



PART A: STRATEGIC OVERVIEW

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## SITUATION ANALYSIS

The trends observed in South Africa by the end of December 2015, do not illustrate a strong economy, which matches to the triple challenge of unemployment, inequality and poverty in the country. Following a contraction of 1.3% in the second quarter of 2015, the growth in real gross domestic product increased only by meagre 0.7% in the third quarter of 2015. This slow growth combined with the threats posed by the global economics will probably delay the advancement in the implementation and achievement of key policy targets as per the National Development Plan (NDP). However, this requires a diligent implementation towards the growth rates envisaged in the NDP.

### Key highlights to the slow economic and labour market performance can be outlined as follows:

- Because of the real value added by the manufacturing sector, the South African economy was able to escape recession between the two last quarters of 2015. A turnaround of economic growth from a decline of 1.3% in quarter two to an increase of 0.7% growth in quarter three of 2015, was observed. This pace and extent of rate increases is likely to be unstable and affect the labour market.
- High levels of unemployment and a weakened economy still continue to persist. The latest Quarterly Labour Force Survey (July to September 2015) results indicate that:
  - » There were 15.8 million people employed in the country in September 2015. Out of this, only 40.1% or 6.3 million youth aged between 15-34 years were employed
  - » There were 5.4 million unemployed people. This was 188 000 more than for April to June 2015. The youth represented about 3.5 million or 65.2% of the total unemployed in the country. Comparing July to September 2015 with a year earlier, there were 267 000 more unemployed people. The official unemployment rate was at 25.5% by September 2015 which is 0.5% higher than the official unemployment rate recorded in April to June 2015. A number of economic sectors were affected by job losses in September 2015 quarter to quarter changes, e.g. Utilities, Transport, Finance and Private households
  - » The number of created and approved UIF claims in the Department of Labour dropped in the third quarter compared to the second quarter of 2015. Although the claims dropped between the two quarters, they remain high and this is an indication of the economy that is underperforming from two quarters in the labour market environment
  - » The vacancies data illustrate that there are more opportunities in the Community industry and probably most of those vacancies require high level of skills and experience, e.g., high number of vacancies are in the managerial occupation. If this trend continues, there will probably be a huge challenge for low skills work-seekers to enter into formal employment.
- Employment is not expanding rapidly enough to absorb the estimated 2.1 million of new entrants from the total unemployed people in the third quarter of 2015. Amongst those who were employed (13.6 million), about 27% reported to belong to trade union as at September

2015. Overall, the labour absorption rate has not yet recovered to pre-recessionary levels<sup>1</sup>. This is critical as the country is still challenged by a large number of long- term unemployed people. In order to address the structural challenges faced by young people, the Group Twenty (G20) member countries agreed amongst others on the following<sup>2</sup>:

- » To strengthen the links between education providers, employers and employment services to better match workforce needs and the training of young people
  - » To address demand-side barriers to the employment of low skilled youth
  - » To facilitate the transition of youth from school to work, including through mentoring and good quality career guidance.
- On the other hand, the prospect of weaker economic growth has also affected the performance of the Rand in 2015. The Rand depreciated mostly against all the major currencies, e.g. Euro, US Dollar and British Pounds. The trends were in line with the weaker economic downturn observed in the US and the Chinese economy
  - A relatively high cost of doing business. This has consistently been reported by the business partners where they advocate for the low cost that build on the comparative advantages of local exports in the country
  - Electricity supply will remain a binding constraint through 2016, limiting output and dampening business and consumer confidence. Easing electricity, transport and telecommunications infrastructure constraints, alongside improved confidence and higher demand from major trading partners, are expected to boost the GDP growth to 2.8% in 2018<sup>3</sup>.

Considering these highlights, there is an understanding that there would be no quick fixes to the current crisis. This was also stressed by the Minister of Finance when he said: “we are not solving the problems of inequality and unemployment and poverty in our country adequately, we must think long term”<sup>4</sup>. Thus, the South African Cabinet presented nine strategic priorities that need to be pursued in partnership with the private sector and all stakeholders<sup>5</sup>.

### These priorities include:

- Resolving the energy challenge
- Revitalising agriculture
- Adding value to our mineral wealth
- Enhancement of the Industrial Policy Action Plan

1. *Statistics South Africa (2014), Labour Market Dynamics in South Africa, Pretoria, 2015, p.*  
2. *G20, Labour and employment ministerial declaration, Melbourne, 10-11 September 2014, Unpublished*  
3. *National Treasury, Medium-Term Budget Policy Statement 2015, South Africa, 21st October 2015*  
4. *City Press, Budget revision, January 17, 2016*  
5. *The State of the Nation, 12 February 2015*

- Encouragement of private investment
- Reducing workplace conflict
- Unlocking the potential of small enterprises
- Infrastructure investment
- Support for implementation of the National Development Plan through in-depth, results-driven processes, known as Phakisa Laboratories

## 1.1 PERFORMANCE ENVIRONMENT

A major achievement during 2014/15 was the promulgation of amendments to the Labour Relations Act, the Basic Conditions of Employment Act and the Employment Equity Act. Together, these amendments are intended to give further protection to vulnerable workers, especially those in temporary work arrangements, to promote greater equity in the labour market and especially, to promote equal treatment. Regulations were completed for the Labour Relations Act and the Employment Equity Act. A Code of Good Practice on Equal Pay for Work of Equal Value was also completed and published.

The new Employment Services Act 2014 was promulgated during August 2015, which provides a legal framework for the operation of the Public Employment Services, the regulation of private employment agencies and temporary employment services, the establishment and operations of supported employment enterprises and Productivity South Africa. Amendments to the Unemployment Insurance Act reached the fourth Parliament but could not be finalised. Amendments to the Occupational Health and Safety Act and to the Compensation for Occupational Injuries and Diseases Act also reached an advanced stage in the Department during the year.

Major aspects of our programme of legislative reform were completed during the year and steps were also taken to further strengthen and professionalise the inspection and enforcement capacity of the Department. During the coming years, our emphasis will move to enforcement and to monitoring and evaluating the implementation of the labour laws, as amended.

These amendments were the product of protracted and often difficult negotiations involving the contrasting interests of Organised Labour, Organised Business, Government and diverse political parties in Parliament. The National Economic Development and Labour Council, as always, played a sterling role in bringing about the requisite consensus for the passage of these laws.

The revamping of the labour laws is a highly significant milestone that underscores our resolve to help transform and regulate the labour market. Consistent with the policy orientation of the Department since 1994, the amendments strive to balance regulation of the labour market with sufficient flexibility for growth and development. But they must also be judged by their effectiveness regarding protection of vulnerable workers.

President Zuma, in his State of the Nation address of 17 June 2014, announced that Deputy

President, Cyril Ramaphosa, would convene a social partner dialogue within the ambit of NEDLAC. This process of social dialogue would deliberate on the state of the labour relations environment and would engage on a national minimum wage.

On 4 November 2014, a Labour Relations Indaba was convened at which a declaration was adopted that contains a number of principles to guide the engagement. Since January 2015, the NEDLAC constituencies have been engaging on the two focal areas. The challenge will now be to ensure that good progress is made in the deliberations around the Indaba resolutions. Both labour relations stability and the issue of a national minimum wage are critical areas for the future of the labour market and for advancing the decent work agenda.

## CHALLENGES FACING THE DEPARTMENT

**Overall, the following challenges and key interventions can be highlighted:**

### **Moderating workplace conflict**

The burden of industrial action remains a heavy one on South Africa's labour relations. Recent years have witnessed a few strikes of long duration as well as strikes marked by violence, intimidation of non-striking workers, damage to property and deaths. There is no clear decline in the number of strikes occurring in South Africa. The most extreme incident was the shooting of 34 striking mineworkers at Marikana on 16 August 2014.

### **Key interventions**

The high level of conflict in labour relations led to the President's call on the social partners to deliberate on the state of the labour relations environment, finding consensus on ways of effectively dealing with prolonged strikes and violence associated with industrial action. This call was made in the State of the Nation address in 2014 and has been followed by a Labour Relations Indaba held on 4 November 2014. The Department is closely involved in on-going discussions taking place with the social partners under the auspices of NEDLAC.

### **Dealing with wage inequality and the implementation of a National Minimum Wage**

Wage inequality is commonly viewed as a feature of the South African labour market that contributes to industrial relations instability. Wage demands are also the most common cause of industrial action in the country.

### **Key interventions**

The President's call on the social partners included a call to deliberate on low wages, wage inequalities and the modalities for introducing a national minimum wage and the Labour Relations Indaba of 2014 therefore included a focus on addressing wage inequality.

In addition to participating in discussions with social partners on a national minimum wage and wage inequality at NEDLAC, the Department is assessing income differentials in terms of the Employment Equity Act and continues to review minimum wages set by sectoral determinations in terms of the Basic Conditions of Employment Act. Both these actions are contained in this Annual Performance Plan.

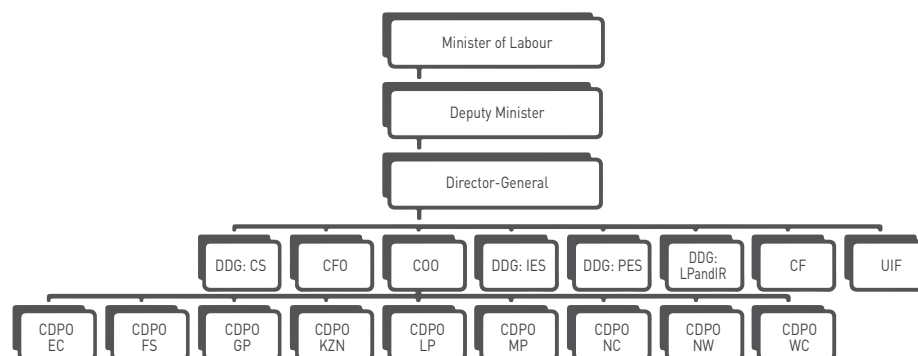
## 1.2 ORGANISATIONAL ENVIRONMENT

The Department of 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 mandate of the Department is to regulate the labour market through policies and programmes developed in consultation with social partners, which are aimed at:

- Improving economic efficiency and productivity
- Creation of decent employment
- Promoting labour standards and fundamental rights at work
- Providing adequate social safety nets to protect vulnerable workers
- Promoting sound labour relations
- Eliminating inequality and discrimination in the workplace
- Enhancing occupational health and safety awareness and compliance in the workplace
- Giving value to social dialogue in the formulation of sound and responsive legislation and policies to attain labour

To deliver on its core business of Public Employment Services and Inspection and Enforcement Services, the Department has a staff complement of 8 748. This includes the staff of the Compensation Fund with a staff complement of 690 posts in Pretoria and 1 209 posts spread across all provinces, the Unemployment Insurance Fund with a staff complement of 527 posts in Pretoria and 2 869 posts spread across all the provinces and the 157 posts of the administrative staff of the 12 Supported Employment Enterprises (previously known as Sheltered Employment Factories).



## SERVICE DELIVERY SITES OF THE DEPARTMENT

Services are rendered at nine provincial offices, 126 labour centres, 40 satellite offices and 461 visiting points across the country. The Department uses its fleet and fully equipped mobile buses 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, five satellite offices and 79 visiting points with a staff complement of 797
- In the Free State the Department delivers services at 11 labour centres, three satellite offices and 68 visiting points with a staff complement of 511
- In Gauteng the Department delivers services at 27 labour centres, one satellite office and 7 visiting points with a staff complement of 1 602
- In KwaZulu-Natal the Department delivers services at 16 labour centres, three satellite offices and 49 visiting points with a staff complement of 1 074
- In Limpopo the Department delivers services at 13 labour centres, seven satellite offices, 19 visiting points and nine Mobile Labour Centre visiting points with a staff complement of 521
- In Mpumalanga the Department delivers services at 14 labour centres, four satellite offices and 27 visiting points with a staff complement of 517
- In the Northern Cape the Department delivers services at seven labour centres and 87 visiting points with a staff complement of 334
- In the North West the Department delivers services at ten labour centres, nine satellite offices and 21 visiting points with a staff complement of 374
- In the Western Cape the Department delivers services at 12 labour centres, eight satellite offices and 95 visiting points with a staff complement of 788.

### 1.2.1 KEY STRATEGIC INTERVENTIONS TO ADDRESS OPERATIONAL CHALLENGES

- Undertaking a significant Business Improvement and Change Programme to transform all parts of the Department's operations
- Ensuring that service delivery staff are empowered to deliver on the entire suite of the Department's services
- Developing and creating an environment of accountability for service delivery and correct attitudes and behaviour among staff
- Developing a service delivery model and establishing a network of integrated service delivery points as close as possible to the people

- Establishing strategic partnerships for collaboration in creating and delivering value to citizens
- Improving the quality and performance of the labour market in order to strengthen the country's economic prospects
- Leveraging the transformative nature of public employment services to fight poverty and unemployment
- Putting in place measures to encourage continuous learning, development and innovation by those serving at the point of contact with clients.

### 1.3 PROJECTS FOR THE YEAR AND FUTURE YEARS

#### ENFORCING DECENT WORK PRINCIPLES

The Department aims to ensure that employers adhere to employment equity plans and decent work principles, and that vulnerable workers are protected. Over the medium-term, the Department plans to enhance enforcement by increasing the number of inspections for compliance with labour legislation. However, the Department has faced challenges in both, retaining inspectors and finding suitable, specialised candidates. The R64 million allocated for an additional 124 labour inspectors in 2016/17, was withdrawn, with the implications that it would no longer be possible to add inspectors or fill some of the vacancies. This will seriously hamper the ability to increase the number of inspections from 2014/15 to 2019/20 with 30% as required in the MTSF.

#### Supporting work-seekers

The National Development Plan sets an employment target of 11 million jobs to be created by 2030. To support the achievement of this target, the Employment Services Act (2014) aims to provide free public employment services and regulate private employment agencies. The Department's employment services system is an IT portal where work-seekers can register as unemployed and provide information about their work experience, qualifications and the kind of work they are looking for. Employers can use the portal to register vacancies and other opportunities they may have, such as training, learnerships, and internships. The system matches work-seekers to opportunities, and after an assessment process, refer work-seekers to employers. To increase the number of registered work-seekers and the number of work-seekers placed in registered employment opportunities, the Department will host road shows, run advocacy campaigns, integrate the employment services system with the Unemployment Insurance Fund, the Compensation Fund and national learner database systems, and establish partnerships with other stakeholders such as the Department of Higher Education and Training, the Department of Public Works, the National Youth Development Agency, organised business, and municipalities. Through a new counselling strategy, the Department aims to get work-seekers job ready and thus reduce the time it takes to place a work-seeker. The Department will also explore partnerships to modernise the system's assessment tests. In support of these interventions, the Public Employment Services programme receives R1.1 billion over the medium-term, excluding transfers.

#### Regulating the workplace

The Department will focus on setting standards to reduce inequality in pay and minimum wages for all vulnerable workers, and to improve compliance with the Employment Equity Act (1998). The Department will review 12 sectoral determinations between 2014/15 and 2017/18 to regulate agreements on benchmarks for pay inequality, and then conduct an assessment of pay scales to ensure that the gaps in minimum wage determinations are reduced. The Department will also investigate the introduction of a national minimum wage and determine its likely impact on wage structure, inequality, employment, and the living standard of workers. These activities are funded in the Labour Policy and Industrial Relations programme. In addition, the Department will transfer R2.3 billion over the medium-term from this programme to the Commission for Conciliation Mediation and Arbitration and R90.9 million to the National Economic Development and Labour Council. Future enhancement will be the establishment of a National Minimum Wage Institution provided that funding could be secured for the 2017/18 financial year onwards.

### 1.4 REVISIONS TO LEGISLATIVE AND OTHER MANDATES

**Amendment of the Unemployment Insurance Act No. 63 of 2001.** These changes relate to improvements of benefits and administrative changes regarding submission of information by employers to the Fund.

**Issue regulations in terms of the Employment Services Act, Act No. 4 of 2014.** The new Regulations aim to strengthen the provision of employment services within the Department and to provide further clarity on the prescribed provisions of the Act.

