adjusted Allocation 2020/21	2021/22	2022/23
Public Employment Services								
Buildings and other fixed structures								
Machinery and equipment	891	730	4 015	1 256	1 256	3 326	6 032	5 705
Software and other intangible assets								
Payments for financial assets								
Total	524 879	485 543	542 817	611 198	619 612	592 959	685 905	711 437

Narrative: Explanation of the contribution of resources towards achievement of outputs.

South Africa' levels of unemployment levels remains very high at an estimated 10 million people unemployed. These numbers are projected to increase by another 690 000 to 1,79 million due to the impact of the Covid-19 and adjustments that companies are likely to make post the lockdown. The Department of Employment Labour was put under tremendous pressure to pay workers under the Unemployment Insurance Fund and this trend is likely to continue with the millions that are likely to lose employment.

As part of the reconfiguration of the Department to reposition itself to deal with the levels of high unemployment, a process has been initiated to develop an National Employment Policy that will amongst others have sub-themes to deal with Labour Migration to address the influx of undocumented migrants and the resultant unfair employment competition and exploitation and the Employment Schemes to provide short term employment and income relief. Whilst the policy may take two years to complete, the two sub-themes are at an advanced stage given their urgency.

Due to the Covid-19 outbreak and resultant restrictions, the Department's plans were impacted upon and savings will be realized in the Compensation of Employees due to delays in filling of vacancies, massive reduction in the travelling between Head Office and the Provinces due to Covid-19 restrictions and suspension of Capital Project on establishment of Youth Centres. The proposed budget reduction and suspension of a number of interventions will in turn impact on the 2020/21 targets as outlined in the Annual Performance Plan and on the Department's initiatives to play a much more active role in facilitating job creation, registration of the work seekers and providing them with counselling services.

The reduction on Transfers to entities especially the Supported Employment Enterprises budget will impact on the projected 100 increase, in the number of people with disabilities employed, percentage increase in the revenue generated and expansion to Mpumalanga will not be realised during the 2020/21. The 10 Designated organisations receiving employment subsidies for employing people with disabilities administration costs will be reduced and the investments into youth centres assets will be reduced to one and the balance of the budget will be allocated towards funding the VAT component of the Education for Employment (E4E) Youth Centres to be funded by the European Union.

Supporting work seekers

The sub-programme Work-seeker Services has adjusted the manner in which work seekers are to be registered as long as covid-19 exists and will also innovate and modify its operations going forward. The registration will be mostly online; drop boxes at Labour Centers and visiting points, and will also

draw on the UIF retrenchment and dismissals UI 17 form. The development of the Youth Centers model under the E4E will be adjusted to mobile units that can reach out to outlying areas and avoid congestion in the limited Labour Centre spaces. The model centres will also accommodate the counselling services and screening of work seekers in their communities.

The registration of work seekers will require further discussions with the Department of Social Development as there are far reaching implications posts the six months Covid-19 R350 grant period. The 2020/21 target of 800 000 will be exceeded although it will put tremendous strain to the Labour Centres due to shortages of Client Services Officers within PES across the country. The suspension of the Youth Centre Roll-out and installation of self-service stations to the 64 remaining Labour Centres will also impact on the PES employment intervention processes. The target of Employment counselling will be provided to 800 000 registered work seekers over the medium term. The targets for counselling services, employment opportunities and placement will depend on the agreements concluded with a range of stakeholders, the new electronic and social distancing method of providing them, the acceptable means of verification by both Internal Audit and the Auditor General.

7.3.6 Key Risks

Outcome	Key Risk	Risk Mitigation
1. Work-seekers registered	Insufficient placement of registered work-seekers in registered opportunities	<ul style="list-style-type: none"> Automation of PES processes
2. Work-seekers placed in work and learning opportunities	Insufficient placement of registered work-seekers in registered opportunities	<ul style="list-style-type: none"> ESSA Online SoP Roll-out of Self-help stations (kiosks) Conclusion of strategic partnerships (Strategic Infrastructure Partnerships, etc.) Roll out of active labour market programs
3. Employment counselling provided	Inadequate counselling tools	<ul style="list-style-type: none"> Employment Counselling SoP Modernised SPEEX learner assessment battery implemented PACE career interest questionnaire developed and implemented
4. Work seekers placed in work and learning opportunities	Insufficient placement of registered work-seekers in registered opportunities	<ul style="list-style-type: none"> ESSA Online SoP Roll-out of Self-help stations (kiosks) Conclusion of strategic partnerships (Strategic Infrastructure Partnerships, etc.) Roll out of active labour market programs
5. Partnerships concluded	Uncertainty on partners' collaboration	<ul style="list-style-type: none"> MoUs developed and concluded
6. Policies developed and approved	Lack of collaboration between key stakeholders	<ul style="list-style-type: none"> Wide consultation and discussion to deal with stakeholders' concerns and inputs

7.4 Programme 4: Labour Policy and Industrial Relations

Purpose: Facilitate the establishment of an equitable and sound labour relations environment, support institutions that promote social dialogue; promote South Africa's interests in international labour matters, conduct research, analysis and evaluation of labour policy and provide statistical data on the labour market.

Objectives

- Improve employment equity implementation and compliance monitoring mechanisms in the labour market by:

- publicising the 2019/20 employment equity annual report and public register by 30 June 2020
- developing the 2020/2021 employment equity annual report and public register by 31 March 2021
- Extend protection to vulnerable workers by publishing national minimum wages for all sectors
- Promote sound labour relations and centralised collective bargaining through the extension of collective agreements and 100 per cent registration of qualifying labour and employer organisations by 31 March 2021
- Monitor and evaluate the impact of labour legislation to promote an evidence-based labour policy framework through the production of research and labour market trend reports by 31 March 2021.

Subprogrammes

- *Management and Support Services: Labour Policy and Industrial Relations* manages delegated administrative and financial responsibilities; coordinates all planning, monitoring and evaluation functions; and provides corporate support to line function subprogrammes
- *Strengthen Civil Society* transfers funds to various civil society organisations that protect vulnerable workers by providing resources, support and expertise to improve the independence and self-reliance of workers, in order to contribute to a stable and well-functioning labour market
- *Collective Bargaining* manages the implementation of the Labour Relations Act (1995) through policies and practices that promote sound labour relations by: registering labour organisations and deregistering those that are noncompliant, publishing and extending collective agreements; supporting and advancing participation in collective bargaining structures, and participating in relevant National Economic Development and Labour Council activities
- *Employment Equity* promotes equity in the labour market through the elimination of unfair discrimination and the promotion of equitable representation in the workplace
- *Employment Standards* protects vulnerable workers in the labour market by administering the Basic Conditions of Employment Act (1997)
- *Commission for Conciliation, Mediation and Arbitration* transfers funds to the Commission for Conciliation, Mediation and Arbitration, which promotes social justice and fairness in the workplace through dispute prevention and dispute resolution services
- *Research, Policy and Planning* monitors and evaluates the impact of labour legislation and policies that affect the South African labour market
- *Labour Market Information and Statistics* collects, collates, analyses and disseminates internal and external labour market statistics regarding changes in the South African labour market as a result of the implementation of labour legislation
- *International Labour Matters* contributes to global policy formulation and facilitates compliance with international obligations through multilateral and bilateral relations
- *National Economic Development and Labour Council* transfers funds to the National Economic Development and Labour Council, which promotes economic growth, participation in economic decision making and social equity through social dialogue.

7.4.1 Outcomes, Outputs, Performance Indicators and Targets

DEL Outcome	Outputs	Output Indicators	Annual Targets							
			Audited/Actual Performance			Estimated Performance	MTEF Period			
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	
MTSF OUTCOME: Equal opportunities, inclusion and redress										
<ul style="list-style-type: none">• Promote Equity in the Labour Market• Protect vulnerable workers	1. Amend the Employment Equity Act to enable the regulation of Sector EE Targets by 2023	1.1 Amendments to the Employment Equity Act promulgated and implemented by 31 March 2021	-	-	-	EE Amendment Bill tabled to Cabinet by 31 March 2020	EEA amendments tabled in Parliament by 31 March 2021	EEA amendments finalised by March 2022	Employment Equity Act amended, enacted and enforced by 2023	
	2. A number of policy instruments developed and promoted to enhance the implementation of EEA per annum	2.1 2019-2020 Annual EE Report and Public Register published by 30 September 2020	-	Only the 2016-2017 Annual Employment Equity Report was published in May 2017	2017-2018 Annual Employment Equity Report and Public Register published by 30 June 2018	2018-2019 Annual Employment Equity Report and Public Register published by 30 June 2019	2019-2020 Annual Employment Equity Report and Public Register published by 30 September 2020	2020-2021 Annual Employment Equity Report and Public Register published by 30 June 2021	2021-2022 Annual Employment Equity Report and Public Register published by 30 June 2022	
		2.2 2020-2021 Annual EE report and Public Register developed by 31 March 2021	2016-2017 Annual Employment Equity Report and Public Register developed by 31 March 2017	2017-2018 Annual Employment Equity Report and Public Register developed	2018–2019 Annual Employment Equity Report and Public Register developed by 31 March 2019	2019-2020 Annual Employment Equity Report and Public Register developed by 31 March 2020	2020-2021 Annual Employment Equity Report and Public Register developed by 31 March 2021	2021-2022 Annual Employment Equity Report and Public Register developed by 31 March 2022	2022-2023 Annual Employment Equity Report and Public Register developed by 31 March 2023	
		2.3 Development of Income differential data collection tool (EEA4 form) for designated				New	Income differential data collection tool (EEA4 form) for designated employers	Income differential data collection tool (EEA4 form) for designated employers	Income differential data collection tool (EEA4 form) for designated employers	

