



REVISED

**Annual
Performance Plan
Department of Labour
2014 - 2015**

Website: www.labour.gov.za
facebook: Department of Labour | twitter: @deptoflabour





labour

Department:
Labour
REPUBLIC OF SOUTH AFRICA

Revised Annual Performance Plan 2014 - 2015

Publisher
Department of Labour
Chief Directorate of Communication
Private Bag X17
Pretoria
0001

Editing, Layout and Design, Photography and Distribution
Subdirectorates of Media Production
Design Studio
Directorate of Communication, Department of Labour

Printer
Government Printer

RP No
318/2014

ISBN No
978-0-621-43176-6

Organisational Structure Top Leadership

Statutory Bodies

Advisory Council for Occupational Health and Safety | Commission for Conciliation Mediation and Arbitration (CCMA)
 Commission for Employment Equity (CEE) | Compensation Board | Employment Conditions Commission (ECC)
 National Economic Development and Labour Council (NEDLAC) | Productivity South Africa | Unemployment Insurance Board



From left to right

T Lamati | Deputy Director-General Inspection And Enforcement Services
 T Mkalipi | Acting Deputy Director-General Labour Policy And Industrial Relations
 E Tloane | Acting Deputy Director-General Public Employment Services
 TB Seruwe | Commissioner Unemployment Insurance Fund
 SP Holomisa | MP, Deputy Minister Of Labour
 MN Oliphant | MP, Minister Of Labour

S Morotoba | Acting Director-General
 A Moiloa | Chief Operations Officer
 SS Mkhonto | Commissioner Compensation Fund
 PN Tengen | Deputy Director-General-Corporate Services
 BE Maduna | Chief Financial Officer

Official sign-off

It is hereby certified that this Annual Performance Plan:

Was developed by the management of the Department of Labour under the guidance of MN Oliphant, MP

Was prepared in line with the 2014 - 2019 Strategic Plan of the Department of Labour

Accurately reflects the performance targets which the Department of Labour will endeavor to achieve given the resources made available in the budget for 2014 - 2015 financial year.



A Moiloa
Chief Operations Officer



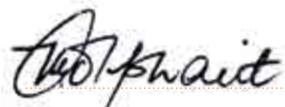
S Morotoba
Director-General (Acting) of Labour



B Maduna
Chief Financial Officer



SP Holomisa, MP
Deputy Minister of Labour



MN Oliphant, MP
Minister of Labour

Table of Contents

| | | | |
|---|-----------|---|-----------|
| Acronyms | vi | 4.2 Programme 2: Inspection and Enforcement Services | 23 |
| Foreword by the Minister | viii | 4.2.1 Strategic objective annual targets, programme performance indicators and annual targets for 2014-2015 | 23 |
| Part A: Strategic overview | 4 | 4.2.2 Programme performance indicators and quarterly targets for 2014-2015 | 26 |
| 1. Updated situational analysis | 4 | 4.2.3 Reconciling performance targets with the Budget and MTEF | 27 |
| 1.1 Performance delivery environment | 4 | 4.3 Programme 3: Public Employment Services | 30 |
| 1.2 Organisational environment | 5 | 4.3.1 Strategic objective annual targets, programme performance indicators and annual targets for 2014-2015 | 30 |
| 2. Revisions to legislative and other mandates | 6 | 4.3.2 Programme performance indicators and quarterly targets for 2014-2015 | 33 |
| 3. Overview of 2014 budget and MTEF estimates | 7 | 4.3.3 Reconciling performance targets with the Budget and MTEF | 35 |
| 3.1 Expenditure estimates | 7 | 4.4 Programme 4: Labour Policy and Industrial Relations | 38 |
| 3.2 Relating expenditure trends to strategic outcome oriented goals | 9 | 4.4.1 Strategic objective annual targets, programme performance indicators and annual targets for 2014-2015 | 38 |
| Part B: Programme and subprogramme plans | 14 | 4.4.2 Programme performance indicators and quarterly targets for 2014-2015 | 42 |
| Government service delivery outcomes and outputs, Departmental Strategic Objectives and Key Performance Indicators | | 4.4.3 Reconciling performance targets with the Budget and MTEF | 45 |
| 4. Programmes | 11 | Part C: Links to other plans | 50 |
| 4.1 Programme 1: Administration | 12 | 5. Links to the long-term infrastructure and other capital plans | 50 |
| 4.1.1 Strategic objective annual targets, programme performance indicators and annual targets for 2014-2015 | 12 | 6. Conditional grants | 51 |
| 4.1.2 Programme performance indicators and quarterly targets for 2014-2015 | 18 | 7. Public entities | 52 |
| 4.1.3 Reconciling performance targets with the Budget and MTEF | 21 | 8. Public-private partnerships | 53 |