**Amendment of the Compensation for Occupational Injuries and Diseases Act.** Develop a rehabilitation, re-integration and return-to-work policy for injured and diseased workers to ensure integration with other South African policies and programmes, which provide a framework for rehabilitation of people with disabilities which stresses the importance of vocational integration.

**Amendment of the Occupational Health and Safety Act, 85 of 1993.** Although the OHS Act has placed responsibility of creating a healthy and safe working environment on the employers, the provisions compelling employers to do this are very vague. In order to address these shortcomings, it is necessary that the OHS Act in its current form be amended in order to ensure that:

- Employers develop and implement a health and safety management system
- Penalties issued to employers are increased
- Inspectors are enabled to issue prescribed fines on the spot.

## 3 OVERVIEW OF 2014 BUDGET AND MTEF ESTIMATES

### 3.1 EXPENDITURE ESTIMATES

Programme	Audited outcomes			Adjusted Appropriation	Revised Estimate	Medium-Term Expenditure Estimate			
	R-thousand	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	
1 Administration		687 695	795 870	675 957	815 111	809 638	852 921	894 954	940 599
2 Inspection and Enforcement Services		395 574	412 213	430 878	471 830	471 830	519 494	529 833	581 770
3 Public Employment Services		331 651	413 495	465 264	497 297	497 297	510 269	571 922	594 304
4 Labour Policy and Industrial Relations		619 652	749 866	847 837	919 996	919 996	965 193	1 035 295	1 107 545
<b>Total</b>		2 034 572	2 371 444	2 419 936	2 704 234	2 698 761	2 847 877	3 032 004	3 224 218
Economic Classification									
Current Payments		1 276 484	1 469 629	1 459 223	1 642 777	1 637 304	1 714 830	1 870 868	1 995 251
Compensation of Employees		825 469	866 137	997 751	1 052 893	1 052 893	1 132 239	1 221 487	1 307 915
Goods and Services		450 992	603 492	460 577	589 884	584 411	582 591	649 381	687 336
<i>Of which:</i>									
<i>Advertising</i>		10 868	12 167	6 737	17 306	16 736	13 855	17 397	19 140
<i>Communication</i>		44 624	33 240	35 236	53 025	53 025	41 767	46 299	41 616
<i>Computer Services</i>		71 029	77 238	69 701	95 421	94 542	104 316	109 347	115 455
<i>Consultants and Professional Services: Business and advisory services</i>		45 277	74 413	6 312	18 681	18 681	17 941	21 728	21 740
<i>Fleet Services</i>		6 409	11 099	18 730	19 562	19 562	28 081	37 324	44 852
<i>Inventory: Stationery and printing</i>		9 831	17 516	18 889	20 318	20 318	20 017	23 030	25 594
<i>Lease payments</i>		47 766	145 927	104 877	144 814	142 305	129 471	156 490	167 916
<i>Property Payments</i>		47 731	51 871	46 761	62 656	62 201	57 662	64 380	67 747
<i>Travel and Subsistence</i>		102 782	92 315	77 169	74 372	74 292	64 193	63 962	63 768
<i>Other Goods and Services</i>		64 675	87 706	76 165	83 729	82 749	105 288	109 424	119 508
Interest and rent on land		23	0	895	0	0	0	0	0
Transfers and Subsidies		658 425	823 379	924 612	1 009 217	1 009 217	1 064 621	1 119 330	1 184 234
Provinces and municipalities		227	446	472	502	502	471	481	491
Departmental agencies and accounts		554 070	676 182	785 813	824 195	824 195	867 794	911 060	963 901
Foreign governments and international organisations		13 692	15 914	17 019	19 300	19 300	20 566	21 096	22 320



Programme	Audited outcomes			Adjusted Appropriation	Revised Estimate	Medium-Term Expenditure Estimate		
	R-thousand	2012/13	2013/14			2014/15	2015/16	2016/17
Public Corporations and private enterprises	0	0	0	0	0	0	0	0
Non-profit institutions	88 030	127 702	116 584	164 487	164 487	175 464	186 351	197 160
Households	2 406	3 135	4 724	733	733	326	342	362
Payments for capital assets	93 427	60 299	36 101	52 240	52 240	68 426	41 806	44 733
Buildings and other fixed structures	8 637	1 548	1 867	2 000	2 000	28 000	0	0
Machinery and equipment	84 790	58 751	34 234	50 240	50 240	40 426	41 806	44 733
Software and other intangible assets	0	0	0	0	0	0	0	0
Payments for financial assets	6 236	18 137	0	0	0	0	0	0
<b>Total</b>	<b>2 034 572</b>	<b>2 371 444</b>	<b>2 419 936</b>	<b>2 704 234</b>	<b>2 698 761</b>	<b>2 847 877</b>	<b>3 032 004</b>	<b>3 224 218</b>

### 3.2 RELATING EXPENDITURE TRENDS TO STRATEGIC OUTCOME ORIENTED GOALS

The Department of Labour's focus over the medium-term will be on enforcing decent work principles, supporting work-seekers, and regulating the workplace. The Department is thus positioned to contribute to the National Development Plan's vision of increasing labour absorption and enhancing workplace dispute resolution to advance healthy labour relations, and to give impetus to Outcome 4 of Government's 2014-2019 medium-term strategic frameworks (decent employment through inclusive economic growth).

The driving focus of the Department in terms of funding over the 2016 MTEF is to ensure adequate capacity and manpower, thus all the major reprioritisations and fund shifts were applied in Compensation of Employees to ensure that all key strategic interventions that are put in place for the Department to execute its mandate, are achieved.

The 2016 MTEF allocation on the Compensation of Employees is at R1.132 billion in 2016/17, R1.221 billion in 2017/18 and R1.308 billion in the outer year. This allocation is inclusive of the public sector wage settlement increase of R105.6 million over the MTEF. Furthermore within the Compensation of Employees allocation, a decrease of R531.228 million over the MTEF, of which R139.406 million is in 2016/17, R190.865 million in 2017/18 and R200.957 million in 2018/19 was instituted. This forces the Department to re-evaluate the current vacancies. Some posts will have to be abolished in order to remain within the budget allocation. However this will have an impact on service delivery especially on front-line client services and the number of inspectors.

### 3.3 INFRASTRUCTURE SPENDING

The Department has been allocated an amount of R28 million for capital works for 2016/17, the funds will be largely utilised for identification and clearance of construction sites, construction of new office buildings as well as maintenance and repairs of existing office buildings.



PART B: PROGRAMME AND SUB-PROGRAMME PLANS



## PART B: PROGRAMME AND SUB-PROGRAMME PLANS

### 4. SERVICE DELIVERY OUTCOMES AND STRATEGIC GOALS

In the medium-term, the Department of Labour will contribute mainly on the following outcomes:

**Outcome 4:** Decent employment through inclusive economic growth

**Outcome 5:** A skilled and capable workforce to support an inclusive growth path

**Outcome 11:** Create a better South Africa, a better Africa and a better World

**Outcome 12:** An efficient, effective and development-oriented public service

**Outcome 14:** Transforming society and uniting the country.

The Department's strategic goals are elaborated upon and translated in line with the three Government Service Delivery Outcomes assigned to the Department as follows:

- 1: Promote occupational health services **(Outcome 4)**
- 2: Contribute to decent employment creation **(Outcome 4 and outcome 5)**
- 3: Protect vulnerable workers **(Outcome 4)**
- 4: Strengthen multilateral and bilateral relations **(Outcome 11)**
- 5: Strengthen occupational safety protection **(Outcome 4)**
- 6: Promote sound labour relations **(Outcome 4)**
- 7: Monitor the impact of legislation **(Outcome 4)**
- 8: Strengthen the institutional capacity of the Department **(Outcome 12)**
- 9: Development of the occupational health and safety policies **(Outcome 4)**
- 10: Promote equity in the labour market **(Outcome 14).**

# PROGRAMMES

## 4.1 PROGRAMME 1: ADMINISTRATION

**Programme Purpose:** Provide strategic leadership, management and support services to the Department.

There are no changes to the budget structure.

### 4.1.1 STRATEGIC OBJECTIVE, PROGRAMME PERFORMANCE INDICATORS AND MEDIUM-TERM TARGETS

Strategic Objectives	Programme performance indicator	Audited performance		Estimated Performance	Medium-Term Targets				
		2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	
<b>8. Strengthen the institutional capacity of the Department (Outcome 12: An efficient, effective and development oriented public service)</b>									
1	Provide strategic management and support services to the Department	1.1 Improve the Department's management practice and strategic support based on the Management Performance Assessment Tool (M-PAT) assessment criteria. 55% of total Department's M-PAT standards at level 3 and 4	30% of total Department's M-PAT standards per KPI are at level 3 and 9% on level 4 as at 31 March 2015	55% of total Department's M-PAT standards per KPI at level 3 by 31 March 2016	55% of total Department's M-PAT standards at level 3 and 4 by March 2017	58% of total Department's M-PAT standards per KPI at level 3 by 31 March 2018	60% of total Department's M-PAT standards per KPI at level 3 by 31 March 2019	62% of total Department's M-PAT standards per KPI at level 3 by 31 March 2020	65% of total Department's M-PAT standards per KPI at level 3 by 31 March 2021
2	Integrated human resource strategy implemented	2.1 Percentage of vacancy rate reduced by 31 March	10.67% (Of the total 8 748 funded posts, 933 were vacant)	8%	9.9%	9.9%	9.9%	9.9%	9.9%
3	Effective financial management and governance	3.1 Number of Annual Financial Statements (AFS) and Interim Financial Statements (IFS) compiled per year that comply with guidelines issued by the National Treasury	2013/14 Annual report submitted to the National Treasury by 31 May 2014  3 IFS reports were submitted to the National Treasury on due dates as determined by National Treasury	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
4	Effective supply chain management	4.1 Percentage of compliant invoices paid within 30 days of receipt	99.3% (16 434 of the 16 545) invoices were paid within 30 days of receipt	100%	100%	100%	100%	100%	100%
		4.2 Percentage reporting of detected irregular, fruitless and wasteful and unauthorised expenditure (TR9.1.2)	An increase of 17% in irregular expenditure was recorded from 2013/14 to 2014/15 (The total cases for 2013/14 were 46 with the total irregular expenditure amount of R685 344.01. The total cases for 2014/15 was 37 with the total irregular expenditure amount of R798 696.50)	100%	100%	100%	100%	100%	100%

## 4.1.2 PROGRAMME PERFORMANCE INDICATORS AND QUARTERLY TARGETS FOR 2016-2017

Performance indicator		Reporting period	Annual target 2016-17	Quarterly targets				Budget
				1st	2nd	3rd	4th	R'000
1.1	Improve the Department's management practice and strategic support based on the Management Performance Assessment Tool (M-PAT) assessment criteria. 55% of total Department's M-PAT standards at level 3 and 4	A	55% of total Department's M-PAT standards at level 3 and 4 by March 2017	50% Implementation of the M-PAT Action Plan	M-PAT Self-assessment report signed off by the DG and submitted to DPME by 30 September 2016  55% of total Department's M-PAT standards at level 3 and 4 by September 2016 based on the self-assessment report	Develop and sign-off the M-PAT Action Plan by EXCO to address challenges raised in MPAT 1.6	55% of total Department's M-PAT standards at level 3 and 4 by March 2017 based on the final MPAT report	3 933
2.1	Percentage of vacancy rate reduced by 31 March	Q	9.9%	12%	11%	9.9%	9.9%	2 285
3.1	Number of Annual Financial Statements (AFS) and Interim Financial Statements (IFS) compiled per year that comply with guidelines issued by the National Treasury	Q	1 AFS by 31 May, and 3 IFS 30 days after each quarter	AFS – 31 May 2016	Q1 -31 July 2016	Q2 - 31 October 2016	Q3 - 31 January 2017	13 454
4.1	Percentage of compliant invoices paid within 30 days of receipt	Q	100%	100%	100%	100%	100%	55 094
4.2	Percentage reporting of detected irregular, fruitless and wasteful and unauthorised expenditure (TR9.1.2)	Q	100%	100%	100%	100%	100%	55 094

## 4.1.3 RECONCILING PERFORMANCE TARGETS WITH THE BUDGET AND MTEF

## Expenditure estimates

Programme Administration	Audited outcomes			Adjusted Appropriation	Revised Estimate	Medium-Term Expenditure Estimate			
	R-thousand	2012/13	2013/14			2014/15	2015/16	2016/17	2017/18
Ministry		16 798	18 557	24 340	28 092	28 527	26 225	28 453	29 836
Management		450 746	421 288	373 838	248 240	247 725	248 791	242 609	242 137
Corporate Services		47 439	53 234	57 650	223 463	222 014	249 537	279 398	304 534
Office of the Chief Financial Officer		101 656	142 161	97 453	139 925	138 945	131 660	139 989	144 886
Office Accommodation		71 056	160 630	122 676	175 391	172 427	196 708	204 505	219 206
<b>Total</b>		<b>687 695</b>	<b>795 870</b>	<b>675 957</b>	<b>815 111</b>	<b>809 638</b>	<b>852 921</b>	<b>894 954</b>	<b>940 599</b>
Economic Classification									
Current Payments		587 672	716 727	636 922	762 853	757 380	783 929	852 512	895 211
Compensation of Employees		284 618	267 317	309 546	335 165	335 165	378 796	388 862	407 559
Goods and Services		303 031	449 410	326 481	427 688	422 215	405 133	463 650	487 652
Of which:									
Advertising		7 877	5 089	4 233	11 085	10 515	6 179	9 166	10 533
Communication		10 936	13 717	14 453	19 759	19 759	17 765	19 936	19 927
Computer Services		68 503	76 579	69 273	94 042	93 163	103 298	108 269	114 315
Consultants and Professional Services: Business and advisory services		43 541	70 129	2 807	11 078	11 078	10 838	14 225	13 801
Fleet Services		5 469	4 840	7 669	6 813	6 813	8 144	9 049	9 328
Inventory: Stationery and printing		3 904	10 465	9 189	8 375	8 375	5 923	8 543	9 424
Lease payments		46 306	140 445	103 085	140 640	138 131	125 055	151 839	162 995
Property Payments		37 587	40 231	36 923	53 441	52 986	50 427	56 825	59 756
Travel and Subsistence		36 228	29 398	29 362	32 328	32 248	11 345	13 901	12 821
Other Goods and Services		42 680	58 517	49 487	50 127	49 147	66 159	71 897	74 752
Interest and rent on land		23		895					
Transfers and Subsidies		1 435	1 520	5 829	708	708	689	710	733

Programme Administration R-thousand	Audited outcomes			Adjusted Appropriation	Revised Estimate	Medium-Term Expenditure Estimate		
	2012/13	2013/14	2014/15	2015/16		2016/17	2017/18	2018/19
Provinces and municipalities	213	416	450	500	500	470	480	490
Departmental agencies and accounts	28	11	4 399					
Foreign governments and international organisations								
Public corporations and private enterprises								
Non-profit institutions			50					
Households	1 194	1 093	930	208	208	219	230	243
<b>Payments for capital assets</b>	<b>92 352</b>	<b>59 486</b>	<b>33 206</b>	<b>51 550</b>	<b>51 550</b>	<b>68 303</b>	<b>41 732</b>	<b>44 655</b>
Buildings and other fixed structures	8 637	1 548	1 867	2 000	2 000	28 000		
Machinery and equipment	83 715	57 938	31 339	49 550	49 550	40 303	41 732	44 655
Software and other intangible assets								
Payments for financial assets	6 236	18 137						
<b>Total</b>	<b>687 695</b>	<b>795 870</b>	<b>675 957</b>	<b>815 111</b>	<b>809 638</b>	<b>852 921</b>	<b>894 954</b>	<b>940 599</b>

### PERFORMANCE AND EXPENDITURE TRENDS

The 2016 MTEF allocation on the Compensation of Employees is at R378.796 million in 2016/17, R388.862 million in 2017/18 and R407.559 million in the outer year. This allocation is inclusive of the public sector wage settlement increase over the MTEF. Furthermore within the Compensation of Employees allocation, a decrease of R145.783 million over the MTEF, of which R35.5 million is in 2016/17, R52.907 million in 2017/18 and R57.376 million in 2018/19 was instituted. This will affect the Department's ability to fill the current vacancies to provide support services to the core functionaries.