DEL Outcome	Outputs	Output Indicators	Annual Targets						
			Audited/Actual Performance			Estimated Performance	MTEF Period		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
MTSF OUTCOME: Equal opportunities, inclusion and redress									
		employers					developed and implemented	implemented	implemented
		2.4 Law and policy interventions developed to protect specific groups of workers who are particularly vulnerable to specific forms of gender-based violence				New indicator	Draft Code of good practice on elimination of harassment and violence in the world of work developed by 31 March 2021	Code of good practice on elimination of harassment and violence in the world of work published by 31 March 2022	Code of good practice on elimination of harassment and violence in the world of work implemented by 31 March 2023
	3. Annually review the national minimum wage level	3.1 Review of the National Minimum Wage level per annum	New	NMW Bill is still before Parliament for consideration	Implementation of the National Minimum Wage by 1 May 2018 not achieved due to delays in the parliamentary processes, the National Minimum Wage Act was only assented to by the President on 27 November 2018	Review of the National Minimum Wage level by 31 March 2020	Review of the National Minimum Wage level by 31 March 2021	Review of the National Minimum Wage level by 31 March 2022	Review of the National Minimum Wage level by 31 March 2023
	4. % of collective agreements assessed and	4.1 100% of collective agreements	62% of collective agreements extended with 90 calendar days	50% of collective agreements extended	20 (Twenty) collective agreements were received	100% of collective agreements where both	100% of collective agreements assessed and	100% of collective agreements assessed and	100% of collective agreements assessed and

DEL Outcome	Outputs	Output Indicators	Annual Targets						
			Audited/Actual Performance			Estimated Performance	MTEF Period		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
MTSF OUTCOME: Equal opportunities, inclusion and redress									
	verified within 180 working days of receipt per annum	assessed and verified within 180 working days of receipt per annum	of receipt. 26 collective agreements received in 2016/2017 16 extended within 90 days 10 extended in longer than 90 days	within 90 calendar days of receipt by end of March 2018	16 (Sixteen) Extended within 90 calendar days of receipt = 80% 4 (four) extended in longer than 90 calendar days of receipt = 20%	parties are not majority or a funding agreement assessed and verified within 180 days of receipt by end of March 2020	verified within 180 working days of receipt by 31 March 2021	verified within 180 working days of receipt by 31 March 2022	verified within 180 working days of receipt by 31 March 2023
	5. % of labour organisations ' applications for registration approved or refused within 90 working days of receipt per annum	5.1 100% of labour organisations' applications for registration approved or refused within 90 working days of receipt per annum	96% 118 applications were received. 11 applications for registration approved within 90 calendar days 102 applications for registration refused within 90 working days	98% of labour organization applications approved or refused within 90 days of receipt by end of March 2018	100% 133 (One hundred and thirty-three) applications received 114 (One hundred and fourteen) refused within 90 calendar days of receipt 19 (Nineteen) approved within 90 calendar days of receipt	100% of labour organisation applications for registration approved or refused within 90 days of receipt by end of March 2020	100% of labour organisations' applications for registration approved or refused within 90 working days of receipt by 31 March 2021	100% of labour organisations' applications for registration approved or refused within 90 working days of receipt by 31 March 2022	100% of labour organisations' applications for registration approved or refused within 90 working days of receipt by 31 March 2023

DEL Outcome	Outputs	Output Indicators	Annual Targets						
			Audited/Actual Performance			Estimated Performance	MTEF Period		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
MTSF OUTCOME: Equal opportunities, inclusion and redress									
MTSF OUTCOME: A Better South Africa Strengthen multilateral and bilateral relations	6. Number of progress reports on bilateral cooperation and multilateral obligations signed off by the minister annually	6.1 Progress reports on bilateral cooperation and multilateral obligations signed off by the minister annually	1 mid-term and 1 annual implementation reports submitted in September and March respectively.	Mid –term implementation report by 30 September 2017 1 Annual implementation report by 31 March 2018	2017/18 1 Annual implementation report signed off by the Minister on 30 April 2018 1 Mid –term implementation report signed off by the Minister by 31 October 2018	2 Reports on the implementation of bilateral cooperation and multilateral obligations signed off by the Minister by 31 March 2019 • 1 Annual implementati on report submitted to the Minister for sign-off by 30 April 2020 1 Mid –term implementation report submitted to the Minister by 31 October 2020 for sign-off	2 Reports on the implementation of bilateral cooperation and multilateral obligations signed off by the Minister annually • 1 Annual implementati on report submitted to the Minister for sign-off by 30 April 2020 • 1 Mid –term implementati on report submitted to the Minister by 31 October 2020 for sign-off	2 Reports on the implementation of bilateral cooperation and multilateral obligations signed off by the Minister annually • 1 Annual implementati on report submitted to the Minister for sign-off by 30 April 2021 • 1 Mid –term implementati on report submitted to the Minister by 31 October 2021 for sign-off	2 Reports on the implementation of bilateral cooperation and multilateral obligations signed off by the Minister annually • 1 Annual implementati on report submitted to the Minister for sign-off by 30 April 2022 • 1 Mid –term implementati on report submitted to the Minister by 31 October 2022 for sign-off

DEL Outcome	Outputs	Output Indicators	Annual Targets							
			Audited/Actual Performance			Estimated Performance	MTEF Period			
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	
MTSF OUTCOME: Equal opportunities, inclusion and redress										
MTSF OUTCOME More decent jobs created and sustained, with youth, women and persons with disabilities prioritised DEL OUTCOME: Monitor the impact of legislation	7. Analyse and report on the labour market trends annually	7.1 Number of labour market trend reports produced per annum	4 Annual labour market trend reports produced	4 Annual labour market trend reports produced	4 Annual labour market trend reports produced	4 Annual labour market trend reports produced	4 Annual labour market trend reports produced	4 Annual labour market trend reports produced	4 Annual labour market trend reports produced	4 Annual labour market trend reports produced
	8. Research reports developed on the impact of labour legislation to the labour market	8.1 Number of Research reports on the impact of labour legislation to the labour market produced and submitted to the Deputy Director General: LP&IR per annum	2 Research reports produced and submitted by 31 March 2017	4 literature review reports for labour market research produced and signed off by the Deputy Director General: LP&IR by 31 March 2018	4 Research reports in line with RME Agenda produced and signed submitted to the Deputy Director General: LP&IR by 31 March 2019	Number of service providers to conduct research identified and submitted to DBAC by 31 March 2020	3 Research service providers to conduct research identified and recommended to DBAC by 31 March 2021	3 Research reports in line with RME Agenda produced and signed submitted to the Deputy Director General: LP&IR by 31 March 2022	3 Research reports in line with RME Agenda produced and signed submitted to the Deputy Director General: LP&IR per annum	

7.4.2 Indicators, Annual and Quarterly Targets

Output Indicator	Annual Target	Q1	Q2	Q3	Q4
1.1 Amendments to the Employment Equity Act promulgated and implemented per annum	EEA amendments tabled in Parliament by 31 March 2021				EEA amendments tabled in Parliament by 31 March 2021
2.1 2019-2020 Annual EE Report and Public Register published per annum	2019-2020 Annual Employment Equity Report and Public Register published by 30 June 2020	2019-2020 Annual EE Report and Public Register published by 30 June 2020	2019-2020 Annual EE Report and Public Register published by 30 September 2020 ⁸		
2.2 2020-2021 Annual EE report and Public Register developed per annum	2020-2021 Annual Employment Equity Report and Public Register developed by 31 March 2021				2020-2021 Annual Employment Equity Report and Public Register developed by 31 March 2021
2.3 Develop Codes of Good Practice to eliminate harassment and violence in the world of work	Draft Code of good practice on elimination of harassment and violence in the world of work developed by 31 March 2021				Draft Code of good practice on elimination of harassment and violence in the world of work developed by 31 March 2021
2.4 Development of Income differential data collection tool (EEA4 form) for designated employers	Income differential data collection tool (EEA4 form) for designated employers developed and implemented				Income differential data collection tool (EEA4 form) for designated employers developed and implemented by 31 March 2021
3.1 Review of the National Minimum Wage level per annum	Review of the National Minimum Wage level by 31 March 2021	NMW investigation report published by 30 June 2020	NMW investigation report published by 30 September 2020 ⁹		NMW reviewed and published to reflect new minimum wage rates by 31 March 2021
4.1 100% of collective agreements assessed and verified within 180 working days of per annum	100% of collective agreements assessed and verified within 180 working days of receipt by 31 March 2021	100% of collective agreements assessed and verified within 180 working days of receipt by 30 June 2020	100% of collective agreements assessed and verified within 180 working days of receipt by 30 September 2020	100% of collective agreements assessed and verified within 180 working days of receipt by 31 December 2021	100% of collective agreements assessed and verified within 180 working days of receipt by 31 March 2021

⁸ Deadline reviewed due to delays in obtaining approvals for publication due to COVID-19 lockdown

⁹ Target moved due to Covid-19 lockdown.

Output Indicator	Annual Target	Q1	Q2	Q3	Q4
5.1 100% of labour organisations' applications for registration approved or refused within 90 working days of receipt per annum	100% of labour organisations' applications for registration approved or refused within 90 working days of receipt by 31 March 2021	100% of labour organisations' applications for registration approved or refused within 90 working days of receipt by 30 June 2020	100% of labour organisations' applications for registration approved or refused within 90 working days of receipt by 30 September 2020	100% of labour organisations' applications for registration approved or refused within 90 working days of receipt by 31 December 2020	100% of labour organisations' applications for registration approved or refused within 90 working days of receipt by 31 March 2021
6.1 Progress reports on bilateral cooperation and multilateral obligations signed off by the minister annually	<p>2 Reports on the implementation of bilateral cooperation and multilateral obligations signed off by the Minister annually</p> <ul style="list-style-type: none"> 1 Annual implementation report signed off by the Minister by 30 April 2020 <p>1 Mid –term implementation report signed off by the Minister 31 October 2020 for sign-off</p>	1 Annual implementation report submitted to the Minister for sign-off by 30 April 2020		1 Mid –term implementation report submitted to the Minister by 31 October 2020 for sign-off	
7.1 Number of annual labour market trend reports produced on the impact of labour legislation per annum	4 Annual labour market trend reports produced by 31 March 2021	2 Annual labour market trend reports produced by June 2020. These include: 1. Annual Labour Market Bulletin (ALMB) 2019/20 And Job Opportunity and Unemployment in the SA labour market 2019/20			2 Annual labour market trend reports produced by March 2021. These include: 1. Annual Industrial Report (IAR) 2020 and Annual Administrative Statistics (AAS) report 2020
8.1 Number of Research reports on the impact of labour legislation to the labour market produced and submitted to the Deputy Director General: LP&IR per annum	3 Research service providers to conduct research identified and recommended to DBAC by 31 March 2021	Data collection tool approved	First Evaluation for Lab 8/2019 and Lab 9/2019 tenders finalised.	Panel evaluation finalised for Lab 8/2019 SLA signed for Lab 9/2019.	Recommendation tabled to DBAC for Lab 8/2019. Draft Literature review submitted.