Part D: Technical Indicators per programme

55

| | |
|---|----|
| Programme 1: Administration | 56 |
| Programme 2: Inspection and Enforcement Services | 68 |
| Programme 3: Public Employment Services | 82 |
| Programme 4: Labour Policy and Industrial Relations | 88 |



Acronyms

| Acronym | Description |
|---------|--|
| AFS | Annual Financial Statements |
| AIA | Accredited Inspection Authorities |
| APP | Annual Performance Plan |
| APSO | Association for Professional Service Organisation |
| ARLAC | African Regional Labour Administration Centre |
| AU LSAC | African Union Labour and Social Affairs Commissions |
| BCEA | Basic Conditions of Employment Act |
| CAPES | Confederation of Associations of Personnel Employment Agencies |
| CCMA | Commission for Conciliation, Mediation and Arbitration |
| CD: PO | Chief Director: Provincial Office |
| CF | Compensation Fund |
| CFO | Chief Financial Officer |
| CIO | Chief Information Officer |
| COIDA | Compensation for Occupational Injuries and Diseases |
| COO | Chief Operations Officer |

| Acronym | Description |
|---------|--|
| COSATU | Congress of South African Trade Unions |
| CRP | Contract Review Panel |
| CS | Corporate Services |
| DDG | Deputy Director-General |
| DEXCOM | Departmental Executive Committee |
| DG | Director-General |
| DHA | Department of Home Affairs |
| DIRCO | Department of International Relations and Corporation |
| DITSELA | Development Institute for Training, Support and Education for Labour |
| DPSA | Department of Public Services and Administration |
| DWCP | Decent Work Country Programme |
| EAP | Economic Active Population |
| EC | Eastern Cape |
| ECC | Employment Conditions Commission |

| Acronym | Description |
|---------|---|
| EEA | Employment Equity Act |
| EEC | Employment Equity Commission |
| ES | Employment Services |
| ESA/B | Employment Services Act or Bill |
| ESSA | Employment Services for South Africa |
| FEDUSA | Federation of Unions of South Africa |
| FS | Free State |
| GCIS | Government Communication and Information Services |
| GP | Gauteng |
| HO | Head Office |
| HRM | Human Resource Management |
| ICD | Integrated Client Database |
| ICT | Information and Communication Technology |
| IES | Inspection and Enforcement Services |
| IFS | Interim Financial Statements |

| Acronym | Description |
|-----------|--|
| ILO | International Labour Organisation |
| IT | Information Technology |
| JSE | Johannesburg Stock Exchange |
| KRA | Key Result Area |
| KZN | KwaZulu-Natal |
| LP | Limpopo |
| LP and IR | Labour Policy and Industrial Relations |
| LRA | Labour Relations Act |
| M&E | Monitoring and Evaluation |
| MOA | Memorandum of Agreement |
| MOU | Memorandum of Understanding |
| MP | Mpumalanga |
| MTEF | Medium-term Expenditure Framework |
| MTSF | Medium-term Strategic Framework |
| NACTU | National Council of Trade Unions |

| Acronym | Description |
|---------|--|
| NC | Northern Cape |
| NDP | National Development Plan |
| NEDLAC | National Economic Development and Labour Council |
| NT | National Treasury |
| NW | North West Province |
| OHS | Occupational Health and Safety |
| OHSA | Occupational Health and Safety Act |
| PDP | Personal Development Plan |
| PEA | Private Employment Agencies |
| PES | Public Employment Services |
| PFMA | Public Finance Management Act |
| PPP | Public Private Partnership |
| PSA | Productivity South Africa |
| PwD | People with disabilities |
| RAMP | Renovation and Maintenance Project |

| Acronym | Description |
|------------|---|
| RME | Research Monitoring and Evaluation |
| SADC | Southern African Development Community |
| SADC - ELS | Southern African Development Community - Employment and Labour Sector |
| SD | Setoral determinations |
| SDIP | Service Delivery Improvement Plan |
| SEF | Sheltered Employment Factories |
| SMME | Small Medium Macro Enterprises |
| SMS | Senior Management Service |
| SP | Strategic Plan |
| TES | Temporary Employment Services |
| UIA | Unemployment Insurance Act |
| UIF | Unemployment Insurance Fund |
| WSP | Workplace Skills Plan |
| WSS | Work-Seeker Services |

Foreword by the Minister

The goal of striving for a labour market which is conducive to investment, economic growth, employment creation and decent work, remains paramount in our work. The Department of Labour is enjoined by the Constitution to protect the rights of workers in general and vulnerable workers in particular. It is precisely for these reasons that the policies we develop resonate with these noble objectives. The real test of our work is whether or not they complement the various efforts by Government to address the national challenges.

