



13 July 2018

Chairperson of the Finance Standing Committee

For attention: Mr Allen Wicomb/ Ms Teboho Sepanya

Per email: awicomb@parliament.gov.za; tsepanya@parliament.gov.za

Dear Honourable Chairperson

WRITTEN SUBMISSION ON THE PUBLIC INVESTMENT CORPORATION AMENDMENT BILL

Comments deadline: 15 July 2018

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DATE: 13 / 07/ 2018

**Democratizing the workplace in advancing economic development,
social justice and labour peace in the Public Service**

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1. INTRODUCTION

The Public Service Coordinating Bargaining Council (PSCBC) welcomes the opportunity to make a submission on the proposed amendments to Public Investment Corporation Amendment Bill.

The PSCBC is a stature of law, designated or established in terms of section 36 of the Labour Relations Act 66 of 1995, as amended.

Section 36 of the LRA defines the scope of the PSCBC to include on the one hand, all employees of the State as defined in the Public Service Act and on the other hand, the State as Employer. The Department for Public Service and Administration (DPSA) is the leading Department within the PSCBC.

The LRA further determines the functions of the PSCBC. Amongst those, is determining through collective bargaining the conditions of service applicable to public servants (as defined).

We hereby submit our comments to you in writing, but would also be available to appear and make verbal submissions, if so required.

2. COMMENTS BY PSCBC ON CLAUSE 2 AND CLAUSE 3 OF THE DRAFT BILL

It is noted that the Standing Committee on Finance in Parliament has issued an invite to stakeholders and interested parties to submit written submissions on the Public Investment Corporation Second Amendment Bill. The objective of the Bill being to promote transparency and good governance within the PIC.

It is noted that amongst other the amendment Bill supports principles and processes important to the PSCBC such as;

Clause 2-

Allowing for empowering the corporation to finance the buying of property for members of the GEPP. The amendments supports the principle of specifically achieving home ownership as envisaged through PSCBC Resolution 7 of 2015 in establishing the Government Employees

Housing Scheme; and

Clause 3-

Allowing for two or more but not more than three representatives of a registered trade union, whose members are the majority of the members of the GEPF, to form part of the group of non-executive members enhances the principles of transparent governance.

The amendment of clause 3 for the PSCBC as stated is fundamental in ensuring transparency in applying good governance.

Clause 3(2) (b) (iii) of the Bill that reads as follows;

Two or more, but not more than three representatives of a registered trade union, whose members are the majority of the members of the Government Employees Pension Fund. These representatives are to be selected by the trade unions at the PSCBC based upon their proportional composition; and

The clause as is may be ambiguous and opens up the notion for interpretation and debate. The use of the concept of *two or more, but not more than three* is not understood. How and when will it be decided to nominate two and when will it be decided to nominate three representatives? What will be the criteria for such nomination? Will it be an arbitrary decision or one that will be consulted with organised labour? The clause as is, will cause more frustration than support the objective of representivity and transparency in governance that wants to be achieved.

The Standing Committee may want to consider amending the wording to be similar as the wording of the clause on representation on the GEPF board as used in PSCBC Resolution 12 of 2002.

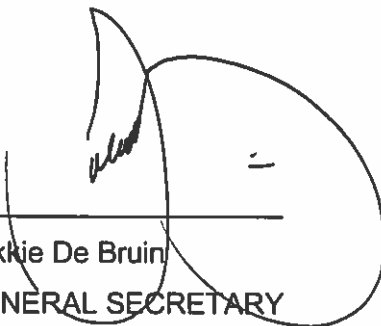
The wording is suggested to read as follows;

"Three representatives nominated by the trade union parties admitted in the Public Service Coordinating Bargaining Council in accordance with proportionate representation of their membership in the Council."

3. CONCLUSION

Should you have any questions, please do not hesitate to contact us. Please also keep us informed of future developments and consider inviting us to any future discussions in relation to this issue.

Yours faithfully,



Frikkie De Bruin
GENERAL SECRETARY