7.4.3 Explanation of planned performance over the medium term period

Outputs contribute positively to Priority2 Economic transformation and job creation by ensuring that policy environment supported through policy instruments developed and promoted to enhance the implementation of the EEA. Outputs contribute positively to priority 6 Social cohesion and safer communities by promoting sound labour relations through extension of collective agreements and registration of labour organisation. Research conducted over the medium term is aimed at assessing policies and programmes made to ensure that South Africa create and sustain decent jobs for its citizens. The results of the research will be used in amending policies and programme outlined in the department's strategic plan and even creating new ones as guided by research evidence.

Outputs will be implemented within the allocated planned budget for the programme. No additional budget will be required. Outputs are aligned with the allocated budget for the programme. No additional resources will required to achieve them.

Research reports will provide findings that would be used to review legislation, policies and programmes aimed at reducing unemployment and creating and sustaining decent employment similarly, best practice derived from bilateral and multilateral engagements inform the policy decisions that assist in the improvement of our labour markets. Outputs will create a workplace environment that is fair, just and inclusive workforce that embraces diversity. Outputs will moderate workplace conflict and contribute to orderly collective bargaining in the labour market.

7.4.4 Programme Resource Considerations

Table: Budget Allocation for programme and subprogrammes

Programme	Audited outcomes			Voted (Main Appropriation)	Revised Estimate	Medium Term Expenditure Estimate		
Labour Policy and Industrial Relations	2016/17	2017/18	2018/19	2019/20		Special Adjustment Allocation 2020/21	2021/22	2022/23
R-thousand								
Management and Support Services: LP&IR	13 854	14 848	22 845	17 472	17 032	15 418	19 134	20 127
Strengthen Civil Society	18 879	19 823	20 973	22 147	22 147	20 365	25 117	26 054
Collective Bargaining	13 151	14 211	15 066	17 216	16 234	17 192	18 682	19 660
Employment Equity	12 916	12 562	12 370	15 011	14 720	10 762	15 851	16 660
Employment Standards	11 175	12 143	11 704	33 286	35 654	17 083	31 694	40 728
Commission for Conciliation, Mediation and Arbitration	770 501	864 090	963 066	976 810	976 810	970 535	1082 759	1122 662
Research, Policy and Planning	7 858	6 416	8 052	10 063	8 523	11 278	12 952	13 587
Labour Market Information and Statistics	36 232	43 089	43 061	48 488	46 721	47 277	53 581	56 400
International Labour Matters	37 984	42 619	46 629	49 609	41 463	48 583	54 170	56 528
National Economic Development and Labour Council	30 817	39 833	45 980	40 741	40 741	57 114	63 850	64 762
Total	953 367	1069 634	1189 746	1230 843	1220 045	1 215 607	1377 790	1437 168
Economic Classification								
Current Payments	113 206	125 283	138 288	164 342	161 176	139 408	176 236	192 749
Compensation of Employees	84 527	89 890	94 267	120 318	109 452	106 579	125 126	139 737
Goods and Services	28 679	35 393	44 021	44 024	51 724	32 829	51 110	53 012
Of which:								

Programme	Audited outcomes			Voted (Main Appropriation)	Revised Estimate	Medium Term Expenditure Estimate		
Labour Policy and Industrial Relations	2016/17	2017/18	2018/19	2019/20		Special Adjustment Allocation 2020/21	2021/22	2022/23
Advertising	3 325	3 531	8 827	5 524	17 452	5 675	8 855	9 280
Communication	454	2 151	1 015	1 068	1 829	1 713	1 991	2 087
Computer Services	850	694	899	1 010	954	1 464	1 641	1 720
Consultants and Professional Services: Business and advisory services	3 838	2 118	2 812	4 697	3 460	7 648	8 061	7 896
Fleet Services	207	209	179	201	213	177	233	245
Consumables: Stationery, printing and office supplies	2 807	2 946	4 157	5 157	4 732	91	5 288	5 541
Operating Leases	1 683	2 135	1 943	2 356	2 305	2 170	2 369	2 481
Property Payments	59	1 190	903	957	1 126	1 185	1 249	1 309
Travel and Subsistence	8 694	10 876	15 640	12 682	12 592	6 013	12 471	13 070
Other Goods and Services	6 762	9 543	7 646	10 372	7 061	6 693	8 952	9 383
Interest and rent on land								
Transfers and Subsidies	840 084	944 250	1051 291	1066 381	1058 749	1 076 109	1201 427	1244 283
Provinces and municipalities		0						
Departmental agencies and accounts	801 319	903 923	1009 046	1017 551	1017 551	1 027 649	1146 609	1187 424
Foreign governments and international organisations	19 719	19 974	20 278	26 630	18 930	28 095	29 641	30 742
Public Corporations and private enterprises								
Non-profit institutions	18 919	19 823	20 973	22 200	22 200	20 365	25 177	26 117
Households	127	530	994		68			
Payments for capital assets	77	101	167	120	120	90	127	136
Buildings and other fixed structures								
Machinery and equipment	77	101	167	120	120	90	127	136
Software and other intangible assets								
Payments for financial assets								
Total	953 367	1069 634	1189 746	1230 843	1220 045	1 215 607	1377 790	1437 168

Narrative: Explanation of the contribution of resources towards achievement of outputs.

In line with In-Year budget reductions to fund the COVID 19 relief as announced by the President, the Department did a rigorous process to ascertain where savings would result from the National Lockdown period. As a whole, R104.675 million / 8% could be identified. However, in line with National Treasury instructions, further reductions had to be made.

- **Compensation of Employees** - A projected savings of R10.919 million / 9%, resulting from anticipated savings until end July 2020 due to vacant posts. The remaining amount is to cater for both filled and vacant posts. Further reductions would result in insufficient funds to cater for currently filled posts.
- **Goods and Services** – Budgets have been reduced to such an extent that it is highly probable that the Department will overspend at the end of the financial year. Further reductions

cannot be made due to leases, contracts, maintenance, prior commitments, etc. Reductions total to R15.663 million / 32%.

- **Transfers and Subsidies –**

- **Strengthen Civil Societies** – Due to the May Day Celebration that did not take place, the budget can be reduced with R3 million. Social distancing could result in further reductions.
- **CCMA** – The minimum indicated by the National Treasury as reduction, is R55, 4 million, however, the Department cannot carry the remaining 20%. Within the current economic climate, as well as the resultant effects of the lockdown, the workload of the CCMA will increase dramatically both in terms of the envisaged retrenchments, as well as the unfair labour practice issues eventuated by the lockdown. It is envisaged that the organisation will run short on its current budget allocation as a result of the increase in numbers of mining wage cases. In addition to this, the need to procure sanitation materials and personal protection equipment has had a serious impact on the budget of the organisation. The organisation would further be required to do significant work in relation to the assistance required for struggling businesses within the context of the TERS system. The combination of factors in addition to the proposed budget cut will have a deleterious effect on the ability of the organisation to function effectively.
- **NEDLAC** – The entity cannot afford to carry the remaining 20% cut on its budget.

The National Economic Development and Labour Council is a statutory body governed by the National Economic Development and Labour Council Act (1994), from which it also derives its legislative mandate, which is to promote the act's goals of economic growth and social equity. The legislative and policy programme of government, as well as issues tabled by its constituent chambers, determines the council's work programme.

The work of the NEDLAC Chambers focuses on enhancing the promotion of economic growth, social equity, decent work and employment creation. Over the medium term, the National Economic Development and Labour Council will continue to focus on accelerating development and tackling the challenges of unemployment, inequality and poverty by advancing social dialogue and recognising the role of social partners (organised business, organised labour, government and communities) in jointly contributing to the accomplishment of inclusive economic growth in South Africa. The council will aim to strengthen its role as South Africa's pre-eminent facilitator of social dialogue by concentrating on the capacity, conduct and commitment of the social partners involved in socioeconomic policy-making and legislation, and on the achievement of the work programmes of the council's chambers.

The council's total budget for 2020/21 was R62.9 million. The decrease is in response to COVID-19 measures that will be implemented in 2020/21. Imperative to note is that the work programme of Nedlac will continue, while travel and accommodation costs will significantly reduce. Social dialogue will take place largely on virtual platforms.

- **ILO and ARLAC** – The budgets were already approved and can therefore not be reduced. There is a possibility that further budgets might be lowered as possible funding could be available to these institutions due to non-utilisation for events in 2020.

The Department of Employment and Labour does not project an additional funding requirement. However, the items above were not budgeted for in the 2020/21 budget process, and as such,

Virement will be required. It is anticipated that funding will be available for Virement under items such as Travel and Subsistence, Venues and Facilities, etc.

The COVID-19 pandemic, being an unprecedented situation for the world at large including South Africa, has come with major legal challenges. Accordingly, the Department of Employment and Labour is navigating through the challenges brought on by COVID-19. The Directive on COVID-19 Temporary Employer/Employee Relief Scheme was issued by the Minister of Employment and Labour was amended several times due to grey areas and gaps. These amendments required expert knowledge and advice in order that litigation is avoided. Counsel was briefed to assist.

Emanating from the Directive on Temporary Employer/Employee Relief Scheme there were many communications received from Attorneys representing Trade Unions, Employer Organisations and NGOs. In order to avoid litigation on these matters, legal opinions were sought from Counsel.

Furthermore 10 Court Applications were received during the period 01 April 2020 and 19 May 2020 and most of these Applications relate to the COVID-19 situation. The Department through its Inspectors issued Prohibition Notices which had the effect of shutting down workplaces. In other Applications, the Department was requested to provide PPE's to self-employed individuals. Many more legal challenges are likely to arise. The Department cannot afford to have the budget allocated for legal costs to be cut. Legal costs are required to defend the position of the Department in order to ensure that the Department and the Minister are not exposed to reputational damage.

The work of the Department needs to be marketed, this need liaising with media, produce media statements, set up interviews, write opinion pieces, design graphics to promote the work of the department on different media platforms, and engage the stakeholders in relation to the government economic cluster demands at GCIS including NEDLAC social partners. The communication team needs to be up scaled to manage social media platforms, write stories in real time, monitor media and advice political principals on what is in the media for effective responses.