Our work is underpinned by our resolve to finding the balance between protecting the workers and providing sufficient flexibility for growth and development of our people. We do this through putting in place a sound legislative and regulatory framework. It is a fact that the labour market environment is not static but changes from time to time and sometimes more rapidly than it was the case in the past. The strategic issues that inform our plan going forward include, but are not limited to:

- Promoting decent work
- Ramping up the operationalisation of public employment services
- Strengthening and enhancing the inspection and enforcement services to effectively monitor and enforce compliance with legislation
- Enhancing social security for workers in distress
- Continuing to strengthen the institutional capacity of the Department
- Initiating and facilitating employment creation opportunities.

We have successfully reviewed the labour legislative environment in order to ensure that our laws are not out of sync with the international best practices; are in line with the South African jurisprudence and most importantly eliminate abusive practices in the labour market. The challenge going forward is to ensure effective observance and compliance with new labour law requirements.

Sectoral determinations are now very much part of the South African labour market landscape and provide an effective instrument to protect vulnerable workers. Changes to the Basic Conditions of Employment Act, Labour Relations Act, and Employment Equity Act provide the legal framework to enhance transformation in the world of work. The pending changes to the Unemployment Insurance Act and the Compensation for Occupational Injuries and Diseases Act will further enhance the social benefits for workers in need.

The previous administration, for the past five years (2009-2014) has indeed been characterised by hard work and breaking new ground in the labour market world of work and the period ahead will primarily be to consolidate the achievements and fine-tune areas that remain a challenge for the Department. The plan that follows is an honest attempt to continue with our work, focusing on key priority areas.



MN Oliphant, MP
Minister of Labour



*Mildred Oliphant, MP
Minister of Labour*

Foreword by the Deputy Minister

The Department of Labour's mandate is by-and-large derived from the Bill of Rights. It can, therefore, be said without fear of contradiction that this portfolio, by virtue of its mandate, carries the responsibility of a human rights ombudsman. The Department of Labour is primarily about the protection of the rights of workers in general and vulnerable workers in particular.

Notwithstanding some of the challenges we face, it would be naïve, not to acknowledge the radical transformation of the labour relations environment achieved by the ANC-led government in the last 20 years. The net effect was the removal of draconian laws that for decades had condemned our people to the periphery of the economy, abject poverty and hopelessness. It is now common cause that these were replaced by a labour relations legislative framework that has restored the dignity of millions of South Africans in pursuit of a better life for all.

This plan heralds the dawn of a new era in the history of South Africa and the landscape of the labour market in our country. On 7 May 2014, the nation gave the African National Congress a mandate to govern for another five years. This the Nation did on the strength of its faith in the ANC, as a champion of transformation and human rights, and an agent and a catalyst for social change, social development and economic prosperity.

In the previous implementation cycle, the Department successfully tabled four section 75 pieces of legislation in Parliament of which three were amendment bills while one was a completely new bill. These were the Basic Conditions of Employment Act, Employment Equity Act, Labour Relations Act and the promulgated Employment Services Act.

The amendments and the new labour legislative environment anticipate and encourage a paradigm shift to how the Department will conduct its business in the future. The Employment Equity Act as amended, generated much debate in South Africa, more so when the draft regulations were published for public comment. In line with government priorities, the Department, through the amended Employment Equity Act, will strengthen its focus to create equitable workplaces that are free from unfair discrimination. South African businesses are legally obliged (under the Employment Equity Act) to ensure representation of black people, women and people with disabilities in the workplace. In the main, our brief is to eliminate unfair employment discrimination by promoting equal opportunity and fair treatment; and to achieve a diverse workforce that is broadly representative of South Africa's population.

Furthermore to address and reinforce our oversight, Chapter 2 of the newly promulgated Employment Services Act deals with the regulation of private employment agencies and temporary employment agencies popularly known as labour brokers. In addition proposed amendments in Section 198 of the Labour Relations Bill address the employment conditions of people under these organisations.

Changes in the occupational health and safety legislation post-1994 have resulted in important improvements in health and safety standards in the workplace. Similarly a bill currently before Parliament is aimed at extending unemployment benefits to vulnerable workers who were not covered previously, such as domestic and farm workers.