**Infrastructure project:** The Department has been allocated an amount of R28 million for capital works for 2016/17, the funds will be largely utilised for identification and clearance of construction sites, construction of new office buildings as well as maintenance and repairs of existing office buildings.

## 4.2 PROGRAMME 2: INSPECTION AND ENFORCEMENT SERVICES

**Programme purpose:** To realise decent work by regulating non-employment and employment conditions through inspection and enforcement in order to achieve compliance with all labour market policies.

**Objectives:**

- **Promotion of employment equity in the labour market:** promotion of the transformation of the labour market by inspecting workplaces in order to achieve compliance with employment equity legislation
- **Workers protected through inspection and enforcement of labour legislation:** ensure decent work principles are adhered to by protecting workers through the inspection and enforcement of labour legislation
- **Health and safety of workers protected through inspection and enforcement of the Occupational Health and Safety Act:** ensure that occupational safety of workers is protected through the enforcement of health and hygiene regulations.

### 4.2.1 STRATEGIC OBJECTIVE, PROGRAMME PERFORMANCE INDICATORS AND MEDIUM-TERM TARGETS

Strategic Objectives	Programme performance indicator	Audited performance	Estimated Performance	Medium-Term Targets					
		2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	
<b>10: Promote equity in the labour market (Outcome 14: Transforming society and uniting the country)</b>									
1.	Promotion of employment equity in the labour market	1.1 Number of designated employers reviewed per year to determine compliance with employment equity legislation	551	750	808	810	812	812	812
		1.2 Percentage of non-compliant employers of those reviewed in reference to 1.1 issued with a recommendations within 90 calendar days of the review	100% non-compliant employers dealt with. 375 recommendations were served within 90 days to a total of 374 non-compliant employers	100%	100%	100%	100%	100%	100%
		1.3. Number of designated employers inspected per year to determine compliance with employment equity legislation	1 364	4 176	4 729	4 735	4 745	4 745	4 745
		1.4. Percentage of non-complying workplaces inspected per year with reference to 1.3. dealt with in terms of the Employment Equity Act	93% (515 of the 553)	100%	100%	100%	100%	100%	100%



Strategic Objectives	Programme performance indicator	Audited performance	Estimated Performance	Medium-Term Targets					
		2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	
<b>1: Promote Occupational health services and 3: Protect vulnerable workers (Outcome 4: Decent employment through inclusive economic growth)</b>									
2. Workers protected through inspection and enforcement of labour legislation	2.1 Number of workplaces inspected per year to determine compliance with labour legislation	149 847	135 356	134 958	135 100	135 500	135 500	135 500	
	2.2 Percentage of non-complying workplaces inspected per year with reference to 2.1 dealt with in terms of the relevant labour legislation	91% of non-complying workplaces were dealt with. A total of 27 291 notices were issued and 394 cases were referred to court	100%	100%	100%	100%	100%	100%	
	2.3 Number of advocacy and educational sessions conducted per year in identified sectors	6 sessions conducted 1 advocacy for contract cleaning HBA Seminar Shop stewards training (100 trained) 2 Training sessions for the taxi Sector (262 people trained) 1 Ministerial Imbizo for Agriculture and Forestry conducted in the Western Cape	4 Seminars  1 Training programme (600 shop stewards trained)	4 Seminars conducted in the following sectors: • Whole Sale and Retail • Hazardous Biological Agents • Private Security • Construction  1 Training Program (400 Shop stewards trained)	4 Seminars  1 Inspectors conference  1 Training programme (700 shop stewards trained)	4 Seminars  1 International OHS conference  1 Training programme (700 shop stewards trained)	4 Seminars  1 Inspectors conference  1 Training programme (700 shop stewards trained)	4 Seminars  1 International OHS conference  1 Training Programme (700 shop stewards trained)	
	2.4 Percentage of inspections on request for work permits conducted within 25 calendar days	75% (730 of 968) requested investigations were conducted within 5 work days	90%	90%	90%	90%	90%	90%	
	2.5 Percentage of non-complying workplaces inspected with reference to 2.4 per year dealt with in terms of the relevant labour legislation		New	100%	100%	100%	100%	100%	

Strategic Objectives	Programme performance indicator	Audited performance	Estimated Performance	Medium-Term Targets				
		2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
<b>5: Strengthen Occupational Safety Protection and 9: Development of the Occupational Health and Safety policies (Outcome 4: Decent employment through inclusive economic growth)</b>								
3. Strengthen occupational safety protection	3.1 Number of workplaces inspected per year to determine their compliance with the OHS legislation	23 678	20 476	21 967	21 967	22 000	22 000	22 000
	3.2 Percentage of non-complying workplaces inspected per year with reference to 3.1 dealt with in terms of the OHS legislation	106% (8 337 of 7 888) was dealt with. A total of 6 570 notices were issued and 112 cases were referred to court	100%	100%	100%	100%	100%	100%
	3.3. Percentage of reported incidents investigated within 90 days	45% (589 of the 1 305) reported incidents were investigated within 90 days	60%	62%	65%	70%	70%	70%
	3.4 Percentage of applications for registration of entities processed within 60 calendar days	100% (4 474 applications were received and processed within 4 weeks)	100%	80%	80%	80%	80%	80%
	3.5 Amendments to the Occupational Health and Safety Act processed through the relevant structure (Cabinet) by 31 March 2017	The OHS Bill submitted to NEDLAC	OHS Amendment Bill submitted to NEDLAC	OHS Amendment Bill submitted to Cabinet				
	3.6 Number of employer payroll audits conducted per year to determine employers contribution to the Unemployment Insurance Fund	5 378 employer payroll audits were conducted	11 576	13 016	13 312	14 238	15 049	15 049

Footnote: Targets revised to be within resource capacity levels

## 4.2.2 PROGRAMME PERFORMANCE INDICATORS AND QUARTERLY TARGETS FOR 2016-2017

Performance indicator		Reporting period	Annual target 2016-17	Quarterly targets				Budget
				1st	2nd	3rd	4th	R'000
1.1	Number of designated employers reviewed per year to determine compliance with employment equity legislation	Q	808	202	242	162	202	3 117
1.2	Percentage of non-compliant employers of those reviewed in reference to 1.1 issued with a recommendation within 90 calendar days of the review	Q	100%	100%	100%	100%	100%	779
1.3	Number of designated employers inspected per year to determine compliance with employment equity legislation	Q	4 729	1 182	1 419	945	1 182	7 792
1.4.	Percentage of non-complying workplaces inspected per year with reference to 1.3. dealt with in terms of the Employment Equity Act	Q	100%	100%	100%	100%	100%	1 948
2.1	Number of workplaces inspected per year to determine compliance with labour legislation	Q	134 958	33 740	40 487	26 991	33 740	292 190
2.2	Percentage of non-complying workplaces inspected with reference to 2.1 per year dealt with in terms of the relevant labour legislation	Q	100%	100%	100%	100%	100%	29 219
2.3	Number of advocacy and educational sessions conducted per year in identified sectors	Q	4 Seminars conducted in the following sectors: • Whole sale and retail • Hazardous Biological Agents • Private Security • Construction  1 Training Program (400 Shop stewards trained)	1 Whole sale and retail seminar  175	1 Hazardous Biological Agents seminar  175	1 Private Security seminar  175	1 Construction seminar  175	8 884
2.4	Percentage of inspections on request for work permits conducted within 25 calendar days	Q	90%	90%	90%	90%	90%	3 116
2.5	Percentage of non-complying workplaces inspected with reference to 2.4 per year dealt with in terms of the relevant labour legislation	Q	100%	100%	100%	100%	100%	780
3.1	Number of workplaces inspected per year to determine their compliance with the OHS legislation	Q	21 967	5 492	6 590	4 393	5 492	38 959
3.2	Percentage of non-complying workplaces inspected per year with reference to 3.1 dealt with in terms of the OHS legislation	Q	100%	100%	100%	100%	100%	3 896
3.3	Percentage of reported incidents investigated within 90 calendar days	Q	62%	62%	62%	62%	62%	28 510

Performance indicator		Reporting period	Annual target 2016-17	Quarterly targets				Budget
				1st	2nd	3rd	4th	R'000
3.4	Percentage of applications for registration of entities processed within 60 calendar days	Q	80%	80%	80%	80%	80%	6 906
3.5	Amendments to the Occupational Health and Safety Act processed through the relevant structure (Cabinet) by 31 March 2017	A	OHS Amendment Bill submitted to Cabinet	Finalise process at NEDLAC	Submit to Cabinet	-	OHS Amendment Bill submitted to Cabinet	4 682
3.6	Number of employer payroll audits conducted per year to determine employers contribution to the Unemployment Insurance Fund	Q	13 016	3 254	3 905	2 603	3 254	Funded by UIF Estimated COE and G&S 33 263

*Footnote:1\* Target revised to be within resource capacity level*

## 4.2.3 RECONCILING PERFORMANCE TARGETS WITH THE BUDGET AND MTEF

## Expenditure estimates

Programme Inspection and Enforcement Services	Audited outcomes			Adjusted Appropriation	Revised Estimate	Medium-Term Expenditure Estimate		
	R-thousand	2012/13	2013/14			2014/15	2015/16	2016/17
Management and Support Services: IES	14 365	16 096	4 538	4 487	4 487	4 972	5 370	5 681
Occupational Health and Safety	17 463	16 560	22 204	24 710	24 710	29 944	32 241	34 111
Registration: IES	84 685	48 300	51 375	54 917	54 917	68 065	72 990	77 218
Compliance, Monitoring and Enforcement Services	274 604	315 453	340 162	373 277	373 277	401 574	403 767	448 399
Training of Staff: IES	4 457	13 111	5 483	5 619	5 619	5 341	5 369	5 679
Statutory and Advocacy	0	2 693	7 116	8 820	8 820	9 598	10 096	10 682
<b>Total</b>	395 574	412 213	430 878	471 830	471 830	519 494	529 833	581 770
Economic Classification								
Current Payments	394 520	410 415	426 844	471 341	471 341	519 429	529 765	581 698
Compensation of Employees	305 243	318 566	350 098	384 458	384 458	416 655	424 316	469 704
Goods and Services	89 277	91 849	76 746	86 883	86 883	102 774	105 449	111 994
<i>Of which:</i>								
<i>Advertising</i>	386	239	47	152	152	469	599	523
<i>Communication</i>	25 539	15 588	15 064	27 798	27 798	18 424	20 491	15 466
<i>Computer Services</i>	7		10	1	1	0	0	0
<i>Consultants and Professional Services: Business and advisory services</i>	333	934	527	396	396	516	534	565
<i>Fleet Services</i>	853	6 051	8 071	9 537	9 537	16 178	24 333	31 367
<i>Inventory: Stationery and printing</i>	2 321	2 620	3 566	5 323	5 323	6 226	5 902	7 187
<i>Lease payments</i>	399	4 910	527	419	419	1 080	1 133	1 199
<i>Property Payments</i>	5 515	7 968	6 266	7 063	7 063	4 900	5 101	5 400
<i>Travel and Subsistence</i>	41 273	36 456	28 767	19 757	19 757	33 066	28 597	27 458
<i>Other Goods and Services</i>	12 651	17 083	13 901	16 437	16 437	21 915	20 527	21 805
Interest and rent on land								
Transfers and Subsidies	925	1 468	1 878	446	446	65	68	72
Provinces and municipalities	10	21	22					
Departmental agencies and accounts	1							

Programme Inspection and Enforcement Services	Audited outcomes			Adjusted Appropriation	Revised Estimate	Medium-Term Expenditure Estimate		
	R-thousand	2012/13	2013/14			2014/15	2015/16	2016/17
Foreign governments and international organisations								
Public corporations and private enterprises								
Non-profit institutions								
Households	914	1 447	1 856	446	446	65	68	72
Payments for capital assets	129	330	2 156	43	43	0	0	0
Buildings and other fixed structures								
Machinery and equipment	129	330	2 156	43	43			
Software and other intangible assets								
Payments for financial assets								
<b>Total</b>	<b>395 574</b>	<b>412 213</b>	<b>430 878</b>	<b>471 830</b>	<b>471 830</b>	<b>519 494</b>	<b>529 833</b>	<b>581 770</b>

### PERFORMANCE AND EXPENDITURE TRENDS

Under the Inspection and Enforcement Services programme, the Department intends enhancing the implementation of its Decent Work policy by contributing to the target set in the MTSF of increasing inspections by 30% in 2019. However, due to budget reductions, the Department will struggle to increase the number of inspections with 30%. The projected growth in number of inspections depends on the availability of funding to fill the current vacancies and to increase the number of inspectors in certain areas of legislation. The main items of expenditure in this programme include Compensation of Employees and fleet expenses to conduct the inspections. R1.6 billion is allocated over the 2016 MTEF to support this policy initiative. The guideline set by the Department for the number of preventative inspections per inspector per month amounts to 13. However, between 2011/12 and 2013/14, inspectors only conducted on average 12 such inspections. Policy focus over the medium-term seeks to address this gap as training was provided to inspectors and more vehicles were made available to inspectors to perform their duties between 2013/14 and 2015/16.

Major aspects of our programme of legislative reforms were completed during the year and steps were also taken to further strengthen and professionalise the inspection and enforcement capacity of the Department. During the coming years, our emphasis will move to enforcement, monitoring and evaluating the implementation of the labour laws, as amended.

The Department aims to ensure that employers adhere to employment equity plans and decent work principles, and that vulnerable workers are protected. Over the medium-term, the Department plans to enhance enforcement by increasing the number of inspections for compliance with labour legislation. However, the Department has faced challenges in both, retaining inspectors and finding suitable, specialised candidates.



### 4.3 PROGRAMME 3: PUBLIC EMPLOYMENT SERVICES

**Programme Purpose:** Provide assistance to companies and workers to adjust to changing labour market conditions and to regulate private employment agencies.

**Supported Employment Enterprises** transfers to work centres for people with disabilities provides for income subsidies, administration and production improvement of the centres.

**Designated Groups Special Services** facilitates the transfer of subsidies to national councils and workshops to promote the employment of people with disabilities, youth and women.