7.4.5 Key Risks

Outcome	Key Risk	Risk Mitigation
Promote sound labour relations	Insufficient Labour market research conducted in terms of monitoring the impact of legislation	Secure labour market research topics from the Branches through DoL Executive Committee

8. Public Entities

Name of Public Entity	Mandate	Outcomes	Current Annual Budget (R thousand)
Unemployment Insurance Fund (UIF)	The Unemployment Insurance Fund contributes to the alleviation of poverty in South Africa by providing short-term unemployment insurance to all workers who qualify for unemployment related benefits. The Fund is financed by a dedicated tax on the wage bill	More decent jobs created and sustained, with youth, women and persons with disabilities prioritised Expanded access to PSET opportunities Comprehensive social security system	1
Compensation Fund (CF)	The Compensation Fund's main objective is to provide compensation for disability, illness and death resulting from occupational injuries and diseases	More decent jobs created and sustained, with youth, women and persons with disabilities prioritised	17 805

Name of Public Entity	Mandate	Outcomes	Current Annual Budget (R thousand)
		Comprehensive social security system	
Productivity South Africa (Productivity SA)	Productivity SA is mandated by government, organised labour and organised business to improve the productive capacity of the economy and thus contribute to South Africa's socio-economic development and competitiveness	More decent jobs created and sustained, with youth, women and persons with disabilities prioritised	57 069
Commission for Conciliation, Mediation and Arbitration	The Commission for Conciliation, Mediation and Arbitration (CCMA) was established in terms of the Labour Relations Act, 1995 as amended. It is mandated to promote social justice and fairness in the workplace by delivering ethical, qualitative, innovative and cost effective dispute management and resolution services, institution building services, education, training and development, and efficient administration	More decent jobs created and sustained, with youth, women and persons with disabilities prioritised	1 025 990
National Economic Development and Labour Council (NEDLAC)	The National Economic Development and Labour Council was established in terms of the National Economic Development and Labour Council Act, 1994. The Act requires organised labour, organised business, community based organisations and government, as a collective, to promote the goals of economic growth; participate 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 and all significant changes to social and economic policy before these are introduced in Parliament; and encourage and promote the formulation of coordinated policy on social and economic matters	More decent jobs created and sustained, with youth, women and persons with disabilities prioritised	62 114
Supported Employment Enterprises (SEE)	The SEE is established in terms of the Employment Services Act to provide employment for people with special disabilities in the various factories across provinces that manufacture wood, linen and steel products	More decent jobs created and sustained, with youth, women and persons with disabilities prioritised	153 049

9. Infrastructure Projects

No.	Project Name	Programme	Project Description	Outputs	Project Start Date	Project Completion Date	Total Estimated Cost	Current Year Expenditure
1	Construction	Administration	Construction of Labour Centres: Uluudi	New infrastructure	4 Sep 2019	June 2021	30 000 000	16 544
			Prospecton	Renovations	19 Nov 2019	Nov 2022	0	0

10. Public Private Partnerships

PPP	Purpose	Outputs	Current Value of Agreement	End Date of Agreement
None				

Part D: Technical Indicator Description (TID)

Indicator Title	Title of the indicator verbatim from the Programme plan
Definition	<ul style="list-style-type: none"> The meaning of the indicator The explanation of technical terms used in the indicator
Source of data	<ul style="list-style-type: none"> Where the information is collected from
Method of Calculation /Assessment	<ul style="list-style-type: none"> How the performance is calculated (quantitative) How the performance is assessed (qualitative)
Means of verification	<ul style="list-style-type: none"> The portfolio of evidence required to verify the validity of data
Assumptions	Factors that are accepted as true and certain to happen without proof
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> Target for Women Target for Youth Target for Persons with Disabilities
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> Contribution to spatial transformation priorities Description of spatial impact
Calculation Type	<ul style="list-style-type: none"> Cumulative (Year- End) Cumulative (Year-to-Date) Non-Cumulative
Reporting Cycle	<ul style="list-style-type: none"> Quarterly Bi-Annual or Annual
Desired performance	<ul style="list-style-type: none"> Information about whether actual performance that is higher or lower than the targeted performance is desirable
Indicator Responsibility	Who is responsible for managing or reporting on the indicator

Programme 1: Administration

Indicator Title	1.1 Vacant funded posts filled within 4 months of becoming vacant
Definition	Vacant post on the approved establishment must be filled in order to deliver to the community
Source of data	Establishment report and vacancy report from Head Office, Provinces, and Funds for consolidation at DEL Head Office
Method of Calculation /Assessment	<ul style="list-style-type: none"> Count the number of vacant funded posts against the total establishment. Provide information on age analysis of vacancies.
Means of verification	Establishment and vacancy report from the Provinces, Funds and HO consolidation by the HO
Assumptions	<ul style="list-style-type: none"> All vacant posts are funded Adherence to the Standard Operating Procedure on Recruitment and Selection Availability of required skills in the labour market
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> Women Youth Persons with Disabilities These groups will benefit and statistics will be reported
Spatial Transformation (where applicable)	Throughout South Africa
Calculation Type	Cumulative (year to date)
Reporting Cycle	Quarterly and annually
Desired performance	All vacant funded posts to be filled within four months of becoming vacant.
Indicator Responsibility	Deputy Director-General: Corporate Services

Indicator Title	2.1 Review of the Sexual Harassment Policy
Definition	<ul style="list-style-type: none"> Assess whether the existing policy covers issues of gender based violence within the work place, unfair treatment of others based on their gender. That the policy covers issues of support mechanisms at work to assist and provide psychological and other forms of support to employees that are victims of GBV. Based on the above assessment then the policy will be updated accordingly.
Source of data	<ul style="list-style-type: none"> From the review as well as inputs from stakeholders who are mainly, Labour, employees, DEXCOM and EXCO.
Method of Calculation /Assessment	<ul style="list-style-type: none"> The performance is qualitative
Means of verification	<ul style="list-style-type: none"> Stakeholders engagements verified through circulation through email to staff, agenda of the meeting / minutes to DBC, DEXCOM and EXCO, Approval by the

	Delegated Authority
Assumptions	Reviewing of the policy is certain
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> • Women • Youth • Persons with Disabilities All the above groups will benefit more especially women
Spatial Transformation (where applicable)	Throughout the geographical spread of the department
Calculation Type	Non-cumulative (Qualitative)
Reporting Cycle	<ul style="list-style-type: none"> • Quarterly • Annual
Desired performance	<ul style="list-style-type: none"> • An approved policy
Indicator Responsibility	Deputy Director General : Corporate Services

Indicator Title	3.1 Acquisition, maintenance and improvement of ICT services
Definition	ICT system is essential for service delivery as all services are computerised. If the ICT services are down clients cannot be served.
Source of data	ICT service management reports that determine the downtime or time lost due to a fault in the ICT services or due to electricity problems
Method of Calculation /Assessment	Add the reported downtimes together (accumulative)
Means of verification	Down time reports
Assumptions	SITA services are 90% available, Electrical Power downtimes are below 10% and there is no disaster
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> • Women • Youth • Persons with Disabilities • These groups will benefit although not specifically reported in the statistics
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> • Throughout South Africa
Calculation type	Cumulative
Reporting Cycle	Quarterly and annually
Desired performance	Systems should be working 90% of the office operating hours
Indicator Responsibility	Deputy Director General: Corporate Services

Indicator Title	4.1 Ethics Governance Structures in place and Complete Roll Out of the Ethics Management Plan
Definition	Ethics programme with rules that define moral conduct in public administration in accordance with the Public Service regulations, 2016
Source of data	Approved Ethics Strategy Approved Ethics Management Plan and progress reports thereof
Method of Calculation /Assessment	Compare progress reports vs the approved plan
Means of verification	Ethics plans and progress reports
Assumptions	Officials have knowledge of the Public Service Regulations, 2016 Every official committed to ethical behaviour
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> • Women • Youth • Persons with Disabilities All though the identified groups would benefit, we would not be able to disaggregate at this stage
Spatial Transformation (where applicable)	Not available at this stage
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly and Annual
Desired performance	Ethics Government Structures in place 100% roll-out of the Ethics Management Plan
Indicator Responsibility	Deputy Director General: Corporative Services; Director: Risk

Indicator Title	4.2 % resolution of reported incidents of corruption in the Department
Definition	Misconduct is instances of unacceptable or improper behaviour by employees Resolution means that the disciplinary hearing and appeals process are finalised

	Criminal cases referred to relevant authorities
Source of data	Misconduct and Risk and Ethics Case register per provincial office, fund and head office
Method of Calculation /Assessment	Cases resolved divided by number reported multiply by 100 to determine the percentage resolved
Means of verification	Statistical audits Case file audits
Assumptions	Valid cases reported
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> • Women • Youth • Persons with Disabilities Final statistic information will be available in the annual report
Spatial Transformation (where applicable)	Throughout South Africa
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly and Annual
Desired performance	95% by 2024
Indicator Responsibility	Deputy Director General: Corporative Services; Chief Director Human Resources Management; Director: Risk

Indicator Title	5.1 Number of Annual Financial Statements (AFS) and Interim Financial Statements (IFS) compiled per year that comply with guidelines issued by the National Treasury
Definition	Compilation and submission of the Interim and Annual Financial Statements to National Treasury (NT) and Auditor-General as well as the publication of the AFS in the Annual Report in order to achieve a unqualified audit
Source of data	Interim Financial Statements – Q1 in July, Q2 in October and Q3 in January Final Financial Report - May Templates from NT Letters to NT
Method of Calculation /Assessment	Due dates determined by National Treasury and compiled according to National Treasury prescripts (AFS guidelines and template)
Means of verification	<ul style="list-style-type: none"> • Inputs received from stakeholders are verified using system generated reports and relevant source documents • Primary and secondary Financial Statements together with Notes to the Financial Statements are verified against the Trial Balance, inputs and relevant supporting documents • To verify the accuracy of the Trial balance, exceptions on IFS and AFS templates are checked and cleared to ensure that the Statement of Financial Position balances
Assumptions	<ul style="list-style-type: none"> • The accounting month is timely and accurately closed on BAS • Required inputs for preparation of IFS and AFS are timely and accurately received from stakeholders • The IFS and AFS templates provided by National Treasury are accurate and free of errors
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> • Not applicable
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> • Throughout South Africa
Calculation Type	Performance is cumulative – due to NT introducing new reporting requirements both quarterly and annually.
Reporting Cycle	Quarterly and Annually as prescribed by NT.
Desired performance	Must be performed / achieved according to dates prescribed by National Treasury Achieve unqualified audit
Indicator Responsibility	Chief Financial Officer