In order for workers to enjoy the full benefits of our labour market dispensation, inspection and enforcement has

continue on next page

SP Holomisa, MP
Deputy Minister of Labour



been a vital cog in our service delivery machinery. The legal framework to strengthen this important area of our work is already in place through the latest amendments to the Basic Conditions of Employment Act. Similarly we want to reinforce the principle that our inspection and enforcement activities are not meant to punish non-compliant employers, but to work with them in order to address the difficulties they may experience.

These developments in the legislative framework of the Department of Labour add clout to our monitoring mechanisms in order to protect and safeguard the rights of all workers in our country. Plans are afoot on how to leverage the new legal instruments in order to improve compliance.

We acknowledge the challenges of the South African labour market more recently reflected in the latest developments in the industrial relations world of work. These require a careful and objective diagnosis from all concerned. The violence that often accompanies strikes and the prolonged nature of the recent strikes, demand of all of us to reflect in order to understand the key drivers of these disturbing trends. It will be important to ensure that we are not only dealing with symptoms, but the underlying causes. This requires a sober reflection, a dispassionate approach that will lead ultimately to credible and long-term solutions.

With regards to the institutional capacity of the Department of Labour, the Department

has an infrastructure network of 421 service points spread across the country. These include labour centres, satellite offices, mobile offices, visiting points, and also services provided in the Thusong service centres. This is the Department's provincial footprint at the coal face of service delivery and the first point of contact with workers who need help. To deliver on its core business of public employment services and inspection and enforcement services, the Department has in the provinces, including at service points, a staff complement of over 5 767. It, therefore, remains vital that these centres are fully functional and operate optimally if we are to fulfill our mandate as the Department.

As a Department we are cognisant of the challenges in certain areas, the bulk of which relates to the infrastructure in these service points. In fact Parliament, in the course of conducting its oversight, has identified some of the areas that need attention and we are following up on those. We will intensify our engagements with the relevant government Departments in order to find ways of unlocking the bottlenecks in the provision of the infrastructure, especially in areas of dire need.



SP Holomisa, MP
Deputy Minister of Labour

Overview by the Accounting Officer

Nothing brings strategic plans to life more than the direct impact it would have on the lives of vulnerable workers and ascertaining a genuine attempt at contributing to improving the quality of people's lives. This resonates with the ideals of fostering a better life for all.

The Department remains committed to its core mandate of employment creation, protection of vulnerable workers and ensuring decent work, inter alia. There is little doubt that our continued insistence to execute our decree will enable us to claim our space in shaping and contributing to economic growth.

I am grateful for numerous amendments to the Labour Relations, the Basic Conditions of Employment and the Employment Equity Acts and the new Employment Services Act acceded to by the President. These pieces of legislation will further enable the Department to make inroads in contributing to a labour market conducive to decent jobs and economic growth. The imminent conclusion of the review process of the Unemployment Insurance, the Compensation of Occupational Injuries and Diseases and the Occupational Health and Safety Acts fills us with an excited anticipation of future possibilities.

Indeed, the Department is toiling harder and smarter, amidst all the trials. This is attested to by the trend of unqualified audit reports we have been receiving. Such a trend is well set to continue.

The Department will continue to engage key roleplayers in the labour market in our quest for service delivery that is above reproach.

The public entities and statutory bodies aligned to the Department are indispensable allies. Their assiduous work has granted the institution a coherent and effectual service delivery impetus.

I take this time to convey my heartfelt gratitude to the Minister for political guidance and leadership, my colleagues have been a pillar of strength and the staff of the Department who have remained trusted service delivery machinery even under very difficult working conditions.

Here is towards continued-client centred service delivery.



S Morotoba
Director-General (Acting) of Labour

*S Morotoba
Director-General (Acting)*





Our Vision, Mission and Values

Our Vision

The Department of Labour will strive for a labour market which is conducive to investment, economic growth, employment creation and decent work.

Our Mission

Regulate the South African labour market for sustainable economy through:

- Appropriate legislation and regulations
- Inspection, compliance monitoring and enforcement
- Protection of human rights
- Provision of employment services
- Promoting equity
- Social and income protection
- Social dialogue

Our Values

We treat employees with care, dignity and respect

- We respect and promote:
 - Client centred services
 - Accountability
 - Integrity and ethical behaviour
 - Learning and development
- We live the Batho Pele Principles
- We live the principles of the Department's Service Charter
- We inculcate these values through our performance management system