#### 4.3.1 STRATEGIC OBJECTIVE, PROGRAMME PERFORMANCE INDICATORS AND MEDIUM-TERM TARGETS

Strategic Objectives	Programme performance indicator	Audited performance	Estimated Performance	Medium-Term Targets					
		2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	
<b>2. Contribute to decent employment creation (Outcome 4: Decent employment through inclusive economic growth)</b>									
1.1	Employment services provided in accordance with Employment Services Act and prescribed Regulations	1.1. Number of regulations and policies in terms of the Employment Services Act tabled to the ES board per year	Draft employment Service Regulations was developed but not published for public comments	3 regulations relating to (1) Private Employment agencies, Temporary Employment Services section 13 and 52, (2) registration of work-seekers section 52 and (3) the procedure for employment of foreign nationals, section 52 published by the Minister in the Government Gazette by March 2016	4 regulations tabled to the ES Board by March 2017 relating to:  1) registration of work-seekers section 52  2) Private Employment agencies, Temporary Employment Services section 13 and 52,  3) the procedure for employment of foreign nationals, section 52  4) Provision of employment services by persons outside of the public administration. Section 52	Two regulations tabled to the ES Board by March 2018 relating to; regulations 1) Establishment of work schemes in terms of section 6),  2) categories of employment for which new vacancies and new positions must be reported section 10 and 52	Regulations / policies in terms of section 52(1)(g) developed;  1) Employment work schemes 2) Administration and financing of public employment services 3) Offences	-	-
1.2	Employment Services communicated	1.2 Number of PES provincial and local advocacy campaigns conducted per year	18 Provincial and 518 local campaigns were conducted	18 provincial and 378 local advocacy campaigns conducted by March 2016	261 advocacy campaigns conducted by March 2017	261 advocacy campaigns conducted by March 2018	261 advocacy campaigns conducted by March 2019	261 advocacy campaigns conducted by March 2020	261 advocacy campaigns conducted by March 2021

Strategic Objectives		Programme performance indicator	Audited performance	Estimated Performance	Medium-Term Targets				
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
1.3	Work-seekers registered	1.3 Number of work-seekers registered on ESSA per year	618 570 work-seekers were registered on ESSA	600 000	500 000	500 000	500 000	500 000	500 000
1.4	Employment counselling provided	1.4 Number of registered work-seekers provided with employment counselling per year	246 744 work-seekers were provided with employment counselling	250 000	150 000	140 000	130 000	130 000	130 000
1.5	Work-seekers placed in employment or learning opportunities	1.5 Number of registered employment opportunities filled by registered work-seekers per year	73% (14 634 of 20 000) work-seekers were placed	10%	8 000	8 000	8 000	8 000	8 000
1.6	Work and learning opportunities registered	1.6 Number of employment opportunities registered on ESSA per year	74 056 employment opportunities were registered	62 000	60 000	60 000	60 000	60 000	60 000
1.7	Vulnerable work-seekers protected	1.7 Percentage of applications from Private Employment Agencies and Temporary Employment Services processed within 60 calendar days	88% (337 of 384)	100%	100%	100%	100%	100%	100%
<b>2. Contribute to decent employment creation (Outcome 5: A skilled and capable workforce to support an inclusive growth path)</b>									
2.1	Foreign nationals individual and cooperate work visas recommended to Department of Home Affairs	2.1 Percentage of applications for foreign nationals corporate and individual work visa processed within 30 working days	53% (49 of 95) corporate and 68% (502 of 741) individual	100%	70%	70%	70%	70%	70%

## 4.3.2 PROGRAMME PERFORMANCE INDICATORS AND QUARTERLY TARGETS FOR 2016-2017

Performance indicator		Reporting period	Annual target 2016-17	Quarterly targets				Budget
				1st	2nd	3rd	4th	R'000
1.1	Number of regulations and policies in terms of the Employment Services Act tabled to the ES board per year	Q	4 regulations tabled to the ES Board by March 2017 relating to;  (1) Registration of work-seekers Section 52  (2) Private employment agencies, temporary employment services Section 13 and 52,  (3) The procedure for employment of foreign nationals, Section 52  (4) Provision of employment services by persons outside of the public administration, Section 52	Regulations on; registration of work-seekers section 52, tabled to the ES Board	Regulations on; Private Employment agencies, Temporary Employment Services section 13 and 52, tabled to the ES Board	Regulations on; the procedure for employment of foreign nationals, section 52, tabled to the ES Board	Regulations on; Provision of employment services by persons outside of the public administration. Section 52, tabled to the ES Board	14 335
1.2	Number of PES advocacy campaigns conducted per year	Q	261 advocacy campaigns conducted by March 2017	80	79	51	51	14 335
1.3	Number of work-seekers registered on ESSA system per year	Q	500 000	115 000	135 000	115 000	135 000	28 215
1.4	Number of registered work-seekers provided with employment counselling per year	A	150 000	36 000	77 970	106 480	150 000	28 215
1.5	Number of registered employment opportunities filled by registered work-seekers per year	A	8 000	1 750	3 990	5 450	8 000	29 127
1.6	Number of work opportunities registered on ESSA per year	A	60 000	13 210	30 080	40 770	60 000	7 282
1.7	Percentage of applications from Private Employment Agencies and Temporary Employment Services processed within 60 calendar days	Q	100% complete PEA and TES applications processed within 60 calendar days of receipt	100% complete PEA and TES applications processed within 60 calendar days of receipt	100% complete PEA and TES applications processed within 60 calendar days of receipt	100% complete PEA and TES applications processed within 60 calendar days of receipt	100% complete PEA and TES applications processed within 60 calendar days of receipt	7 282
2.1	Percentage of Applications for foreign nationals corporate and individual work visa processed within 30 working days	Q	70% complete applications for foreign nationals corporate and individual work visa processed within 30 working days	70% complete applications for foreign nationals corporate and individual work visa processed within 30 working days	70% complete applications for foreign nationals corporate and individual work visa processed within 30 working days	70% complete applications for foreign nationals corporate and individual work visa processed within 30 working days	70% complete applications for foreign nationals corporate and individual work visa processed within 30 working days	14 563

## 4.3.3 RECONCILING PERFORMANCE TARGETS WITH THE BUDGET AND MTEF

## Expenditure estimates

Programme Public Employment Services	Audited outcomes			Adjusted Appropriation	Revised Estimate	Medium-Term Expenditure Estimate		
	R-thousand	2012/13	2013/14			2014/15	2015/16	2016/17
Management and Support Services: PES	21 812	28 374	34 584	38 457	38 457	40 697	44 282	46 586
Employer Services	148 517	116 293	116 831	121 568	121 568	124 389	151 912	159 476
Work-Seeker Services	32 763	95 775	117 236	126 040	126 040	120 496	137 693	136 402
Designated Groups Special Services	77	200	291	11 508	11 508	12 117	12 722	13 460
Sheltered Employment Factories and Subsidies to Designated Workshops	76 229	115 610	127 812	135 050	135 050	144 468	153 806	162 727
Productivity South Africa	37 052	40 286	43 119	45 531	45 531	47 944	50 341	53 261
Unemployment Insurance Fund	0	0		1	1	1	1	1
Compensation Fund	14 085	15 640	23 752	18 073	18 073	19 031	19 983	21 142
Training of Staff: PES	1 116	1 317	1 639	1 069	1 069	1 126	1 182	1 249
<b>Total</b>	<b>331 651</b>	<b>413 495</b>	<b>465 264</b>	<b>497 297</b>	<b>497 297</b>	<b>510 269</b>	<b>571 922</b>	<b>594 304</b>
Economic Classification								
Current Payments	207 237	245 731	297 477	286 795	286 795	286 616	334 975	343 613
Compensation of Employees	169 064	212 767	265 059	252 732	252 732	252 442	299 092	302 761
Goods and Services	38 173	32 964	32 418	34 063	34 063	34 174	35 883	40 852
Of which:								
Advertising	263	196	28	397	397	262	286	315
Communication	6 620	3 139	4 913	4 318	4 318	4 439	4 668	4 947
Computer Services	1 363	62	124	196	196			0
Consultants and Professional Services: Business and advisory services	0	0	14	0	0			0
Fleet Services	70		2 726	2 800	2 800	3 139	3 287	3 466
Inventory: Stationery and printing	1 250	1 297	2 184	2 765	2 765	3 361	3 816	3 940
Lease payments	216	250	475	2 196	2 196	1 728	1 815	1 920
Property Payments	4 077	3 151	3 305	1 450	1 450	1 602	1 678	1 770
Travel and Subsistence	18 586	16 993	10 295	10 305	10 305	8 578	8 730	10 151
Other Goods and Services	5 728	7 876	8 354	9 636	9 636	11 065	11 603	12 225
Interest and rent on land								
Transfers and Subsidies	123 625	167 461	167 269	210 202	210 202	223 603	236 897	250 638
Provinces and municipalities	3	9						
Departmental agencies and accounts	51 137	55 925	66 871	63 605	63 605	66 976	70 325	74 404

Programme Public Employment Services	Audited outcomes			Adjusted Appropriation	Revised Estimate	Medium-Term Expenditure Estimate		
	R-thousand	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Foreign governments and international organisations								
Public Corporations and private enterprises								
Non-profit institutions	72 228	111 198	99 216	146 558	146 558	156 585	166 528	176 187
Households	257	329	1 182	39	39	42	44	47
Payments for capital assets	789	303	518	300	300	50	50	53
Buildings and other fixed structures								
Machinery and equipment	789	303	518	300	300	50	50	53
Software and other intangible assets								
Payments for financial assets								
<b>Total</b>	<b>331 651</b>	<b>413 495</b>	<b>465 264</b>	<b>497 297</b>	<b>497 297</b>	<b>510 269</b>	<b>571 922</b>	<b>594 304</b>

### PERFORMANCE AND EXPENDITURE TRENDS

The main focus of the branch is on registration of work-seekers on ESSA, providing employment counselling to the registered work-seekers to enhance their employability and also to place them in employment opportunities. The placement of work-seekers has been hampered by challenges which resulted in the low achievement rate of this indicator. The Branch therefore will be placing its focus on this matter and has already resumed the planning process thereof by implementing recommendations of research conducted to determine the root cause of the placement challenges. Strategies have been put in place to enhance the placement rate and this may increase the spending under Goods and Services in the MTEF period. The Branch has aligned its employment plans with the National Development Plan to contribute to the achievement of the national employment target of creating 11 million jobs by 2030. PES is in the process of enhancing ESSA in order to improve matching of work-seekers to opportunities. The Employment Services Act was promulgated in August 2015. The implementation of this Act will also enhance spending in all economic classifications during the MTEF period.

The Branch: Public Employment Services had an allocation of R488.297 million for the financial year 2015/16. As at 30 July 2015 the expenditure for the Branch was R155.285 million which constitutes 32% of the budget. However the overall branch spending for 2015/16 is normal. The Branch received an additional allocation of R4 million for the financial year 2016/17, however there were further MTEF budget reductions on Compensation of Employees of R30.8million for 2016/17 and R42.2 million for 2017/18 and R45.3 million 2018/19. Therefore the branch revised baseline or allocation in 2016/17 is R252.4 million, R269.9 million in 2017/18 and R298 million in 2018/19.

The Branch has refocused its budget allocation by redirecting Supported Employment Enterprises' allocation to Transfers and Subsidies. This has reduced branch allocation by R50 million under current payments and increased the Transfers and Subsidies by the said amount. An amount of R10.6 million has also been redirected to sub-programme Designated Groups as there was a link in functions between the two performance areas. This will reduce Transfer and Subsidies for Supported Employment Enterprises by R10.6 million.

The ES Act has been promulgated in August 2015 and the Programme: Public Employment Services is implementing the promulgated sections of the Act. In the assessment of the implementation plan it was determined that in order to achieve service delivery improvement, additional personnel would be required. During the adjustment estimates of National Expenditure 2015-16, the Branch got an additional R9 million to alleviate spending pressures resulting from the implementation of improvement of conditions of employment.

### HUMAN RESOURCES TRENDS

The establishment in 2015/16 has 737 filled posts and 43 vacancies. In 2016/17 the establishment has been reduced due to redirecting Supported Employment Enterprises, resulting in the depreciation of the PES staff establishment. In 2016/17 the establishment is not fully funded due to the reduction on Compensation of Employees' budget which was earmarked for the filling of vacancies.

#### 4.4 PROGRAMME 4: LABOUR POLICY AND INDUSTRIAL RELATIONS

**Programme Purpose:** Facilitate the establishment of an equitable and sound labour relations environment and the promotion of South Africa's interest in international labour matters through research, analysing and evaluating labour policy and providing statistical data on the labour market, including providing support to institutions that promote social dialogue.

There are no changes to the budget structure.

##### 4.4.1 STRATEGIC OBJECTIVE, PROGRAMME PERFORMANCE INDICATORS AND MEDIUM-TERM TARGETS

Strategic Objectives	Programme performance indicator	Audited performance	Estimated Performance	Medium-Term Targets					
		2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	
<b>10: Promote equity in the labour market (Outcome 14: Transforming society and uniting the country)</b>									
1	Ensure that the policy environment supports Employment Equity and compliance by 31 March 2017	1.1 Number of policy instruments developed and promoted to enhance the implementation of EEA by 31 March 2017	<p>The Employment Equity Amendment Act, 2013 and EE Regulations of 2014 commenced on 1 August 2014. Code of Good Practice on Equal Pay for Work of Equal Value developed by end March 2015. It was only published in June 2015</p> <p>18 workshops were conducted with stakeholders in provinces on amended EEA and regulations</p>	<p>9 workshops on Code of Good Practice on Equal Pay for Work of Equal value conducted by 30 September 2015</p> <p>Amended Code of Good Practice on Employment of Persons with Disabilities published by March 2016</p>	<p>Amended Code of Good Practice on preparation and implementation of EE Plans developed by 31 March 2017</p> <p>Conduct 13 workshops on amended Code of Good Practice on Employment of Persons with Disabilities by 30 September 2016</p>	<p>Conduct 13 workshops on the amended Code of Good Practice on preparation and implementation of EE Plans by 30 September 2017</p> <p>Research Report on what constitute EEA compliance developed by 31 March 2018</p>	<p>Conduct 13 workshops on the Draft Code of Good Practice on what constitutes EEA compliance by 30 September 2018</p>	<p>Code of Good Practice on what constitutes EEA Compliance developed by 30 June 2019</p> <p>Conduct 13 workshops on Code of Good Practice on what constitutes EEA Compliance by 30 September 2019</p> <p>2nd EE Awards event hosted by 31 March 2020</p>	<p>Draft Amended Code of Good Practice on the Integration of EE into HR Policies. Practices and Procedures published for public comment by 31 March 2021</p>
			<p>The 2013-2014 Employment Equity Annual Report and Public Register were published and launched by the Minister at the Employment Equity and Transformation Indaba on 9 April 2014.</p> <ul style="list-style-type: none"> <li>• 2014-2015 CEE Annual Report developed; and</li> <li>• 2014-2015 Public Register developed published in Government Gazette No. 38587</li> </ul>	<p>2014-2015 Annual Employment Equity Report and Public Register published by 30 June 2015</p> <p>2015-2016 Annual Employment Equity Report and Public Register developed by 31 March 2016</p>	<p>2015-2016 Annual Employment Equity Report and Public Register published by 30 June 2016</p> <p>2016-2017 Annual Employment Equity Report and Public Register developed by 31 March 2017</p>	<p>2016-2017 Annual Employment Equity Report and Public Register published by 30 June 2017</p> <p>2017-2018 Annual Employment Equity Report and Public Register developed by 31 March 2018</p>	<p>2017-2018 Annual Employment Equity Report and Public Register published by 30 June 2018</p> <p>2018-2019 Annual Employment Equity Report and Public Register developed by 31 March 2019</p>	<p>2018-2019 Annual Employment Equity Report and Public Register published by 30 June 2019</p> <p>2019-2020 Annual Employment Equity Report and Public Register developed by 31 March 2020</p>	<p>2019-2020 Annual Employment Equity Report and Public Register published by 30 June 2020</p> <p>2020-2021 Annual Employment Equity Report and Public Register developed by 31 March 2021</p>



Strategic Objectives		Programme performance indicator	Audited performance	Estimated Performance	Medium-Term Targets					
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	
			30 Income Differentials assessed by end of March 2015	30 companies' Income Differentials assessed to promote the principle of Equal pay for Work of Equal value	- *	-	-	-	-	
<b>3: Protect vulnerable workers (Outcome 4: Decent employment through inclusive economic growth)</b>										
2.	Establish basic standards and minimum wages	2.1 Number of sectoral determinations reviewed per year	Domestic Workers and Contract Cleaning Workers Sectoral Determination reviewed  Two new sectors were investigated: Garden Service Building Construction Sector	Review four sectoral determinations by March 2016	2 Review Hospitality; and Taxi SDs by March 2017					
<b>4: Strengthen multilateral and bilateral relations (Outcome 11: Create a better South Africa, a better Africa and a better World)</b>										
3	Advance national priorities through bilateral relations	3.1 Strengthen and monitor implementation of bilateral agreements that are in line with national priorities within set time frames	Seven reports submitted in terms of 22 of the ILO One report submitted in terms of Article 19 of the ILO		Signed bilateral agreements implemented within set time frames as per their specific action plans (Lesotho, Namibia, Algeria, Mozambique, Brazil, Cuba, Germany and China)	Signed bilateral agreements implemented within set time frames as per their specific action plans	Signed bilateral cooperation agreements reviewed and implemented	Signed bilateral cooperation agreements implemented	Signed bilateral cooperation agreements implemented	
<b>6: Promote sound labour relations (Outcome 4: Decent employment through inclusive economic growth)</b>										
4	Promoting sound labour relations	4.1 Percentage of collective agreements extended within 90 calendar days of receipt by end of March	20 collective agreements extended within 90 days of receipt	18 collective agreements extended within 90 days of receipt	100% of collective agreements extended within 90 calendar days of receipt by end of March	100% of collective agreements extended within 90 calendar days of receipt by end of March	100% of collective agreements extended within 90 calendar days of receipt by end of March	100% of collective agreements extended within 90 calendar days of receipt by end of March	100% of collective agreements extended within 90 calendar days of receipt by end of March	