Indicator Title	6.1 Elimination of Irregular and/or Unauthorised expenditure, detected per financial year, reported to the Accounting Officer
Definition	Reporting of Irregular and/or Unauthorised expenditure cases year-on-year.
Source of data	Payments processed on transversal systems Register for irregular expenditure and actual payment documents Reports to the Accounting Officer
Method of Calculation /Assessment	Cases recorded in the register reported monthly to the Accounting Officer 15 days after the month-end

Means of verification	<ul style="list-style-type: none"> Identifying irregular expenditure (i.e. payments for unapproved goods/ services) that was captured on BAS for each month. Verifying the payment documentation to ascertain such expenditure. Identifying fruitless and wasteful expenditure incurred i.e. in respect of accidents and no shows, the invoices received from service providers. Cases identified by the Auditor-General.
Assumptions	<ul style="list-style-type: none"> Identified Irregular Expenditure (IE) and Fruitless & Wasteful Expenditure (FWE) cases per month are registered in both the IE & FWE Registers for each month. All IE and FWE cases are reported on a monthly basis to the Director-General. Non-Compliance letters are issued to responsible officials for their response in order to be referred to Employment Relations for an investigation. All investigated IE cases, in respect of Supply Chain Management expenditure, are submitted for condonation to National Treasury
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> Not applicable
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> Throughout South Africa
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired performance	Actual performance is desirable – i.e. 100% - neither higher nor lower
Indicator Responsibility	Chief Financial Officer

Indicator Title	7.1 Elimination of Fruitless and Wasteful expenditure, detected per financial year, reported to the Accounting Officer
Definition	Reporting of Fruitless and Wasteful Expenditure cases year-on-year.
Source of data	Payments processed on transversal systems Register for irregular expenditure and actual payment documents Reports to the Accounting Officer
Method of Calculation /Assessment	Cases recorded in the register reported monthly to the Accounting Officer 15 days after the month-end
Means of verification	<ul style="list-style-type: none"> Identifying irregular expenditure (i.e. payments for unapproved goods/ services) that were captured on BAS for each month. Verifying the payment documentation to ascertain such expenditure. Identifying fruitless and wasteful expenditure incurred i.e. in respect of accidents and no shows, the invoices received from service providers. Cases identified by the Auditor-General.
Assumptions	<ul style="list-style-type: none"> Identified Irregular Expenditure (IE) and Fruitless & Wasteful Expenditure (FWE) cases per month are registered in both the IE & FWE Registers for each month All IE and FWE cases are reported on a monthly basis to the Director-General. Non-Compliance letters are issued to responsible officials for their response in order to be referred to Employment Relations for an investigation All investigated IE cases, in respect of Supply Chain Management expenditure, are submitted for condonation to National Treasury
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> Not applicable
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> Throughout South Africa
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired performance	Actual performance is desirable – i.e. 100% - neither higher nor lower
Indicator Responsibility	Chief Financial Officer

Programme 2: Inspection and Enforcement Services

Indicator Title	1.1 Number of employers inspected per year to determine compliance with employment law.
Definition	<p>Subject number of employers subjected to inspection to establish whether they comply with employment law</p> <p>Number – the target number states how many employers will be inspected in a given financial year (1 April until 31 March)</p> <p>Employers – Defined in the respective Acts</p> <ul style="list-style-type: none"> - Employment Equity Act - Basic Conditions of Employment Act - National Minimum Wage Act - Occupational Health and Safety Act - Unemployment Insurance Act - Compensation for Occupational Injuries and Diseases Act - Employment Services Act <p>Inspections – is a process undertaken by the Inspector to determine employer's compliance with employment law</p> <p>Compliance – is a state of employer after inspection is conducted and the employer is found to be obedient with employment law</p> <p>Per Year – financial year (1 April until 31 March)</p> <p>Employment law - means all labour legislation administered by the Minister of Employment and Labour (BCEA, EEA, UIA, COIDA, ESA, OHSA) including legislation administered through the Minister of Finance (UICA)</p>
Source of data	<p>Source:</p> <p>Number – APP, Branch Work Plan, Provincial Work Plan, Labour Centre Work Plan (Targets must be aligned to APP)</p> <p>Employers – as per complaints/ request received and targeted randomly as per APP (notice of inspection)</p> <p>Inspections – Signed Inspection Reports signed-off by Inspector and Supervisor.</p> <p>Compliance – Signed off Inspection report and Inspection register</p> <p>Per Year – financial year (1 April 2020 until 31 March 2021)</p> <p>Employment law - means all labour legislation administered by the Minister of Employment and Labour (BCEA, EEA, UIA, COIDA, ESA, OHSA) including legislation administered through the Minister of Finance (UICA)</p>
Method of Calculation /Assessment	<p>Signed off weekly inspection plan per inspector</p> <p>Completed and Signed-off Inspection reports at finalisation of inspections and signed-off IES registers</p> <p>Number of inspections on employers across Labour Centres, Provincial Offices and Head Office to be consolidated</p> <p>Information collected at labour centres collated and submitted to provincial offices</p> <p>Information collected at Provincial Office submitted to Head Office (IES Branch)</p> <p>Information collected at Head office included in Branch Report</p>
Means of verification	<p>IES Registers, Inspection reports,</p> <p>Process set out in the IES Standard Operating Procedures</p>
Assumptions	The target will be met with a full complement of staff in IES and budget as allocated for the reporting period. It will also be assumed that employers and users grant their full cooperation during the inspection performed.
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Throughout South Africa
Calculation Type	Cumulative (year to date)
Reporting Cycle	Quarterly and Annually
Desired performance	188 323 employers to be inspected
Indicator Responsibility	Inspector, Team Leaders, Deputy Director Labour Centre Operations, Principal Inspectors, Specialist Inspectors, Provincial Chief Inspectors, Chief Director Provincial Operations, Directors and Chief Directors IES in HO, Inspector General (DDG:IES)

Indicator Title	1.2 Percentage of non-compliant employers of those inspected served with a notice in terms of relevant employment law within 14 calendar days of the inspection
Definition	<p>90% of non-compliant employers of those inspected served with a notice in terms of relevant employment law within 14 calendar days of the inspection <i>(10% can be served after 14 days, the service of notices depends on the availability of employers during inspections)</i></p> <p>Percentage – Divide the number of notices issued within 14 calendar days by the number of all non-compliant employers found in ref to 1.1 multiply by 100 to determine the percentage</p> <p>Non-compliant employer – employer that failed to comply with employment law after inspection was conducted</p> <p>Notice- legal instrument issued in terms of relevant employment law. Legal instruments could be any of the following:</p> <ul style="list-style-type: none"> Undertaking (signed by employer and inspector) as applicable to BCEA, UIA, EEA Compliance order (if hand delivered signed by inspector and employer, if posted proof of registered mail, if faxed or emailed proof of transmission) as applicable to BCEA, UIA and EEA Recommendations (received by the employer/ proof of delivery to employer either by fax/ or email transmission/ registered mail or in person by the inspector) as applicable to EEA (DG Reviews) Contravention Notices or Improvement Notice or Direction Notice or Prohibition Notice as applicable to OHSA (all signed by the inspector and the employer). The 14 days referred to, do not apply to OHS notices as these are expected to be served on the employer immediately after the inspection. Subpoena- applicable to all legislation (signed by inspector and any person at the workplace) <p>Served – when signed notice by inspector is delivered (personal, via post office per registered mail, fax or e-mail) to the employer</p> <p>14 Calendar days – counting from the date inspection was conducted</p>
Source of data	<p>Source</p> <p>Information as collected in indicator 1.1</p> <p>Signed Inspection reports</p> <p>Notices served</p> <p>Registers of labour centres, Provincial Office as well Head Office on inspection conducted</p> <p>From IES Manual Registers</p>
Method of Calculation /Assessment	<p>Percentage – Divide the number of notices issued within 14 calendar days by the number of all non-compliant employers found in ref to 1.1 multiply by 100 to determine the percentage</p> <p>$A \div B \times 100$</p> <p>A= Number of notices issued within 14 days (14 days not applicable in the case of OHS notices)</p> <p>B= Number of inspected employers found non-compliant with reference to 1.1.</p> <p>100= to determine percentage</p>
Means of verification	<p>IES Registers, Inspection reports, notices for non-compliance</p> <p>Process set out in the IES Standard Operating Procedures</p> <p>Number of inspections conducted in 1.1</p> <p>Number of employers found to be non-compliant in terms of 1.1</p>
Assumptions	The target will be met with a full complement of staff in IES and budget as allocated for the reporting period. It will also be assumed that employers and users grant their full cooperation during the inspection performed.
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Throughout South Africa
Calculation Type	Cumulative (year to date)
Reporting Cycle	Quarterly and annually

Desired performance	90% non –compliant employers must be issued with a notice as provided for in the legislation within 14 calendar days (10% <i>can be served after 14 days; the service of notices depends on the availability of employers during inspections</i>). <i>In the case of OHS, all notices are expected to be served on the employer/user before the inspector leaves the premises.</i>
Indicator Responsibility	Inspector, Team Leaders, Deputy Director Labour Centre Operations, Principal Inspectors, Specialist Inspectors, Provincial Chief Inspectors, Chief Director Provincial Operations, Directors and Chief Directors IES in HO, Inspector General (DDG:IES)

Indicator Title	1.3 Percentage of non-compliant employers received by Statutory Services referred for prosecution within 30 calendar days.
Definition	<p>50% non-compliant employers referred for prosecution</p> <p>Percentage – the number of files referred for prosecution within 30 calendar days divided by the number of competent files referred to Statutory Services multiply by 100 to determine the percentage</p> <p>Non-compliant employers - employer that failed to comply with employment law after the expiry of the notice period (notice period will depend on each employment law and SOP)</p> <p>Failed to comply – employer that has failed to action the notice served within the stipulated employment law time frames and SOP.</p> <p>Served – when signed notice by inspector is delivered (personal, via post office per registered mail or e-mail) to the employer</p> <p>Notice- notice issued in terms of relevant employment law. notice could be any of the following:</p> <ul style="list-style-type: none"> Undertaking (signed by employer and inspector) as applicable to BCEA, UIA, EEA Compliance order (if hand delivered signed by inspector and employer, if posted proof of registered mail, if faxed or emailed proof of transmission) as applicable to BCEA, UIA and EEA Recommendations (received by the employer/ proof of delivery to employer either by fax/ or email transmission/ registered mail or in person by the inspector) as applicable to EEA (DG Reviews) or OHS Audits of Entities Contravention Notices or Improvement Notice or Direction Notice or Prohibition Notice as applicable to OHSA (all signed by the inspector and the employer) Subpoena- applicable to all legislation (signed by inspector and any person at the workplace) <p>Referred –Inspection file for non-compliant employers after the expiry of the notice from Labour Centre to Provincial Office. Inspection files for non-compliant employers after the expiry of the notice from Provincial office to Statutory Services at Provincial Office. Inspection files for non-compliant employers after the expiry of the notice from Statutory Services at Provincial Office referred to Statutory Services at Head Office</p> <p>Prosecution – Statutory Services hands over the inspection file for non-compliant employers to Court.</p> <p>30 calendar days – from the date Statutory Services received the inspection file from the inspector to the date of filing at the court.</p>
Source of data	<p>Inspection File referred to Statutory Services for prosecution</p> <p>Stamped notice of motion file filed at Labour court, referral letter to Magistrate’s Court and referral form to Commission for Conciliation Mediation and Arbitration (CCMA) Register</p>
Method of Calculation /Assessment	<p>Percentage – Divide the number of files referred for prosecution within 30 calendar days by the number of files received by Statutory Services multiply by 100 to determine the percentage</p> <p>$(A \div B) \times 100$</p> <p>A= Number of files referred for prosecution within 30 calendar days</p> <p>B= Number of files received by Statutory Services.</p>

	100= to determine percentage
Means of verification	Registers, referral form to SS, stamped notion of motion, referral to CCMA Files referred for prosecution
Assumptions	The target will be met with a full complement of Statutory Services staff in IES and budget as allocated for the reporting period. It will also be assumed that the National Prosecuting Authority and the CCMA deal expeditiously with cases presented to them..
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Throughout South Africa
Calculation Type	Cumulative (year to date)
Reporting Cycle	Quarterly and annually
Desired performance	50% Non –compliant employers received by Statutory Services referred to court for prosecution within 30 calendar days (50% <i>can be referred after 30 days, due to capacity challenges in the Branch</i>)
Indicator Responsibility	Inspector, Team Leaders, Deputy Director Labour Centre Operations, Principal Inspectors, Specialist Inspectors, Assistant Director: Statutory Services at Provincial Office, Provincial Chief Inspectors, Deputy Director: Statutory Services at Head Office, Director: Statutory Service in Head Office, Chief Director Provincial Operations, Directors and Chief Directors IES in HO, Inspector General (DDG:IES)

Indicator Title	1.4 Number of formal Advocacy sessions conducted per year to increase awareness of employment law.
Definition	<p>There must be four seminars and two conferences conducted</p> <p>Number – the target number states how many conferences and seminars will be conducted in the given financial year (1 April 2020 until 31 March 2021)</p> <p>Advocacy - An action or activity aimed at promoting awareness of Employment Law to internal and external stakeholders in order to improve compliance in the Labour market</p> <p>Conducted - Planning and implementing a conference /seminar and drafting a close out report thereafter.</p> <p>Conference - A formal event conducted for staff and/or external stakeholders internally or externally with the purpose of sharing information; educating staff or employees, sharing information, raising awareness.</p> <p>Seminar - Seminar has a similar meaning</p> <p>Per Year – Financial year (1 April 2020 until 31 March 2021)</p> <p>Employment law - means all labour legislation administered by the Minister of Employment and Labour (BCEA, NMW, EEA, UIA, COIDA, ESA, OHSA) including legislation administered through the Minister of Finance (UICA)</p>
Source of data	Conference or seminar report Attendance register
Method of Calculation /Assessment	Number – Aggregate the number of seminars and conferences conducted.
Means of verification	Attendance Registers
Assumptions	Stakeholders and clients will in fact attend the event that has been organised.
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Throughout South Africa
Calculation Type	Cumulative
Reporting Cycle	Quarterly and annually
Desired performance	No less than 4 seminars and 2 conferences conducted per year.
Indicator Responsibility	Inspector, Team Leaders, Deputy Director Labour Centre Operations, Principal Inspectors, Specialist Inspectors, Assistant Director: Statutory Services at Provincial Office, Provincial Chief Inspectors, Deputy Director: Statutory Services at Head Office, Director: Statutory Service in Head Office, Chief Director Provincial Operations, Directors and Chief Directors IES in HO, Inspector General (DDG:IES)

Programme 3: Public Employment Services

Indicator Title	1.1 Number of work-seekers registered on Employment Services of South Africa per year
Definition	750 000 Unemployed or under-employed work seekers are registered on the Department of Labour database (ESSA)
Source of data	Labour Centre Productivity Report from ESSA, requested for reporting period
Method of Calculation /Assessment	The total number of work seekers registered in labour centres, provincial offices, head office, online, UIF
Means of verification	Labour Centre Productivity Report from ESSA, requested for reporting period
Assumptions	Required resources will be provided and other enablers processed to provide the needed enabling environment.
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> • Youth • Women • Persons with Disabilities
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly and Annually
Desired performance	Increase the number of registered work seekers for placement in registered opportunities
Indicator Responsibility	Client Service Officers at Labour Centres, PES Managers at Provincial Offices, Chief Directorate - Work Seeker services at Head Office, DDG: PES

Indicator Title	2.1 Number of employment opportunities registered on the Employment Services South Africa per year.
Definition	50 000 employment opportunities registered on ESSA for placement of work-seekers
Source of data	Opportunity and placement report from ESSA requested from April 2020 up to each end of quarterly period
Method of Calculation /Assessment	Number of employment opportunities registered as generated by ESSA excluding the work permit /visa opportunity type
Means of verification	Opportunity and placement report from ESSA requested from April 2020 up to each end of quarterly period
Assumptions	Required resources will be provided and other enablers processed to provide the needed enabling environment
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly and Annually
Desired performance	Increase the number of employment opportunities on ESSA
Indicator Responsibility	Employment Services Practitioners at Labour centres, Employer Service co-ordinators and PES Managers at Provincial Offices, Chief Directorate – Employer Services at Head Office, DDG: PES

Indicator Title	3.1. Number of registered work-seekers provided with employment counselling per year
Definition	220 000 of registered work seekers provided with employment counselling services that includes life skills programmes, careers information and guidance, psychometric assessments, automated career and employment assessments and any other intervention as defined in the ES Act
Source of data	Employment Counselling Report from ESSA, requested from April 2020 up to each end of quarterly period
Method of Calculation /Assessment	Number of registered work seekers that received Employment Counselling interventions as reflected on ESSA BW Report for employment counselling
Means of verification	Employment Counselling Report from ESSA, requested from April 2020 up to each end of quarterly period
Assumptions	Required resources will be provided and other enablers processed to provide the needed enabling environment
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> • Youth • Women • Persons with Disabilities

Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly and Annually
Desired performance	Increased employability of registered work-seekers
Indicator Responsibility	Employment Counsellors at Labour Centres, Principal Psychologist at Provincial Offices, Chief Directorate – Work seeker Services at Head Office, DDG: PES

Indicator Title	4.1 Number of registered employment opportunities filled by registered work seekers per year
Definition	Registered work seekers placed into 15 000 of registered employment opportunities through the process identified in Recruitment, Selection and Placement SOP and ES Act. Placement against opportunities registered before end of March will be reported in the first semester of the new financial year. Placement against opportunities for Work visa opportunity type is excluded
Source of data	Opportunity and Placement report from ESSA, requested from April 2020 up to each end of each quarterly period. The updated placements for a previous financial year, which have not yet been reported, will be calculated using the BW reports, and reported only in the specific quarter.
Method of Calculation /Assessment	The number of registered work seekers that were placed against the employment opportunities registered on ESSA as reflected in the Opportunity and Placement report of ESSA This report exclude the work permit /visa opportunity type
Means of verification	Opportunity and Placement report from ESSA, requested from April 2020 up to each end of each quarterly period. The updated placements for a previous financial year, which have not yet been reported, will be calculated using the BW reports, and reported only in the specific quarter.
Assumptions	Required resources will be provided and other enablers processed to provide the needed enabling environment
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> • Youth • Women • Persons with Disabilities
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly and Annually
Desired performance	Increase the number of registered employment opportunities filled by registered work seekers per year
Indicator Responsibility	Employment Services Practitioners and Counsellors at Labour Centres, PES Managers at Provincial Offices, Chief Directors Work seeker and Employer Services at Head Office, DDG: PES

Indicator Title	5.1 Number of Partnership Agreements concluded with various stakeholders
Definition	15 Partnership Agreements concluded with various stakeholders to facilitate implementation of the objects of the Employment Services Act, 2014
Source of data	Quarterly Reports.
Method of Calculation /Assessment	Number of Partnership Agreements concluded and Implementation in Progress.
Means of verification	Signed Agreements.
Assumptions	The stipulations will be honoured by all Agreement signatories.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly and Annually
Desired performance	To enhance placement of registered work seekers and other objects of the ES Act.
Indicator Responsibility	CD – Employer Services /Work seeker services

Indicator Title	6.1 Number of Policies developed and implemented
Definition	Draft policies in relation to Employment Services developed, consulted and implemented
Source of data	Employment Policy review and update draft documents in the Branch.
Method of Calculation /Assessment	Number of policies developed, consulted, and or implemented
Means of verification	Quarterly Progress Reports
Assumptions	Human and Financial Resources available to undertake review and development of policies.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly and Annually
Desired performance	To provide guidance to Employment creation coordination M & E, Labour Migration management and Active Labour Market Programs.
Indicator Responsibility	DDG: PES

Programme 4: Labour Policy and Industrial Relations

Indicator Title	1.1 Amendments to the Employment Equity Act promulgated and implemented per annum
Definition	EE Amendments tabled in Parliament to enable the regulation of sector EE Targets by 31 March 2021.
Source of data	Copy of the Employment Equity Amendment Act in the Government Gazette.
Method of Calculation /Assessment	EE Amendment Act.
Means of verification	Published EE Amended Act or progress report
Assumptions	Transformed and inclusive workplace.
Disaggregation of Beneficiaries (where applicable)	All workers, i.e. men, women, youth and Persons with Disabilities.
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting Cycle	Annual
Desired performance	<ul style="list-style-type: none"> Higher levels of compliance from employers with the Employment Equity Act and its regulations
Indicator Responsibility	DDG: LP&IR, CD: LR and Director: Employment Equity