Strategic Objectives	Programme performance indicator	Audited performance	Estimated Performance	Medium-Term Targets					
		2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	
	4.2 Percentage of labour organisation applications for registration approved or refused within 90 calendar days of receipt by end of March	98% (147 of 150)	100% of labour organisation application processed within 90 days of receipt	100% of labour organisation applications for registration approved or refused within 90 calendar days of receipt by end of March	100% of labour organisation applications for registration approved or refused within 90 calendar days of receipt by end of March	100% of labour organisation applications for registration approved or refused within 90 calendar days of receipt by end of March	100% of labour organisation applications for registration approved or refused within 90 calendar days of receipt by end of March	100% of labour organisation applications for registration approved or refused within 90 calendar days of receipt by end of March	100% of labour organisation applications for registration approved or refused within 90 calendar days of receipt by end of March
<b>7: Monitor the impact of legislation (Outcome 4: Decent employment through inclusive economic growth)</b>									
5	Monitor and evaluate the trends and impact of legislation in the labour market	5.1 Number of labour market trends reports produced annually	- By September 2014, Four (4) annual labour market reports were published. These include: Annual Administrative Statistics report 2013, Industrial Action report 2013, Job Opportunity and Unemployment in the SA Labour Market report 2013/14 and Annual Labour Market Bulletin 2013/14	4	4	4	4	4	4
	5.2 Number of labour market research reports produced annually	4 Final research reports were developed and submitted to the DDG for sign off. <ul style="list-style-type: none"> <li>Analyzing effectiveness of bargaining council exemptions</li> <li>Evaluating progress made towards reducing working hours to 40 hours</li> <li>Assessing knowledge levels about the work of the Department and its communication campaigns</li> <li>Work-seekers attitude towards job offers in the South African labour market.</li> </ul>	4 Literature review reports and at least 4 data collection instruments for RME agenda 4 completed by March 2016.	4 Research reports in line with RME Agenda produced by 31 March 2017	3 Literature review reports and at least 4 data collection instruments for RME agenda 5 completed by March 2018	3 Research reports in line with RME Agenda 5 signed off by DDG: LPandIR by 31 March 2019 and a new Research agenda initiated	3 Literature review reports and at least 4 data collection instruments for RME agenda 6 completed by March 2020	3 Research reports in line with RME Agenda 6 completed by March 2021	

Footnote: - \* Indicator removed from 2016/2017 financial year onwards. Equal Pay principle has been tested and Code on Equal Pay developed and implemented.

## 4.4.2 PROGRAMME PERFORMANCE INDICATORS AND QUARTERLY TARGETS FOR 2016-2017

Performance indicator		Reporting period	Annual target 2016-17	Quarterly targets				Budget
				1st	2nd	3rd	4th	R'000
1.1	Number of policy instruments developed and promoted to enhance the implementation of EEA by 31 March 2017	A	Amended Code of Good Practice on preparation and implementation of EE Plans developed by 31 March 2017		Draft Amended Code of Good Practice on preparation and implementation of EE Plans published for public comment by 30 September 2016	Consolidate public comment and develop final Draft Code of Good Practice on preparation and implementation of EE Plans by 31 December 2016	Amended Code of Good Practice on preparation and implementation of EE Plans developed by March 2017	200
		Q	Conduct 13 workshops on amended Code of Good Practice on Employment of Persons with Disabilities by 30 September 2016	-	Conduct 13 workshops on amended Code of Good Practice on Employment of Persons with Disabilities by 30 September 2016			2 850
		Q	2015-2016 Annual Employment Equity Report and Public Register published by 30 June 2016	2015-2016 Annual Employment Equity Report and Public Register published by 30 June 2016	-	-	-	980
		A	2016-2017 Annual Employment Equity Report and Public Register developed by 31 March 2017				2016-2017 Annual Employment Equity Report and Public Register developed by 31 March 2017	
2.1	Number of sectoral determinations reviewed per year		2 Review Hospitality and Taxi SDs by March 2017	ECC Hospitality and Taxi reports finalised by end April 2016	Promulgation of Hospitality and Taxi SDs by end June 2016			530
3.1	Strengthen and monitor implementation of bilateral agreements that are in line with national priorities within set time frames		Signed bilateral agreements implemented within set time frames as per their specific action plan (Lesotho, Namibia, Algeria, Mozambique, Brazil, Cuba, Germany and China)		Mid-term implementation report submitted by 30 September 2016		Annual implementation report submitted by 30 March 2017	750
4.1	Percentage of collective agreements extended within 90 calendar days of receipt by 31 March	Q	100%	100%	100%	100%	100%	7 145
4.2	Percentage of labour organisation applications for registration approved or refused within 90 calendar days of receipt by end of March	Q	100%	100%	100%	100%	100%	7 145

Performance indicator		Reporting period	Annual target 2016-17	Quarterly targets				Budget
				1st	2nd	3rd	4th	R'000
5.1	Number of labour market trends reports produced annually	A	4	Two annual statistical trend reports compiled and submitted by June 2016. These include: Annual Labour Market Bulletin and Job Opportunity and Unemployment in the SA labour market 2015/16		Four annual statistical trend reports approved and published by September 2016. These include: Annual Labour Market Bulletin, Job Opportunity and Unemployment in the SA labour market 2015/16, Industrial Action report 2015 and Annual Administrative Statistics report 2015	Two annual statistical trend reports compiled and submitted by March 2017. These include: Annual Administrative Statistics report 2016 and Industrial Action report 2016	330
5.2	Number of labour market research reports produced annually	A	4 Research reports in line with RME Agenda produced by 31 March 2017	Data collection instruments piloted by Q1		Data collection completed and 1st draft reports prepared	4 Final research reports produced	7 000

#### 4.4.3 RECONCILING PERFORMANCE TARGETS WITH THE BUDGET AND MTEF

##### Expenditure estimates

Programme Labour Policy and Industrial Relations	Audited outcomes			Adjusted Appropriation	Revised Estimate	Medium-Term Expenditure Estimate		
	R-thousand	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Management and Support Services: LPandIR	12 320	10 151	10 141	14 339	14 339	18 749	20 337	23 720
Strengthen Civil Society	15 802	16 504	17 318	17 929	17 929	18 879	19 823	20 973
Collective Bargaining	11 234	12 306	13 461	13 251	13 251	14 291	15 178	18 116
Employment Equity	9 907	12 763	9 944	14 706	14 706	16 402	16 796	18 134
Employment Standards	8 422	12 464	11 032	12 787	12 787	12 238	23 493	27 823
Commission for Conciliation, Mediation and Arbitration	478 745	594 418	687 096	731 799	731 799	770 501	808 902	855 818
Research, Policy and Planning	5 262	7 419	6 676	12 040	12 040	9 354	13 185	13 513
Labour Market Information and Statistics	30 291	31 324	33 947	38 747	38 747	37 241	45 640	50 364
International Labour Matters	22 962	26 591	30 775	35 394	35 394	36 530	39 373	44 578
National Economic Development and Labour Council	24 707	25 926	27 447	29 004	29 004	31 008	32 568	34 506
<b>Total</b>	<b>619 652</b>	<b>749 866</b>	<b>847 837</b>	<b>919 996</b>	<b>919 996</b>	<b>965 193</b>	<b>1035 295</b>	<b>1107 545</b>
Economic Classification								
<b>Current Payments</b>	<b>87 055</b>	<b>96 756</b>	<b>97 980</b>	<b>121 788</b>	<b>121 788</b>	<b>124 856</b>	<b>153 616</b>	<b>174 729</b>

Programme Labour Policy and Industrial Relations	Audited outcomes			Adjusted Appropriation	Revised Estimate	Medium-Term Expenditure Estimate		
	R-thousand	2012/13	2013/14			2014/15	2015/16	2016/17
Compensation of Employees	66 544	67 487	73 048	80 538	80 538	84 346	109 217	127 891
Goods and Services	20 511	29 269	24 932	41 250	41 250	40 510	44 399	46 838
<i>Of which:</i>								
Advertising	2 342	6 643	2 429	5 672	5 672	6 945	7 346	7 769
Communication	1 529	796	806	1 150	1 150	1 139	1 204	1 276
Computer Services	1 156	597	294	1 182	1 182	1 018	1 078	1 140
Consultants and Professional Services: Business and advisory services	1 403	3 350	2 964	7 207	7 207	6 587	6 969	7 374
Fleet Services	17	208	264	412	412	620	655	691
Inventory: Stationery and printing	2 356	3 134	3 950	3 855	3 855	4 507	4 769	5 043
Lease payments	845	322	790	1 559	1 559	1 608	1 703	1 802
Property Payments	552	521	267	702	702	733	776	821
Travel and Subsistence	6 695	9 468	8 745	11 982	11 982	11 204	12 734	13 338
Other Goods and Services	3 616	4 230	4 423	7 529	7 529	6 149	7 165	7 584
Interest and rent on land								
<b>Transfers and Subsidies</b>	<b>532 440</b>	<b>652 930</b>	<b>749 636</b>	<b>797 861</b>	<b>797 861</b>	<b>840 264</b>	<b>881 655</b>	<b>932 791</b>
Provinces and municipalities	1			2	2	1	1	1
Departmental agencies and accounts	502 904	620 246	714 543	760 590	760 590	800 818	840 735	889 497
Foreign governments and international organisations	13 692	15 914	17 019	19 300	19 300	20 566	21 096	22 320
Public Corporations and private enterprises								
Non-profit institutions	15 802	16 504	17 318	17 929	17 929	18 879	19 823	20 973
Households	41	266	756	40	40			
Payments for capital assets	157	180	221	347	347	73	24	25
Buildings and other fixed structures								
Machinery and equipment	157	180	221	347	347	73	24	25
Software and other intangible assets								
Payments for financial assets								
<b>Total</b>	<b>619 652</b>	<b>749 866</b>	<b>847 837</b>	<b>919 996</b>	<b>919 996</b>	<b>965 193</b>	<b>1035 295</b>	<b>1107 545</b>

## PERFORMANCE AND EXPENDITURE TRENDS

Across the medium-term Programme 4: Labour Policy and Industrial Relations will have funds reprioritised into from Programme 1: Administration to enable this programme to fill its critical posts that are currently vacant. The details of funds that have been reprioritised are as follows:

- In 2016/17 – R2.8 million
- In 2017/18 – R5.8 million
- In 2018/19 - R7.7 million.

Plans to increase the capacity of the Programme by filling all vacancies from 2016/17 came to a halt as the Compensation of Employees budget allocation was reduced with R38.738 million over the MTEF, R8.608 million in 2016/17, R13.588 million in 2017/18 and R16.542 million in 2018/19. This will hamper service delivery.

The adoption of a national minimum wage system in South Africa will require a decision making mechanism to arrive at a national minimum wage, to adjust the level of the wage on a periodic basis and to review the impact of the national minimum wage. The mechanisms for determining a national minimum wage are under discussion in NEDLAC and the process is expected to conclude in December 2015. Once the NEDLAC process is concluded, the Department of Labour will have to consider legislative amendments or new legislation to make provision for a national minimum wage and the appropriate institutional arrangements for introducing a national minimum wage. This Programme will have to reprioritise in order to fund this project due to the budget cuts. If funding cannot be sourced for this project it could be put on hold until funding could be sourced.

**BREAKDOWN OF CORE BUSINESS TARGETS PER PROVINCE FOR 2016/17**

IES Programme Performance Indicator	Annual Target	EC	FS	GP	KZN	LP	MP	NC	NW	WC
1.1 Number of designated employers reviewed per year to determine compliance with employment equity legislation	808	130	30	204	62	20	70	46	40	206
1.3 Number of designated employers inspected per year to determine compliance with employment equity legislation	4 729	382	240	1 946	648	120	192	85	180	936
2.1 Number of workplaces inspected per year to determine compliance with labour legislation	134 958	16 128	10 584	30 208	29 709	12 187	9 984	5 244	8 112	12 802
2.3 Number of workplaces inspected per year to determine their compliance with the OHS legislation	21 967	2 487	2 100	5 604	4 800	1 584	820	732	1 356	2 484
3.6 Number of employer payroll audits conducted per year to determine employers contribution to the Unemployment Insurance Fund	13 016	1 160	1 188	2 328	1 680	1 284	1 356	1 176	1 224	1 620
PES Programme Performance Indicator	Annual Target	EC	FS	GP	KZN	LP	MP	NC	NW	WC
1.2 Number of PES advocacy campaigns conducted per year	261 advocacy campaigns conducted by March 2017	33	23	53	33	27	31	15	21	25
1.3 Number of work-seekers registered on ESSA system per year	500 000	55 000	30 000	120 000	85 000	30 000	35 000	10 000	25 000	60 000
1.4 Number of registered work-seekers provided with employment counseling per year	150 000	18 050	10 800	34 400	16 300	18 050	16 300	9 000	16 300	10 800
1.5 Number of registered opportunities filled by registered work-seekers per year	8 000	1 100	650	1 500	1 400	700	650	400	500	1 100
1.6 Number of work and learning opportunities registered on ESSA per year	60 000	8 400	4 800	11 400	10 200	5 400	4 800	3 000	3 600	8 400



PART C: LINKS TO OTHER PLANS



## PART C: LINKS TO OTHER PLANS

### 5. LINKS TO THE LONG-TERM INFRASTRUCTURE AND OTHER CAPITAL PLANS

Nature of investment	Audited outcomes			Adjusted Appropriation	Revised Estimate			
	R thousand	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
New infrastructure assets	8 637	1 548	1 867	320	28 000			
Existing infrastructure assets								
Upgrading and additions								
Rehabilitation, renovations and refurbishment								
Maintenance and repair								
Infrastructure transfers								
Current								
Capital								
<b>Total Infrastructure</b>	<b>8 637</b>	<b>1 548</b>	<b>1 867</b>	<b>320</b>	<b>28 000</b>			

### 6. CONDITIONAL GRANTS

Not applicable to the Department of Labour.

### 7. PUBLIC ENTITIES REPORTING TO THE MINISTER OF LABOUR:

Name of public entity	Mandate	Outputs	Current annual budget (R thousand)	Date of next evaluation
Unemployment Insurance Fund	The Unemployment Insurance Fund (UIF) 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.	Collection of unemployment insurance contributions and payment of benefits to qualifying contributors.		1 April 2016
Compensation Fund	The Compensation Fund's (CF) main objective is to provide compensation for disability, illness and death resulting from occupational injuries and diseases.	Collection of contributions and payment of medical, compensation and pension benefits.	R5 176 487	1 April 2016

Name of public entity	Mandate	Outputs	Current annual budget (R thousand)	Date of next evaluation
Productivity South Africa (PSA)	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.	Products and services of assisted companies world class and competitive. Productivity and competitiveness awareness is high and embraced in South Africa. Capacitated SMMEs contribute to sustainable employment creation. Jobs saved in distressed companies. Productivity research reports for selected sectors produced.	R183 080	1 April 2016
Commission for Conciliation, Mediation and Arbitration (CCMA)	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.	The CCMA's compulsory statutory functions are to: <ul style="list-style-type: none"> <li>• Consolidate workplace disputes</li> <li>• Arbitrate certain categories of disputes that remain unresolved after conciliation, establish picketing rules</li> <li>• Facilitate the establishment of workplace forums and statutory councils</li> <li>• Compile and publish information and statistics about CCMA activities</li> <li>• Accredite and consider applications for subsidy by bargaining councils and private agencies</li> <li>• Provide support for the Essential Services Committee.</li> </ul>	R770 501	1 April 2016
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.	The NEDLAC Act requires the institution to: <ul style="list-style-type: none"> <li>• Strive to promote the goals of economic growth</li> <li>• Participation in economic decision –making and social equity</li> <li>• Seek to reach consensus and conclude agreements on matters pertaining to social and economic policy</li> <li>• Consider all proposed labour legislation relating to labour market policy before it is introduced in Parliament</li> <li>• Encourage and promote the formulation of coordinated policy on social and economic matters</li> <li>• Consider all significant changes to social and economic policy before it is implemented or introduced in Parliament</li> <li>• Consider Social Economic Disputes in terms of Section 77 of the Labour Relations Act</li> </ul>	R31 008	1 April 2016

## 8. PUBLIC-PRIVATE PARTNERSHIPS

None



PART D: TECHNICAL INDICATORS



## PART D: TECHNICAL INDICATORS

### DEFINITIONS OF THE TECHNICAL INDICATOR TABLE

Area	Description
Indicator title	Identifies the title of the strategic outcome oriented goal, objective or programme performance indicator
Short definition	Provides a brief explanation of what the indicator is, with enough detail to give a general understanding of the indicator
Purpose/importance	Explains what the indicator is intended to show and why it is important
Source/collection of data	Describes where the information comes from and how it is collected
Method of calculation	Describes clearly and specifically how the indicator is calculated
Data limitations	Identifies any limitation with the indicator data, including factors that might be beyond the Department's control
Type of indicator	Identifies whether the indicator is measuring inputs, activities, outputs, outcomes or impact, or some other dimension of performance such as efficiency, economy or equity
Calculation type	Identifies whether the reported performance is cumulative, or non-cumulative
Reporting cycle	Identifies if an indicator is reported quarterly, annually or at longer time intervals
New indicator	Identifies whether the indicator is new, has significantly changed, or continues without change from the previous year
Desired performance	Identifies whether actual performance that is higher or lower than targeted performance is desirable
Indicator responsibility	Identifies who is responsible for managing and reporting the indicator

## PROGRAMME 1: ADMINISTRATION

Area	Description
Indicator title	1.1 Improve the Department's management practice and strategic support based on the Management Performance Assessment Tool (M-PAT) assessment criteria 55% of total Department's M-PAT standards at level 3 and 4
Short definition	<ul style="list-style-type: none"> <li>The Management Assessment Tool (M-PAT) is a tool that collates existing management policy and guidelines into a single framework of standards and indicators of good management practice</li> <li>M-PAT provides a snapshot of the quality of management practices in Departments and municipalities across a range of key performance areas; Strategic Management, Governance and Accountability, Human Resources Management, Financial Management and Supply Chain Management</li> <li>M-PAT is linked to other monitoring tools; like the Auditor General</li> </ul>
Purpose/importance	It enables managers to test their own management practices against others and identify management practice improvements that will enable to improve service delivery
Source/collection of data	<p>M-PAT Action Plan M-PAT Self-Assessment Report M-PAT- Final report EXCO Minutes/DEXCOM M-PAT system administered by the DPME Portfolio of evidence as required by the DPME for the 4 KPA's which are: Financial Management Strategic Management Human Resources Management Governance and Accountability</p> <p>The annual performances are then measured against the scorecard of the previous financial year to determine improvement, maintenance of the previous year's level or a decline in performance</p>
Method of calculation	<p>M-PAT System generated annual assessment report are used Count the number of indicators that achieved a score of 3 and 4 as well as the total number of indicators Convert the number achieved as a percentage of the total number of indicators</p>
Data limitations	Evidence documents submitted by the Administration Branch
Type of indicator	Activity and Output
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	No
Desired performance	Provide a basis for on-going learning about improved management practices
Indicator responsibility	DDG: Corporate Services, Chief Operations Officer (COO) and Chief Financial Officer (CFO)

Area	Description
Indicator title	2.1 Percentage of vacancy rate reduced by 31 March
Short definition	Reduce the number of vacant posts in the Department to be in-line with acceptable standards
Purpose/importance	Capacitate the Department for service delivery by filling vacancies
Source/collection of data	PERSAL establishment reports
Method of calculation	Number of vacant posts divide by total number of posts/establishment multiply by 100
Data limitations	Non adherence to the time frames of recruitment and selection process by line managers
Type of indicator	Activity and output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	9.9%
Indicator responsibility	CD:HRM

Area	Description
Indicator title	3.1 Number of Annual Financial Statements (AFS) and Interim Financial Statements (IFS) compiled per year that comply with guidelines issued by the National Treasury.
Short 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.
Purpose/importance	Reporting to National Treasury and Parliament regarding the Department's financial position.
Source/collection 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	Due dates determined by National Treasury and compiled according to National Treasury prescripts (AFS guidelines and template)
Data limitations	Transversal systems implemented and maintained by National Treasury
Type of indicator	Activity and output
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
New indicator	No
Desired performance	Must be performed / achieved according to dates prescribed by National Treasury
Indicator responsibility	Director: Financial Management and Chief Financial Officer

Area	Description
Indicator title	4.1 Percentage of compliant invoices paid within 30 days of receipt
Short definition	To ensure that all compliant invoices are paid within 30 days, as required by the PFMA
Purpose/importance	To show that suppliers must be paid within 30 days of receipt of an invoice
Source/collection of data	BAS reports and LOGIS reports BAS and LOGIS payment registers All payment documents on BAS and LOGIS All Service Providers must provide updated bank details with their invoices in order to be paid. All bank detail forms must have a bank stamp as verification of bank details  Compliant invoices are invoices that are conforming to the purchase order issued to the supplier or invoices payable as per service rendered in accordance with the terms of the contract. In other words, these are invoices where there is no dispute for payment or where there are no discrepancies from the suppliers side that could result in referring back the invoice to the supplier
Method of calculation	Calculating the days between the date the invoice is received and the date it is paid
Data limitations	Supplier's changing banking details after the order has been created, without informing the Department. Banking details of new / existing suppliers rejected on Safety Net by National Treasury. System errors when processing payments on LOGIS system whereby sometimes it takes more time to get a solution from National Treasury/LOGIK depending on the complexity of the problem
Type of indicator	Activity and outcome
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	100% of invoices paid within 30 days of receipt
Indicator responsibility	Director: Supply Chain Management and Chief Financial Officer

Area	Description
Indicator title	4.2 Percentage reporting of detected irregular, fruitless and wasteful and unauthorised expenditure (TR9.1.2)
Short definition	Detection and reporting of irregular expenditure cases year-on-year
Purpose/importance	To ensure that all procurement procedures are followed To reduce fruitless and waste full expenditure To reduce fraud with payments To ensure compliance with Treasury Regulation 9.1.2
Source/collection of data	Payments processed on transversal systems Register for irregular expenditure and actual payment documents Reports to the Accounting Officer
Method of calculation	Count the number of transgressions for this financial year (A) Compare with the number of transgressions in the Auditor-General report (B) Calculate the percentage reduction or increase – (A minus B) divided by B multiply by 100 to get percentage
Data limitations	Incomplete registers
Type of indicator	Activity and Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Actual performance is desirable – i.e. 100% - neither higher nor lower
Indicator responsibility	Director: Supply Chain Management and Chief Financial Officer



**PROGRAMME 2: INSPECTION AND ENFORCEMENT SERVICES**

Area	Description
Indicator title	1.1 Number of designated employers reviewed per year to determine compliance with employment equity legislation
Short definition	Subject number of designated employers (in terms of sec 1 of the EEA) to a DG review (sec 43 of the EEA) to establish whether they comply with employment equity legislation (Sec 43 of the EEA)
Purpose/importance	Review the employers to establish whether they are implementing employment equity measures as outline in their employment equity plans submitted to the Department of Labour
Source/collection of data	Source: IES inspection registers at both labour centres and provincial offices IES Review reports Collection of data Process set out in 3.5.1 (a-d) of the IES Standard Operating Procedures
Method of calculation	IES registers completed both at assigning and finalisation of reviews Number of EEA reviews at designated employers across labour centres and provinces to be added Number of compliant designated employers on first inspection/review identified by review reports to be added Number of non-compliant designated employers to be determined by subtracting the compliant designated employers from the number of employers inspected Information collected at labour centres collated and submitted to provincial offices Provincial office collate number of reviews concluded at labour centres and provincial offices collated at provincial level
Data limitations	Manual collection of data as opposed to an electronic system of collection of data
Type of indicator	Output and Activity
Calculation type	Cumulative
Reporting cycle	Quarterly and Annually
New indicator	No - amended to align with the EEA
Desired performance	808 designated employers to be subjected to DG Review processes
Indicator responsibility	Provincial Chief Inspectors, Chief Director: Provincial Operations

Area	Description
Indicator title	1.2 Percentage of non-compliant employers of those reviewed in reference to 1.1 issued with recommendation within 90 calendar days of the review
Short definition	All (100%) non-compliant employers of those inspected in 1.1 for the year must be issued with the legal instruments as provided for in section sec 45 of the EEA))
Purpose/importance	To ensure that all non-compliant workplaces are issued with legal notices and also referred to courts for failure to comply labour law
Source/collection of data	Source Information as collected in indicator 1.1 Review reports Recommendations issued Registers of labour centres as well as provincial offices on reviews conducted From IES Manual Registers and QPR Reports Collection of data Number of reviews conducted in 1.1 Number of employers found to be non-compliant in terms of 1.1
Method of calculation	<ul style="list-style-type: none"> <li>• From 1.1. determine number of non-compliant workplaces</li> <li>• From registers and QPR reports determine the number of non-compliant workplaces dealt with in terms of the law across the spectrum of instruments available to the inspector. At the first instance of issuing a legal instrument</li> <li>• Determine as a percentage of the number of workplaces inspected in 1.1. the workplaces that have been dealt with in term of the legislation</li> <li>• The enumerator would be the number not complying and the denominator would be the number of inspections conducted. Numerator: no of non-complaint workplaces dealt with</li> <li>• Denominator: No of non-complying workplaces</li> </ul> "Dealt with" refers to a notice/recommendation issued to the non-compliant workplace/employer to inform on the level of non-compliance found during the inspection
Data limitations	Manual
Type of indicator	Output, Activity, Outcome
Calculation type	Accumulative for the year
Reporting cycle	Quarterly and annually
New indicator	No
Desired performance	All (100%) non-compliant employers must be issued with the legal instruments as provided for in the legislation (undertakings, compliance orders and court referrals)
Indicator responsibility	Provincial Chief Inspectors, Chief Director: Provincial Operations

Area	Description
Indicator title	1.3 Number of designated employers inspected per year to determine compliance with employment equity legislation
Short definition	Workplaces inspected to determine compliance with the Employment Equity Act
Purpose/importance	Inspect designated employers to establish whether they complying with the Employment Equity Act
Source/collection of data	Source: EE inspection registers at both labour centres and provincial offices IES Inspection reports Collection of data Process set out in 3.5.2 of the IES Standard Operating Procedures
Method of calculation	EE inspection registers completed both at assigning and finalisation of inspections Number of EE inspections at designated employers across labour centres and provinces to be added Number of compliant designated employers on first inspection identified by inspection reports to be added Number of non-compliant designated employers to be determined by subtracting the compliant designated employers from the number of employers inspected Information collected at labour centres collated and submitted to provincial offices Provincial office collate number of reviews concluded at labour centres and provincial offices collated at provincial level
Data limitations	Manual collection of data as opposed to an electronic system of collection of data
Type of indicator	Output and Activity
Calculation type	Cumulative
Reporting cycle	Quarterly and Annually
New indicator	No
Desired performance	4 729 designated employers inspected to comply with the EEA
Indicator responsibility	Provincial Chief Inspectors, Chief Director: Provincial Operations

Area	Description
Indicator title	1.4. Percentage of non-complying workplaces inspected per year with reference to 1.3. dealt with in terms of the Employment Equity Act
Short definition	100% of non-compliant workplaces of those inspected dealt with in terms of the relevant labour legislation: See: EEA sections: 20; 21; 36 and 37
Purpose/importance	To ensure that all non-compliant workplaces are issued with legal notices and also referred to courts for failure to comply with labour laws
Source/collection of data	Source Information as collected in indicator 1.3 EE inspection registers of labour centres as well as provincial offices on findings of inspections From EE Manual Registers and QPR Reports Collection of data Number of inspections conducted in 1.3. Number of employers found to be non-compliant in terms of 1.3
Method of calculation	<ul style="list-style-type: none"> <li>• From 1.3. determine number of non-compliant workplaces</li> <li>• From registers and QPR reports determine the number of non-compliant workplaces dealt with in terms of the law across the spectrum of instruments available to the inspector. At the first instance of issuing a legal instrument</li> <li>• Determine as a percentage of the number of workplaces inspected in 1.3. the workplaces that have been dealt with in term of the legislation</li> <li>• The enumerator would be the number not complying and the denominator would be the number of inspections conducted. Numerator: no of non-complaint workplaces dealt with</li> <li>• Denominator: No of non-complying workplaces</li> </ul> "Dealt with" refers to a notice/recommendation issued to the non-compliant workplace/employer to inform on the level of non-compliance found during the inspection
Data limitations	Collecting the information manually
Type of indicator	Activity
Calculation type	Accumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	All (100%) non-compliant workplaces are dealt with in terms of the law across the spectrum of the enforcement regime which may require any of the instruments used at the first inspections. This refers to the initial instrument used (it could be any of the instruments in the law depending on the level of non-compliance found)
Indicator responsibility	Provincial Chief Inspectors, Chief Director: Provincial Operations

Area	Description
Indicator title	2.1 Number of workplaces inspected per year to determine compliance with labour legislation
Short definition	Workplaces inspected to determine compliance with the labour legislation
Purpose/importance	To determine compliance with legislation in the inspected sectors
Source/collection of data	Source: IES inspection registers at both labour centres and provincial offices IES inspection reports Collection of data Process set out in 5.4.1 (a-e) of the Standard Operating Procedures
Method of calculation	IES registers completed both at assigning and initial inspections Number of inspections at workplaces across labour centres and provinces to be added Number of compliant workplaces on first inspection/review identified by inspection reports to be added Number of non-compliant workplaces to be determined by subtracting the compliant workplaces from the number of workplaces inspected Information collected at labour centres collated and submitted to provincial offices Provincial office collate number of inspections concluded at labour centres and provincial offices collated at provincial level
Data limitations	Manual reports vs. electronic reports
Type of indicator	Output/Activity
Calculation type	Accumulative to a year
Reporting cycle	Quarterly and annually
New indicator	No
Desired performance	To inspect 134 958 workplaces to determine compliance with labour legislation
Indicator responsibility	Provincial Chief Inspectors, Chief Director: Provincial Operations

Area	Description
Indicator title	2.2 Percentage of non-complying workplaces of those inspected with reference to 2.1 per year dealt with in terms of the relevant labour legislation
Short definition	100% of non-compliant workplaces of those inspected dealt with in terms of the relevant labour legislation: See: BCEA sections 64; 65; 66; 68; 69; 70 UIA sections 38; 39 SDA sec 17
Purpose/importance	To ensure that all non-compliant workplaces are issued with legal notices and also referred to courts for failure to comply with labour laws
Source/collection of data	Source Information as collected in indicator 2.1 Registers of labour centres as well provincial offices on findings of inspections From IES Manual Registers and QPR Reports Collection of data As set out in the 5.4.2 of IES Standard Operating Procedures,
Method of calculation	<ul style="list-style-type: none"> <li>• From 2.1. determine number of non-compliant workplaces</li> <li>• From registers and QPR reports determine the number of non-compliant workplaces dealt with in terms of the law across the spectrum of instruments available to the inspector. At the first instance of issuing a legal instrument</li> <li>• Determine as a percentage of the number of workplaces inspected in 2.1. the workplaces that have been dealt with in term of the legislation</li> <li>• The enumerator would be the number not complying and the denominator would be the number of inspections conducted. Numerator: no of non-complaint workplaces dealt with</li> <li>• Denominator: No of non-complying workplaces</li> </ul> "Dealt with" refers to a notice/recommendation issued to the non-compliant workplace/employer to inform on the level of non-compliance found during the inspection
Data limitations	Collecting the information manually
Type of indicator	Activity
Calculation type	Accumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	All (100%) none compliant workplaces are dealt with in terms of the law across the spectrum of the enforcement regime which may require any of the instruments used at the first inspections. This refers to the initial instrument used (it could be any of the instruments in the law depending on the level of non-compliance found)
Indicator responsibility	Provincial Chief Inspectors, Chief Director: Provincial Operations