Indicator Title	2.1 2019-2020 Annual EE Report and Public Register published by 30 September 2020
Definition	Number of policy instruments developed and promoted through the publication of the 2018-2019 Annual Employment Equity Report and Public Register by 30 September 2020.
Source of data	Information gathered through Employment Equity reports submitted by designated employers annually through manual submissions or EE Online Reporting facility <ul style="list-style-type: none"> Copy of the 2019-2020 Employment Equity (EE) Annual Report Copy of the Government Gazette of the EE Public Register
Method of Calculation /Assessment	EE Annual Report and EE Public Register published by 30 September 2020.
Means of verification	Published Annual EE report and EE Public Register
Assumptions	Transformed and inclusive workplace.
Disaggregation of Beneficiaries (where applicable)	All workers, i.e. men, women, youth and Persons with Disabilities.
Spatial Transformation (where applicable)	N/A

Calculation Type	Non-cumulative
Reporting Cycle	Annual
Desired performance	Higher levels of compliance from employers with the Employment Equity Act and its regulations
Indicator Responsibility	DDG: LP&IR, CD: LR and Director: Employment Equity

Indicator Title	2.2 2020-2021 Annual EE report and Public Register developed by 31 March 2021
Definition	Number of policy instruments developed and promoted through the development of the 2019-2020 Annual Employment Equity Report and Public Register by 31 March 2021
Source of data	Information gathered through Employment Equity reports submitted by designated employers annually through manual submissions or EE Online Reporting facility <ul style="list-style-type: none"> • Copy of CEE Advisory to Minister of Employment and Labour • Copy of 2020 -2021 Employment Equity (EE) Annual Report developed • Copy of EE Public Register developed
Method of Calculation /Assessment	EE Annual Report and EE Public Register developed by 31 March 2021.
Means of verification	Developed Annual EE report and EE Public Register
Assumptions	Transformed and inclusive workplace.
Disaggregation of Beneficiaries (where applicable)	All workers, i.e. men, women, youth and Persons with Disabilities.
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting Cycle	Annual
Desired performance	Higher levels of compliance from employers with the Employment Equity Act and its regulations
Indicator Responsibility	DDG: LP&IR, CD: LR and Director: Employment Equity

Indicator Title	2.3 Development of income differential data collection tool (EEA4 form) for designated employers
Definition	EEA4 form is a data collection tool required by section 27 of the EEA to be utilised by designated employers in reporting the Income Differentials on an annual basis
Source of data	Income Differential (EEA4) developments will be informed by both the CEE and NMWC's inputs and the public inputs gathered through the public hearings and written submissions
Method of Calculation /Assessment	Count the EEA4 form developed and published (VS: Copy of the Income Differential (EEA4) developed and published in the Government Gazette)
Means of verification	Income differential data collection tool (EEA4 form)
Assumptions	All designated employers will use the income differentials report (EEA4) as required by the EEA
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> • All designated employers will benefit by reporting income differentials of all workers, including: <ul style="list-style-type: none"> ✓ Women ✓ Youth Persons with Disabilities
Spatial Transformation (where applicable)	The EEA4 is applicable to all designated employers in the whole South African labour market
Calculation Type	Non-cumulative
Reporting Cycle	Annual
Desired performance	The EEA4 is applicable to all designated employers in the whole South African labour market
Indicator Responsibility	DDG: LP and IR

Indicator Title	2.4 Law and policy interventions developed to protect specific groups of workers who are particularly vulnerable to specific forms of gender-based violence
Definition	Policy instrument that will be developed is a draft Code of good practice on elimination of harassment and violence in the world of work developed by 31 March 2021
Source of data	Information from the ILO convention 190 and its recommendation
Method of Calculation /Assessment	Count the number of draft code of good practice (VS Draft code published in Government Gazette for public comments)

Means of verification	Law and policy interventions developed
Assumptions	The Minister approves the draft code for publication for public comments on time
Disaggregation of Beneficiaries (where applicable)	Workers
Spatial Transformation (where applicable)	South African Labour market
Calculation Type	Non-cumulative
Reporting Cycle	Annual
Desired performance	Elimination of harassment and violence in the world of work
Indicator Responsibility	DDG: LP and IR

Indicator Title	3.1 Review of the National Minimum Wage level per annum
Definition	NMW reviewed and adjusted to an appropriate level
Source of data	Published Investigation report
Method of Calculation /Assessment	Copies of the Government Gazettes on the NMW investigation report and the notice of the reviewed NMW level
Means of verification	Investigation report and the notice of reviewed NMW level
Assumptions	Improved lives of vulnerable workers
Disaggregation of Beneficiaries (where applicable)	All workers, i.e. men, women, youth and Persons with Disabilities
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting Cycle	Annual
Desired performance	Increase the income levels of vulnerable workers.
Indicator Responsibility	DDG: LP and IR, CD: LR and Director: Employment Standards

Indicator Title	4.1 Percentage of Collective agreements assessed and verified within 180 working days of receipt per annum
Definition	Registration of new labour organisations: <ul style="list-style-type: none"> • Association of employers or employees come together to form a trade union or employers' organisation (labour organisations) • Unregistered trade unions or employers' organisations cannot fully participate in collective bargaining system as provided in the LRA • To become a registered trade union or employers' organisation, such organisations will apply for registration to the Registrar of Labour Relations • Upon registration, the trade union or employers' organisation become a body corporate with full rights to participate in the collective bargaining system as provided for in the LRA
Source of data	<ul style="list-style-type: none"> • Collective agreements register • Submission to the Registrar for determination
Method of Calculation /Assessment	Calculate the percentage of assessed and verified collective agreements within 180 working days of receipt. A = number of collective agreements received from Bargaining Councils B = total of collective agreements assessed and verified. $A/B * 100/1 = \%$
Means of verification	Collective agreement register
Assumptions	Improved working conditions, including wages and benefits for all workers in sectors.
Disaggregation of Beneficiaries (where applicable)	All workers, i.e. men, women, youth and Persons with Disabilities.
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired performance	Increase income levels of workers in a sector Extends conditions of employment to cover all workers in a particular sector
Indicator Responsibility	DDG: LP&IR, CD: LR and Director: Collective Bargaining

Indicator Title	5.1 Percentage of labour organisation applications for registration approved or refused within 90 working days of receipt per annum
Definition	<p>Registration of new labour organisations:</p> <ul style="list-style-type: none"> • Association of employers or employees come together to form a trade union or employers' organisation (labour organisations) • Unregistered trade unions or employers' organisations cannot fully participate in collective bargaining system as provided in the LRA • To become a registered trade union or employers' organisation, such organisations will apply for registration to the Registrar of Labour Relations • Upon registration, the trade union or employers' organisation become a body corporate with full rights to participate in the collective bargaining system as provided for in the LRA
Source of data	<ul style="list-style-type: none"> • Application forms (date stamped on receipt) • Applications register • Record of all decisions made by the Registrar pertaining to the applications of trade unions and employers' organisations.
Method of Calculation /Assessment	<p>Deduct the number of applications refused/approved from the total number of applications received</p> <p>Calculate the percentage of applications for registration of labour organisations from date of receipt to date of decision to approve or refuse.</p> <p>A = Applications for registration approved/refused.</p> <p>B = All applications received</p> <p>$A/B * 100/1 = \%$</p> <p>Days exclude weekend and holidays</p>
Means of verification	Labour Organisation Register
Assumptions	Strengthened collective bargaining in sectors.
Disaggregation of Beneficiaries (where applicable)	All workers, i.e. men, women, youth and Persons with Disabilities.
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired performance	Encourage orderly collective bargaining in sectors.
Indicator Responsibility	DDG: LP&IR, CD: LR and Director: Collective Bargaining

Indicator Title	6.1 Monitor and report on the implementation of bilateral agreements and multilateral obligations annually.
Definition	<p>Monitor and report on multilateral obligations</p> <p>What is meant by multilateral obligations:</p> <ul style="list-style-type: none"> • Obligatory reports submitted to multilateral organisation such as: International Labour Organisation (ILO), G20, Brazil, Russia, India, China and South Africa (BRICS), Southern African Development Community (SADC), African Regional Labour Administration Centre (ARLAC), African Union Commission (AUC) and South Africa European Social Dialogue Forum (SA/EU). • National priorities/ interest – A country's goals and ambitions (labour market) informed by self-interest derived from domestic priorities. South Africa thus makes strategic interventions based on the application of law and practice with the view to improve our domestic laws based on international best practice. <p>What is meant by bilateral cooperation</p> <ul style="list-style-type: none"> • Bilateral cooperation is contained within the different Memoranda of Understanding that the country enter into with different strategic governments. • National priorities/ interest – A country's goals and ambitions (labour market) informed by self-interest derived from domestic priorities. South Africa thus makes strategic interventions based on the application of law and practice with the view to improve our domestic laws based on international best practice.
Source of data	The mid-term implementation report as well as the annual implementation report submission

	signed off by Minister
Method of Calculation /Assessment	Count the number of (a) mid-term implementation reports and (b) annual implementation reports submitted to Minister annually
Means of verification	Mid-term implementation reports and annual implementation reports
Assumptions	Contribute to a sound Labour Market
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting Cycle	Mid-term and annually Q3- Mid-term implementation report submitted by 31 October 2020 Q1 – Annual implementation report submitted by 30 April 2020
Desired performance	To comply with multilateral obligations and implement the signed bilateral cooperation agreements within set timeframes.
Indicator Responsibility	DDG: LP and IR, CD: International Relations