Area	Description
Indicator title	2.3 Number of advocacy and educational sessions conducted per year in identified sectors
Short definition	4 advocacy and educational sessions conducted per year as identified in APP quarterly targets Advocacy is a process of supporting and enabling people to express their views and concern for a particular labour law Educational means a process of imparting or acquiring general knowledge, developing the powers of reasoning and judgment for a particular labour law
Purpose/importance	Raise awareness to improve compliance with the legislation
Source/collection of data	Training plan Reports on the events that has been identified Attendance registers Training material
Method of calculation	4 sessions: 4 Seminars as identified per APP quarterly targets 1 Training programme (600 Shop stewards trained)
Data limitations	Depend on the accuracy of the registers, and documents generated in the sessions
Type of indicator	Output and activity
Calculation type	Cumulative for the year
Reporting cycle	Quarterly and annually
New indicator	No
Desired performance	Conduct training and awareness sessions such as: Seminars 4 Training programme 1
Indicator responsibility	DDG: IES

Area	Description
Indicator title	2.4 Percentage of inspections on request for work permits conducted within 25 calendar days
Short definition	90% of companies applied for work permits are inspected within 25 calendar days on receipt of such a request from PES
Purpose/importance	To ensure that employers who intend to bring in foreign labour are comply with the labour legislation before recommendations to the Department of Home Affairs
Source/collection of data	Manual Register for requests for inspections from PES Inspection reports
Method of calculation	Each request received from PES is counted Each inspection conducted (within 25 calendar days) on request is counted Determine as a percentage: those inspections conducted within 25 calendar days divided by the number of requests received multiply by 100
Data limitations	Not applicable
Type of indicator	Output and activity
Calculation type	Cumulative for a year
Reporting cycle	Quarterly and Annually
New indicator	No
Desired performance	Conduct at least 90% of inspections per requests from PES within 25 calendar days
Indicator responsibility	Provincial Chief Inspectors, Chief Director: Provincial Operations



Area	Description
Indicator title	2.5 Percentage of non-complying workplaces of those inspected with reference to 2.4 per year dealt with in terms of the relevant labour legislation
Short definition	100% of non-compliant workplaces of those inspected dealt with in terms of the relevant labour legislation: See: BCEA sections 64; 65; 66; 68; 69; 70 UJA sections 38; 39 SDA sec 17 The enumerator would be the number not complying and the denominator would be the number of inspections conducted
Purpose/importance	To ensure that all non-compliant workplaces are issued with legal notices and also referred to courts for failure to comply with labour laws
Source/collection of data	Source Information as collected in indicator 2.1 Registers of labour centres as well provincial offices on findings of inspections From IES Manual Registers and QPR Reports Collection of data As set out in 5.4.2 of the IES Standard Operating Procedures
Method of calculation	<ul style="list-style-type: none"> <li>• From 2.4. determine number of non-compliant workplaces</li> <li>• From registers and QPR reports determine the number of non-compliant workplaces dealt with in terms of the law across the spectrum of instruments available to the inspector. At the first instance of issuing a legal instrument</li> <li>• Determine as a percentage of the number of workplaces inspected in 2.4. the workplaces that have been dealt with in term of the legislation</li> <li>• The enumerator would be the number not complying and the denominator would be the number of inspections conducted. Numerator: no of non-complaint workplaces dealt with</li> <li>• Denominator: No of non-complying workplaces</li> </ul> "Dealt with" refers to a notice/recommendation issued to the non-compliant workplace/employer to inform on the level of non-compliance found during the inspection
Data limitations	Collecting the information manually
Type of indicator	Activity
Calculation type	Accumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	All (100%) none compliant workplaces are dealt with in terms of the law across the spectrum of the enforcement regime which may require any of the instruments used at the first inspections. This refers to the initial instrument used (it could be any of the instruments in the law depending on the level of non-compliance found)
Indicator responsibility	Provincial Chief Inspectors, Chief Director: Provincial Operations

Area	Description
Indicator title	3.1 Number of workplaces inspected per year to determine their compliance with the OHS legislation
Short definition	21 967 workplaces inspected to determine compliance level in terms of Occupational Health and Safety Legislation (See OHSA sec 29; 30; 31).
Purpose/importance	To determine compliance with the Occupational Health and Safety Act and its regulations in the inspected workplaces
Source/collection of data	Source: IES inspection registers at both labour centres and provincial offices IES inspection reports Collection of data Process set out in 4.1.4; 4.1.5 and 4.1.6 (pages 36 to 39) of the IES Standard Operating Procedures
Method of calculation	IES registers completed both at assigning and finalisation of reviews Number of inspections at workplaces across labour centres and provinces to be added at provincial office level Number of compliant workplaces on first inspection/review identified by inspection reports to be added Number of non-compliant workplaces to be determined by subtracting the compliant workplaces from the number of workplaces inspected Information collected at labour centres collated and submitted to provincial offices Provincial office collate number of inspections concluded at labour centres and provincial offices collated at provincial level
Data limitations	Manual versus an electronic system for the collection of data
Type of indicator	Output and activity
Calculation type	Accumulative
Reporting cycle	Quarterly and Annually
New indicator	No
Desired performance	To inspect 21 967 workplaces to establish compliance with the OHS Act
Indicator responsibility	Provincial Chief Inspectors, Chief Director: Provincial Operations

Area	Description
Indicator title	3.2 Percentage of non-complying workplaces inspected per year with reference to 3.1 dealt with in terms of the OHS legislation
Short definition	100% of non-compliant workplaces of those inspected dealt with in terms of the relevant labour legislation
Purpose/importance	To ensure that all non-compliant workplaces are issued with legal notices and also referred to courts for failure to comply with labour laws
Source/collection of data	Source Information as collected in indicator 3.1 Registers of labour centres as well provincial offices on findings of inspections From IES Manual Registers and QPR Reports Collection of data Number of reviews conducted in 3.1 Number of employers found to be non-compliant in terms of 3.1
Method of calculation	<ul style="list-style-type: none"> <li>• From 3.1. determine number of non-compliant workplaces</li> <li>• From registers and QPR reports determine the number of non-compliant workplaces dealt with in terms of the law across the spectrum of instruments available to the inspector. At the first instance of issuing a legal instrument</li> <li>• Determine as a percentage of the number of workplaces inspected in 3.1. the workplaces that have been dealt with in term of the legislation</li> <li>• The numerator would be the number not complying and the denominator would be the number of inspections conducted. Numerator: no of non-complaint workplaces dealt with</li> <li>• Denominator: No of non-complying workplaces</li> </ul> "Dealt with" refers to a notice/recommendation issued to the non-compliant workplace/employer to inform on the level of non-compliance found during the inspection
Data limitations	Not applicable
Type of indicator	Output and activity
Calculation type	Accumulative
Reporting cycle	Quarterly and annually
New indicator	No
Desired performance	All (100%) non-compliant companies are issued with relevant legal notices, are referred to courts (magisterial courts)
Indicator responsibility	Provincial Chief Inspectors, Chief Director: Provincial Operations

Area	Description
Indicator title	3.3.Percentage of reported incidents investigated within 90 calendar days
Short definition	All reportable (in terms of sec 24 of the OHSA) are investigated in terms of sec 31 and 32 of the OHSA.  Categories for investigations: 1 – Probe in office (minor incidents) – within 5 calendar days 2 – Probe out of office – within 14 calendar days, but it could escalate to level 3 3 ++ – Investigation (section 31) – within 90 calendar days 4++ – Formal inquiry (section 32) – within 180 calendar days as per action plan  ++ 4 can extend outside the 180 day period as it is dependent on the complexity of the case and the nature of work that needs to be done. There are exceptions.
Purpose/importance	To determine whether there is a contravention in terms of OHSA as well as the cause and liability of the incidents. To ensure that a recurrence of such incidents are prevented
Source/collection of data	Source Reported Incident register at labour centres and provincial Office Incident Investigation report where required Collection of Data Provincial offices and labour centres keep a register of reported incidence WCL1 and 2 for all section 24 incidents to be kept on file. Information on reported incidents to be disaggregated into the following categories: Fatalities Non-fatalities Non-casualties
Method of calculation	All reported incidents aggregated at a provincial office level Number of investigated incidents determined from investigation reports Number of investigations determined as a percentage of reported incidents
Data limitations	Currently manual information gathering
Type of indicator	Output and activity
Calculation type	Cumulative for a year
Reporting cycle	Quarterly and Annually
New indicator	Yes
Desired performance	62% of reported incidents investigated within 90 days
Indicator responsibility	Provincial Chief Inspectors, Chief Director: Provincial Operations

Area	Description
Indicator title	3.4 Percentage of applications for registration of entities processed within 60 calendar days
Short definition	Applications for registration of entities in terms of the OHS Act dealt within 60 calendar days for: Registration of Asbestos Contractors Registration of the Diving Training Schools Registration of Divers Registration of Diving Instructors Registration of Diving Medical Practitioners Registration of Life Support Technicians Registration of Remotely Operated Vehicle Pilot Registration of Chamber Operators Registration of Diving Supervisor Registration of First Aid Training Organisations Registration of Health and Hygiene Approved Inspection Authorities Registration of Explosives workplaces for purpose of licencing Registration of Explosives Managers Registration of Lifting Machinery Entities Registration of Lifting Machinery Inspectors Registration and approval of all other Approved Inspection Authorities Registration of construction work permits Registration of persons for the Government Certificates of Competency (GCC)
Purpose/importance	Entities are required to register by law
Source/collection of data	Source: Manual registers of applications for registration (this would be regulation specific) Collection of data Registers at head office and provincial offices Provincial records: Electrical contractors, Steam Generators as defined in the Pressure Equipment Regulations; Lifts, escalators and passenger conveyors. Head office: the full list as above Letters or Certificates
Method of calculation	Each application for registration that has been processed within a period of four weeks is counted Processed refers either to approved or rejected applications for registration Re-application when an application has initially been rejected, is regarded as a new application
Data limitations	Manual Register instead of electronic
Type of indicator	Output and activity
Calculation type	Cumulative for a year
Reporting cycle	Quarterly and Annually
New indicator	No
Desired performance	All (100%) of the application for registration by entities are processed within a period of eight weeks
Indicator responsibility	Chief Director: OHS; Provincial Chief Inspectors, Chief Director: Provincial Operations

Area	Description
Indicator title	3.5 Amendments to the Occupational Health and Safety Act processed through the relevant structure (Cabinet) by 31 March 2017
Short definition	Occupational Health and Safety Act and implemented
Purpose/importance	Strengthen Occupational Health and Safety Act and its enforcement in the labour market
Source/collection of data	OHS Bill Draft Amendment Bill NEDLAC reports
Method of calculation	Count the source documents 1 OHS Bill
Data limitations	Not applicable
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	Processing of the OHS amended Bill through the relevant structures
Indicator responsibility	DDG: IES

Area	Description
Indicator title	3.6. Number of employer payroll audits conducted per year to determine employer contributions to the Unemployment Insurance Fund
Short definition	13 016 employers' payrolls audited to determine employer contribution to the Unemployment Insurance Fund
Purpose/importance	To ensure employers deduct employees UIF contribution and transfer the deducted amounts together with the employer contributions to UIF
Source/collection of data	IES Manual registers and QPR reports Payroll audit registers
Method of calculation	Each audit is counted after inspector has completed the audit
Data limitations	Manual vs. electronic system
Type of indicator	Output
Calculation type	Accumulative to a year
Reporting cycle	Quarterly and annually
New indicator	Yes
Desired performance	To audit 13 016 employers' payrolls to determine employer contributions to the UIF
Indicator responsibility	Provincial Chief Inspectors, Chief Director: Provincial Operations

**PROGRAMME 3: PUBLIC EMPLOYMENT SERVICES**

Area	Description
Indicator title:	1.1 Number of regulations and policies in terms of the Employment Services Act tabled to the ES Board per year
Short definition	Finalise regulations in terms of the Employment Services Act
Purpose/importance	To enable Department to regulate registration of work-seekers, Private Employment Agencies and Temporary Employment Services, employment of foreign nationals and the provision of employment services by persons outside of the public administration
Source/collection of data	Signed draft regulation by DDG: PES, minutes of ES board
Method of calculation	4 regulations relating to (1) Private Employment agencies, Temporary Employment Services, Section 13 and 52 (2) Registration of work-seekers, Section 52 (3) The procedure for employment of foreign nationals, Section 52 (4) Provision of employment services by persons outside of the public administration, Section 52 tabled to ES Board by March 2017
Data limitations	Stakeholder consultation and state law advisors certification
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly and annually
New indicator	New
Desired performance	4 ES Regulations tabled to ES Board
Indicator responsibility	DDG: PES

Area	Description
Indicator title	1.2. Number of PES provincial and local advocacy campaigns conducted
Short definition	261 advocacy campaigns conducted by March 2017 including action taken to market and disseminate information on PES, based on the need identified by PES provincial offices and labour centre, for work-seekers, employers, exhibitions and community outreach programmes
Purpose/importance	It is intended for work-seekers, employers, and general public, to have sufficient knowledge about services offered by the Branch Public Employment Services
Source/collection of data	Invitations /written requests for slots on radio/TV talk shows Register of campaigns held Campaign reports
Method of calculation	Number of invitations and or request letter issued by labour centre and provincial office Register of campaigns held by labour centre and provincial office Campaign reports
Data limitations	Accuracy of the campaigns registers and campaign reports
Type of indicator	Output and activity
Calculation type	Non-cumulative quarterly, and cumulative on annual basis
Reporting cycle	Quarterly and annually
New indicator	No
Desired performance	Increasing awareness of PES
Indicator responsibility	Employment Services Practitioners at labour centres, employer service co-ordinators and PES managers at provincial offices, Deputy Director, Directors, Chief Directors and PES Strategic Support at Head Office

Area	Description
Indicator title	1.3. Number of work-seekers registered on ESSA per year
Short definition	500 000 Unemployed or under-employed work-seekers are registered on the Department of Labour database (ESSA)
Purpose/importance	The total number of work-seekers registered per year at delivery points of Labour
Source/collection of data	LC Productivity Report from ESSA, requested for reporting period
Method of calculation	The total number of work-seekers registered in labour centres, provincial offices, head office, online, UIF
Data limitations	Manual registration – work-seekers not registered on ESSA system, is excluded. Modification/update to work seeker profile is not counted as a registration
Type of indicator	Output and Activity
Calculation type	Cumulative for the financial year
Reporting cycle	Quarterly and Annually
New indicator	No
Desired performance	Increase the number of registered work-seekers for placement in registered opportunities
Indicator responsibility	Registration officers at labour centres, PES Managers at Provincial Offices, Deputy Director, Director and Chief Director - Work Seeker Services at Head Office



Area	Description
Indicator title	1.4. Number of registered work-seekers provided with employment counselling per year
Short definition	150 000 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
Purpose/importance	Improve the employability of work-seekers
Source/collection of data	Employment Counselling Report from ESSA, requested from April 2016 up to each end of quarterly period
Method of calculation	Number of registered work-seekers and number of counselling sessions as generated from ESSA
Data limitations	The date of registration of a work seeker can be after the date on which counselling took place. The counselee's will not be counted for reporting purposes until the work seeker is registered on ESSA
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	Increase employability of registered work-seekers
Indicator responsibility	Career Counsellors at Labour Centres, PES Managers at Provincial Offices, Deputy Director – Employment Counselling, Director and Chief Director – Work Seeker Services at Head Office

Area	Description
Indicator title	1.5 Number of registered employment opportunities filled by registered work-seekers per year
Short definition	Registered work-seekers placed into 8 000 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 registered in previous financial year. Placement against opportunities for work visa opportunity type is excluded
Purpose/importance	To place registered work-seekers in registered employment opportunities as listed in the SOP and ES Act Employment opportunities are: formal jobs (temporary or permanent); learner ships; apprenticeships; internships and training opportunities
Source/collection of data	Opportunity and Placement report from ESSA, requested from April 2016 up to each end of quarterly period
Method of calculation	The number of registered work-seekers that were placed against the opportunities registered on ESSA as reflected in the Opportunity and Placement report of ESSA This report exclude the work permit /visa opportunity type
Data limitations	Employer/organisation do not report placement on time
Type of indicator	Output
Calculation type	Cumulative for the financial year
Reporting cycle	Annually
New indicator	No

Area	Description
Indicator title	1.6. Number of employment opportunities registered on ESSA
Short definition	60 000 Employment opportunities registered on ESSA for placement of work-seekers
Purpose/importance	Increase the placement of registered work-seekers in registered employment opportunities
Source/collection of data	Opportunity and placement report from ESSA requested from April 2016 up to each end of quarterly period
Method of calculation	Number of employment opportunities registered as generated by ESSA excluding the work permit /visa opportunity type
Data limitations	Manual registration – opportunities not registered on ESSA system, is excluded. Opportunities registered for the work permit opportunity type is excluded from reporting against this target.
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	Increase of number of employment opportunities on ESSA
Indicator responsibility	Employment Services Practitioners at labour centres, Employer Service coordinators and PES Managers at Provincial Offices, Deputy Director, Director and Chief Director – Employer Services at Head Office

Area	Description
Indicator title	1.7 All complete applications for registration from private employment agencies and temporary employment services processed/finalised within 60 calendar days
Short definition	Number of application for registration of PEA's and TES processed
Purpose/importance	To reduce levels of exploitation/abuse of work-seekers by private employment agencies and temporary employment services
Source/collection of data	PEA's applications with date stamps indicating receipt date Registers of PEA's agencies Certificates of registration or refusal letter etc.
Method of calculation	Recorded date of complete application received from PEA's and TES until the date of the certificate or refusal letter is issued within 60 calendar days
Data limitations	Currently private employment agencies are registered in in terms of the Skills Development Act. The registration of temporary employment services (TES) is provided for in terms of the new employment services act. The registration of TES is dependent on the promulgation of the new Act which is expected to take place during 2016
Type of indicator	Output /Activity
Calculation type	Cumulative for the financial year
Reporting cycle	Quarterly and Annually
New indicator	No
Desired performance	Regulated environment for the operations of PEA and TES
Indicator responsibility	Employment Services Practitioners at labour centres, Employer Service coordinators and PES Managers at Provincial Offices, Deputy Director, Director and Chief Director – Employer Services at Head Office

Area	Description
Indicator title	2.1 Percentage of complete applications for foreign nationals corporate and individual work visas applications processed within 30 working days
Short definition	70% complete migrant work visa application processed within 30 working days. Process is from when the complete application is received by the provincial office/ labour centre until recommendations are made to the Department of Home Affairs, by the Adjudication Committee, as outlined in SOP –ICBLM. 30% applications will be process beyond 30 days
Purpose/importance	To regulate foreign labour migration inflows into the SA labour market
Source/collection of data	Minutes of the Adjudication committee and benchmarking certificates. Applications with date stamps indicating receipt dates. and Registers
Method of calculation	Recorded date of complete application received until the date the benchmarking certificate is issued to Home Affairs
Data limitations	The number of application recommendations referred to Home Affairs might not necessarily be equal to the number of permits issued by the Department of Home Affairs
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly and annual reporting
New indicator	No
Desired performance	Facilitate the employment of foreign nationals with required skills
Indicator responsibility	Employment Services Practitioners at labour centres, Employer Service coordinators and PES Managers at Provincial Offices, Deputy Director, Director and Chief Director – Employer Services at Head Office

**PROGRAMME 4: LABOUR POLICY AND INDUSTRIAL RELATIONS**

Promote equity in the labour market (Outcome 14)

Area	Description
Indicator title	1.1 Number of policy instruments developed and promoted to enhance the implementation of EEA by 31 March 2017
Short definition	1.1.1 Number of policy instruments developed and promoted to enhance the implementation of EEA by developing the Amended Code of Good Practice on the preparation and implementation of EE Plans (Code on EE Plans) by 31 March 2017
Purpose/importance	Align to the Amendment Act and its regulations to improve employment equity compliance in the labour market
Source/collection of data	Information gathered through stakeholder written public comments and workshop consultations Government gazettes for public comment and the final Amended Code on EE Plans published Consolidated report of the public comments
Method of calculation	Amended Code on EE Plans published in Government Gazette
Data limitations	The quality of public comments submitted by stakeholders in written submissions or in workshops on the Amended Code on EE Plans
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	Higher levels of compliance from employers with the Employment Equity Act and its regulations
Indicator responsibility	DDG: LPandIR, CD: LR and Director: Employment Equity

Area	Description
Indicator title	1.1 Number of policy instruments developed and promoted to enhance the implementation of EEA by 31 March 2017
Short definition	1.1.2 Number of policy instruments developed and promoted to enhance the implementation of EEA by conducting 13 workshops on Code of Good Practice on Employment of Persons with Disabilities by 30 September 2016
Purpose/importance	Eliminate unfair discrimination and improve the employment of persons with disabilities in the labour market
Source/collection of data	Information gathered through stakeholder workshops in provinces. Invitation and programme Schedule of provincial workshops Presentation slides Attendance Registers Close-out report
Method of calculation	Close-out Report on 13 workshops conducted on Code of Good Practice on Employment of Persons with Disabilities
Data limitations	The quality of public comments submitted by stakeholders in workshops to promote the Employment of Persons with Disabilities
Type of indicator	Output and activities
Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Increased awareness and higher levels of compliance from employers in relation to the employment of Persons with disabilities
Indicator responsibility	DDG: LPandIR, CD: LR and Director: Employment Equity

Area	Description
Indicator title	1.1 Number of policy instruments developed and promoted to enhance the implementation of EEA by 31 March 2017
Short definition	1.1.3 Number of policy instruments developed and promoted through the publication of the 2015-2016 Annual Employment Equity Report and Public Register by 30 June 2016
Purpose/importance	Improve employment equity compliance in the labour market
Source/collection of data	Information gathered through Employment Equity reports submitted by designated employers annually through manual submissions and EE Online Reporting facility Employment Equity (EE) Annual Report published EE Public Register Government Gazette
Method of calculation	EE Annual Report and EE Public Register published in Government Gazette
Data limitations	Dependent on the quality of EE data submitted by employers on progress made on the implementation of employment equity
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	Higher levels of compliance from employers with the Employment Equity Act and its regulations
Indicator responsibility	DDG: LPandIR, CD: LR and Director: Employment Equity

Area	Description
Indicator title	1.1 Number of policy instruments developed and promoted to enhance the implementation of EEA by 31 March 2017
Short definition	1.1.4 Number of policy instruments developed and promoted through the development of the 2016-2017 Annual Employment Equity Report and Public Register by 31 March 2017
Purpose/importance	Improve employment equity compliance and enforcement in the labour market
Source/collection of data	Information gathered through Employment Equity reports submitted by designated employers annually through manual submissions or EE Online Reporting facility Reminder letters to employers on the EE system database Completed and submitted EE reports on the EE system CEE Advisory to Minister of Labour Employment Equity (EE) Annual Report developed EE Public Register developed
Method of calculation	EE Annual Report and EE Public Register developed
Data limitations	Dependent on the quality of EE data submitted by employers on progress made on the implementation of employment equity
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	Higher levels of compliance from employers with the Employment Equity Act and its regulations
Indicator responsibility	DDG: LPandIR, CD: LR and Director: Employment Equity

**PROTECT VULNERABLE WORKERS (OUTCOME 4)**

Area	Description
Indicator title	2.1 Number of sectoral determinations reviewed per year
Short definition	Hospitality and Taxi Sectoral Determination reviewed and published in the Government Gazette by March 2017
Purpose/importance	To investigate, review and amend minimum wages and conditions of employment for specific sectors in extending protection to vulnerable workers
Source/collection of data	Submissions by relevant stakeholders and inputs received during the public consultation process in the different sectors.  Verification sources Submission from the Minister approving the investigation, Copy of the notice of investigation as published in the government gazette, written submissions received in response to the notice, advert for the public hearings, attendance registers of the public hearings, ECC report on the investigation, minutes of the ECC meetings, copy of the Sectoral determinations as published in the government gazette / submission from the Minister refusing the establishment of the sectoral determination.
Method of calculation	Count the number sectoral determinations published for the 12 months before the minimum wages expired
Data limitations	Due to the nature of the vulnerable sectors, poor attendance of stakeholders during the consultation process is likely
Type of indicator	Output and activity
Calculation type	Non-cumulative
Reporting cycle	Quarterly and Annually
New indicator	No
Desired performance	Publish sectoral determination and reduce the level of poverty
Indicator responsibility	DDG: LPandIR, CD: LR and Director: Employment Standards

**STRENGTHEN MULTILATERAL AND BILATERAL RELATIONS (OUTCOME 11)**

Area	Description
Indicator title	3.1 Strengthen and monitor implementation of bilateral agreements that are in line with national priorities within set time frame
Short definition	Implement signed Memoranda of Understanding with fraternal countries and consider new proposals.  What is meant by bilateral agreements and national priorities/interest? <ul style="list-style-type: none"> <li>• Bilateral agreements – An agreement formed by an exchanged of a promise in which the promise of one party is consideration supporting the promise of the other party.</li> <li>• National priorities/ interest – A country's goals and ambitions (labour market) informed by self-interest derived from domestic priorities. To achieve these within its international relations milieu. Thus the countries listed have been identified as priorities for the period 2016/17</li> </ul>
Purpose/importance	Strengthen bilateral relations through signing and implementing the bilateral agreements within set timeframes
Source/collection of data	Implementation plans
Method of calculation	Count the number of reports submitted annually
Data limitations	Consultations with fraternal countries prolonged by diplomatic processes
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Annually  Q2 - Mid-term implementation report submitted by 30 September 2016 Q4 - Annual implementation report submitted by 30 March 2017
New indicator	Yes
Desired performance	To comply and implement the signed bilateral cooperation agreements within set timeframes
Indicator responsibility	DDG: LPandIR and Chief Director: International Relations



**PROMOTE SOUND LABOUR RELATIONS (OUTCOME 4)**

Area	Description
Indicator title	4.1 Percentage of collective agreements extended within 90 calendar days of receipt by 31 March
Short definition	Collective agreements are concluded by registered trade unions and employers organisations who are party to the bargaining councils in demarcated sectors. Trade unions and employer's organisation negotiate conditions of employment for specific sectors periodically and the bargaining council request the minister to extend the collective agreements concluded to non-parties in those sectors. Extension means agreement published in the Government Gazette to be applicable in that sector
Purpose/importance	To promote fair competition in specific sectors and to provide improved conditions of employment and decent work
Source/collection of data	Application forms Party agreements Manual collective agreements registers Record of decisions made by the Minister pertaining to the extension of collective agreements and published agreements Published Government Gazettes
Method of calculation	Count the percentage of published agreements extended within 90 calendar days in the Government Gazettes
Data limitations	Industry figures and party membership figures are not always adequate
Type of indicator	Output and activity
Calculation type	Non-cumulative
Reporting cycle	Monthly, quarterly and annually
New indicator	No
Desired performance	To ensure that 100 % of collective agreements are extended by the Minister within 90 calendar days of receipt
Indicator responsibility	DDG: LPandIR, CD: LR and Director: Collective Bargaining

Area	Description
Indicator title	4.2 Percentage of labour organisation applications for registration approved or refused within 90 calendar days of receipt by 31 March
Short definition	Registration of new labour organisations: <ul style="list-style-type: none"> <li>• Association of employers or employees come together to form a trade union or employers' organisation (labour organisations)</li> <li>• Unregistered trade unions or employers' organisations cannot fully participate in collective bargaining system as provided in the LRA</li> <li>• To become a registered trade union or employers' organisation, such organisations will apply for registration to the Registrar of Labour Relations</li> <li>• 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</li> </ul>
Purpose/importance	Registration of labour organisations: <ul style="list-style-type: none"> <li>• To ensure accountability to the Department in terms of the LRA, to the members and to the public</li> <li>• To regulate and monitor the operations of registered trade unions and employers' organisations</li> <li>• To ensure full participation in the collective bargaining system</li> </ul>
Source/collection of data	Application forms (date stamped on receipt) Electronic system ( Details of application entered on system on day of receipt) Keep record of all decisions made by the Registrar pertaining to the applications of trade unions and employers' organisations
Method of calculation	Percentage of applications for registration of Labour Organisations from the date of receipt to date of decision to approve or refuse
Data limitations	Registration of labour organisations: <ul style="list-style-type: none"> <li>• Insufficient records of data and processes of start-up labour organisations (trade unions and employers' organisations)</li> <li>• Reliability of Magic system as basis for recording and monitoring applications and decisions.</li> </ul>
Type of indicator	Output and activity
Calculation type	Non-cumulative
Reporting cycle	Monthly, quarterly and annually
New indicator	Partially
Desired performance	The aim is to ensure that 100 % of applications for registration by trade unions and employers' organisation are approved or refused within 90 calendar days of receipt
Indicator responsibility	DDG: LPandIR, CD: LR and Director: Collective Bargaining

**MONITOR THE IMPACT OF LEGISLATION (OUTCOME 4)**

Area	Description
Indicator title	5.1 Number of Labour Market Trends reports produced annually
Short definition	To provide up to date information on selected indicators in the economy and labour market as a whole.
Purpose/importance	To provide a general perspective on the performance of the South African economy and labour market to inform policy makers on the changes that happened in the South African labour market over time in order to take action where it is needed.
Source/collection of data	<p>Administrative internal and external survey data are used such as newspapers, Unemployment Insurance Fund, CCMA, Compensation Funds, Employment Services, Collective Bargaining, Reserve Bank and Statistics SA.</p> <p>Verification sources: Four Annual reports produced: Annual Industrial Action, Job Opportunity and Unemployment in the SA labour market, Annual Administrative Statistics and Annual Labour Market Bulletin reports</p> <p><b>Annual Industrial Action</b> Identification of strike through media (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, quotation requested from Government and Publication conducted by September</p> <p><b>Annual Administrative Statistics</b> 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 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, quotation requested from Government and Publication conducted by September</p> <p><b>Job Opportunity and Unemployment in the SA labour market</b> Vacancies data sourced from national and regional newspapers Data captured on internal JOI database (Excel spread sheets) on weekly basis JOI data consolidated and analysed by key vacancies indicators as reflected across newspapers Annual report written by June and approval sourced from the Minister Approval received, quotation requested from Government and Publication conducted by September</p> <p><b>Annual Labour Market Bulletin</b> External statistical information extracted from national publication (Reserve Bank, StatsSA, labour market academic report etc.) Report structure outlined and information consolidated and analysed Annual report written by June and approval sourced from the Minister Approval received, quotation requested from Government and Publication conducted by September</p>

Method of calculation	Count the number of reports published
Data limitations	Limited coverage in particular with newspapers data identification and lack of effective internal data integration system
Type of indicator	Output and activity
Calculation type	Cumulative
Reporting cycle	Quarterly and Annual
New indicator	No
Desired performance	The aim is to ensure 100% data quality and more labour market indicators coverage in order to better inform policy makers
Indicator responsibility	DDG: LPandIR, CD: LMP and Director: Labour Market Information and Statistics

Area	Description
Indicator title	5.2 Number of Labour Market Research reports produced annually
Short definition	<p>Research on the impact of legislation conducted</p> <p>Four research reports in line with the Research, Monitoring and Evaluation agenda (RME Agenda- which means a list of at least research topics that need to be investigated within an agreed time) aimed at assessing the impact of labour legislation and labour programmes to be produced.</p> <ol style="list-style-type: none"> <li>1. Assessing the effectiveness of collective bargaining exemption process,</li> <li>2. Reduction of working hours to a 40 hour week,</li> <li>3. Analysis of the knowledge level of the public on the services of the Department of Labour,</li> <li>4. Evaluation of the attitude of work-seekers</li> </ol>
Purpose/importance	To provide research findings for evidence-based policy intervention
Source/collection of data	Research data collected according to approved research methodologies Progress reports, literature reports, data collection instruments, draft research reports and final research reports
Method of calculation	Count the number of reports produced.
Data limitations	Data collected is based on the data collection instruments which may have limited capacity and data collection process have challenges in accessing the respondents and it also depends on their memories
Type of indicator	Output and activity
Calculation type	Cumulative
Reporting cycle	Quarterly and Annually
New indicator	No
Desired performance	The indicator is for conducting research on the labour market policies and legislation. Conducting more research projects and uptake of research results is desired.
Indicator responsibility	DDG: LPandIR, CD: LMP and Director: Research, Policy and Planning