Indicator Title	7.1 Number of Annual Labour market trend reports produced on the impact of labour legislation per annum
Definition	To conduct an analysis and report on the trends observed through monitoring the DEL's implementation of labour legislation and its impacts in the South African labour market in line with National Development Plan (NDP) targets, Vision 2030.
Source of data	<p>To use the DEL internal administrative and other relevant external data. These will include amongst others the UIF, PES, CF and Quarterly Labour Force Survey, South African Reserve Bank, Productivity SA, Research reports, Social media etc.</p> <p>Processes and Verification sources: Four Annual reports will continuously be produced: (i) Annual Industrial Action, (ii) Job Opportunity and Unemployment in the SA labour market, (iii) Annual Administrative Statistics and (iv) Annual Labour Market Bulletin reports.</p> <ul style="list-style-type: none"> a. Annual Industrial Action: <ul style="list-style-type: none"> • Identification of strike through media, e.g., newspapers, radio, TV, etc. • LRA Form 9.2 sent to affected employers • Forms received and captured on strike database • Data verification and analysis conducted • Annual report written by March and approval sourced from the Minister • Approval received, from the Minister and submit to the Chief Directorate of Communication to assist in editing and publishing; b. Annual Administrative Statistics: <ul style="list-style-type: none"> • Internal data requested from provincial offices, e.g. LMIS units; extracted from Employment Services (ESSA), requested from UI (Siyaya database) • Data captured on Excel spread sheets and captured on LMIS snapshots format • LMIS snapshots on format consolidated for key internal indicators and forwarded to all through the Exchange Postmaster • Four LMIS snapshots are consolidated into one year for analysis • Annual report written by March and approval sourced from the Minister • Approval received from the Minister and submit to the Chief Directorate: Communication to assist in editing and publishing; c. Job Opportunity and Unemployment in the SA labour market: <ul style="list-style-type: none"> • Vacancies data sourced from national and regional newspapers, e.g., Info Desk; DPSA and Internet • Data captured on internal JOI database (Excel spread sheets) on daily basis • JOI data consolidated and analysed by key vacancies indicators as reflected on newspapers, e.g., Info-Desk; DPSA and Internet • Annual report written by June and approval sourced from the Minister • Approval received from the Minister and submit to the Chief Directorate of

	<p>Communication to assist in editing and publishing;</p> <p>d. Annual Labour Market Bulletin:</p> <ul style="list-style-type: none"> • External statistical information extracted from national publication, e.g., Reserve Bank, Stats SA, labour market academic and CCMA reports. • Report structure outlined and information consolidated and analysed • Annual report written by June and approval sourced from the Minister • Approval received from the Minister and submit to the Chief Directorate of Communication to assist in editing and publishing;
Method of Calculation /Assessment	Count the number of reports issued
Means of verification	Annual Labour market trend reports
Assumptions	<ul style="list-style-type: none"> ✓ Limited coverage in particular with most of data sources used (internal and external) ✓ Delay in the implementation of a single integrated database in the Department
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> • Report to be disseminated to all to improve information knowledge, e.g. the public.
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> • N/A
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly and Annual
Desired performance	<ul style="list-style-type: none"> • Acceptable target performance of four annual labour market trend reports to be produced
Indicator Responsibility	DDG: LP&IR, CD: LMP and Director: Labour Market Information and Statistics

Indicator Title	8.1 Number of Research reports on the impact of labour legislation to the labour market produced and submitted to the Deputy Director General: LP and IR per annum
Definition	<ul style="list-style-type: none"> • Reports produced from the research process in which research methods are used to develop those reports.
Source of data	<ul style="list-style-type: none"> • Minutes of the evaluation panel, submission of service provider recommendation to DBAC and draft literature review report for Lab 9/2019
Method of Calculation /Assessment	<ul style="list-style-type: none"> • Quantitative <p>Simple count of number of research reports produced and submitted to the DDG per annum.</p>
Means of verification	<ul style="list-style-type: none"> • Minutes of the evaluation panel, submission of service provider recommendation to DBAC and draft literature review report for Lab 9/2019
Assumptions	N/A
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> • Women • Youth • Persons with Disabilities
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> • Reducing unemployment through evidence based policy interventions.
Calculation Type	<ul style="list-style-type: none"> • Cumulative – Annual
Reporting Cycle	<ul style="list-style-type: none"> • Annual
Desired performance	Quality research reports produced that is equivalent or higher than expected target.
Indicator Responsibility	DDG:LP&IR.CD:LMP and Director- RPP



employment & labour

Department:
Employment and Labour
REPUBLIC OF SOUTH AFRICA

Part C: Measuring performance

1. Performance Information

Programme: Supported Employment Enterprises

Purpose:

- facilitates supported employment;
- provides work opportunities for persons with disabilities;
- develops and implement programmes that promote the employability of persons with disabilities, including persons with permanent disablement as defined in the Compensation for Occupational Injuries and Diseases Act, 1993 (Act No. 130 of 1993), in the light of their evolving needs in a changing economy; and
- performs any other function as may be prescribed by the Minister.

1.1 Outcomes, Outputs, Performance indicators and Targets

Outcome	Outputs	Output Indicators	Annual targets						
			Audited/ Actual Performance			Estimated Performance	MTEF Period		
			2016/17	2017/18	2018/19		2020/21	2021/22	2022/23
Provide additional job opportunities for People with Disabilities	Employment Services Act and recruitment and selection strategy for PWDs implemented	Number of additional persons with disabilities employed in the SEE factories by the end of March	N/A	150 additional persons with disabilities provided with work opportunities in the SEE by the end of March 2018	100 additional persons with disabilities employed in the SEE factories by the end of March 2019	150 additional persons with disabilities employed in the SEE factories by the end of March 2020	25 additional persons with disabilities employed in the SEE factories by the end of March 2021	50 additional persons with disabilities employed in the SEE factories by the end of March 2022	125 additional persons with disabilities employed in the SEE factories by the end of March 2023
Increase sales revenue	Financial viability increased and sustained	% annual increase of sales revenue from goods and services by the end of March	N/A	N/A	10% annual increase of sales revenue from goods and services by the end of	10% annual increase of sales revenue from goods and services by the end of	5% annual increase of sales revenue from goods and services by the end of	10% annual increase of sales revenue from goods and services by the end of	20% annual increase of sales revenue from goods and services by the end of

					March 2019	March 2020	March 2021	March 2022	March 2023
Increase SEE's market share	SEE's market share increased and sustained	Number of customer agreements entered into annually	N/A	N/A	N/A	N/A	3 customer agreements entered into by the end of March 2021	7 customer agreements entered into by the end of March 2022	10 customer agreements entered into by the end of March 2023

1.2 Indicators, Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Number of additional persons with disabilities employed in the SEE factories by the end of March	25 additional persons with disabilities employed in the SEE factories by the end of March 2021	25	-	-	-
% annual increase of sales revenue from goods and services by the end of March	5% annual increase in sales revenue by end of March 2021	2.5%	-	2.5%	
Number of customer agreements entered into annually	3 customer agreements entered into by the end of March 2021	1	-	2	

2. Explanation of planned performance over the medium term period

The employment of persons with disabilities will assist in reducing their dependency on social grants, provide them with therapeutic employment and promote their participation in the economy.

The SEE will aims to conclude 3 strategic MoAs that are to assist the entity to increase its sales by 5% and to expand its current establishment by employing additional 25 people with disabilities in identified factories..

During 2019/20 the SEE generated annual sales of R60million and managed to increase its establishment to 1250 persons with disabilities across the 13 factories. The SEE will increase its sales by 5% or to R63 million during the current financial year.

3. Resource Considerations

Budget allocation

	Audited outcomes			Adjusted Appropriation	Revised Estimate	Medium Term Expenditure Estimate		
	2016/17	2017/18	2018/19	2019/20		2020/21	2021/22	2022/23
REVENUE	-	-	-	-	119 260	-	-	-
	48 001 010,39	61 214 658,07	72 059 698,44	114,00		125 819 420,27	132 739 488,38	140 040 160,25
COST OF SALES	51 022 287,09	145 235 119,25	169 489 446,06	621,00	208 451	219 916 460,16	232 011 865,46	244 772 518,06
GROSS (PROFIT) / LOSS AFTER RECOVERY	3 021 276,70	84 020 461,18	97 429 747,62	507,00	89 191	94 097 039,89	99 272 377,08	104 732 357,82
GP %								
OTHER INCOME	-	-	-	-	165 182	-	-	-
	153 409 603,54	151 604 082,08	146 116 677,98	925,00		174 267 902,54	183 852 637,16	193 964 532,21
OPERATIONAL COST	106 331 296,50	58 036 566,60	67 068 296,25	339,00	75 991	80 170 862,65	84 580 260,09	89 232 174,40

SEE Key Risks and Mitigation Strategies

Outcome	Key Risk	Risk Mitigation
Provide additional job opportunities for People with Disabilities	Low customer base	<ul style="list-style-type: none"> • Increase customer base • Improved marketing
Increase sales revenue	Low customer base	<ul style="list-style-type: none"> • Secure new client base • Develop new innovative products
Increase SEE's market share	Low customer base	Secure new customer agreements

Part D: Technical Indicator Description (TID)

Indicator Title	Number of additional persons with disabilities employed in the SEE factories by the end of March 2021
Definition	The indicator measures the number of additional persons with disabilities employed in the SEE factories
Source of data	Employee HR file
Method of Calculation /Assessment	A count of the number of additional persons with disabilities provided with work opportunities , including permanent , contract and project work opportunities
Means of verification	<ul style="list-style-type: none"> • Employee appointment letters • Proof of Disability report.
Assumptions	The target will be met with full complement of HR staff and support form management.
Disaggregation of Beneficiaries (where applicable)	25 Additional persons with disabilities employed by end of March 2021 to include youth and women
Spatial Transformation (where applicable)	Throughout all Provinces with SEE factories.
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired performance	To ensure that 25 additional persons with disabilities employed in the SEE factories by the end of March 2021.
Indicator Responsibility	13 Factory Managers , Director : SEE HR

Indicator Title	% annual increase in sales revenue
Definition	The percentage increase in sales from the 2019/20 base year.
Source of data	Syspro system
Method of Calculation /Assessment	Calculation of the percentage difference of achieved sales against targeted for the year.
Means of verification	Trial Balance generated from the System

Assumptions	Assumed that the data generated from the system will be accurate and correct.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired performance	Sales increase of 5% by 2021 from a baseline of R60 million
Indicator Responsibility	Business Development

Indicator Title	Number of customer sales agreements entered into with annually
Definition	The number of sales contracts entered into with customers
Source of data	Signed customer sales agreements
Method of Calculation /Assessment	A count of the number of signed contracts entered into with customers for the sale of goods and services from the SEE.
Means of verification	Signed customer sales agreements
Assumptions	Assumed that all sales agreements will be entered into by way of a signed contract.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired performance	An increase in the market share
Indicator Responsibility	Business Development