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 **NATIONAL ASSEMBLY**

**WRITTEN REPLY**

**QUESTION NUMBER: 2257 [NW2616E]**

**INTERNAL QUESTION PAPER: No. 21 of 2015**

**DATE OF PUBLICATION: 12 JUNE 2015**

**DATE OF REPLY: 07 JULY 2015**

**Mr K S Mubu (DA) to ask the Minister of Public Works:**

Whether (a) his department and (b) any entities reporting to him has paid out the remainder of any employee's contract before the contractually stipulated date of termination of the contract since the 2008-09 financial year up to the latest specified date for which information is available; if so, (i) what amount has (aa) his department and (bb) entities reporting to him spent on each such payout, (ii) to whom were these payouts made and (iii) what were the reasons for the early termination of the contracts in each specified case?

 **NW2616E**

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**REPLY:**

**The Minister of Public Works**

**With respect to the Department of Public Works:**

(a) Yes, the Department of Public Works paid out the remainder of an employee’s contract in the 2012/2013 financial year.

(i) (aa) The amount of R1 523 504.98, was paid out after tax was deducted.

(ii) The above-mentioned amount was paid to a former Director-General in the Department of Public Works.

(iii) The amount was paid as a result of the redetermination of the term of office of the employee.

In most of these cases Government has made a saving, because we settled for an average of six months, instead of the full duration of the employment contract and thus avoided incurring further costs. In other cases the settlements were based on the outcomes of the Commission for Conciliation, Mediation and Arbitration (CCMA) arbitrations.

**With respect to public entities:**

(b) Apart from the Independent Development Trust (IDT) none of the four public entities reporting to the Department of Public Works paid out the remainder of any employee’s contract before the contractually stipulated date of termination of contract since the 2008/09 financial year up to 31 March 2015. The IDT paid out the following amounts based on the negotiated separation agreements or CCMA arbitration awards against the IDT for terminated contracts involving disciplinary cases:

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| --- | --- | --- | --- |
| **(i) (bb) Amount paid out** | **(ii) To whom paid** | **(iii) Reasons for contract termination**  | **Financial year** |
| R822 102.34 | Former Regional General Manager – Limpopo Office | Changes in the business operating environment and changes in organizational requirements and skills demands for the position. | 2009/2010 |
| R793 267.94 | Former Regional General Manager – Western Cape Office | Changes in the business operating environment and changes in organizational requirements and skills demands for the position. | 2009/2010 |
| R646 671.00 | Former General Manager: Human Resources – National Office | Incompatible behaviour causing disharmony at work. The case was resolved through a mutual separation agreement. | 2011/2012 |
| R1 014 266.00 | Former Executive Head: Corporate Services – National Office | Relationship between employer and employee had reached irreconcilable differences. The case was resolved through mutual separation. | 2011/2012 |
| R997 204.00 | Former Programme Implementation Manager – Limpopo Office | The employee was dismissed for gross irregularities and at arbitration the ruling went against the IDT resulting in the settlement pay out. | 2011/2012 |
| R470 224.00 | Former Programme Manager: Social Development – North West Office | The employee was dismissed for alleged tender irregularities but the CCMA determined that his suspension had been procedurally unfair and made an award in his favour leading to the four months settlement.  | 2013/2014 |
| R691 561.00 | Former Senior Manager: Human Resources Management – National Office | Incompatible behaviour causing disharmony at work. The case was resolved through a mutual separation agreement. | 2013/2014 |
| R437 000.00 | Former Programme Manager: Social Development – Limpopo | The employee was charged and dismissed for gross misconduct, but the Employee won the case at the CCMA and was awarded 6 months’ salary pay. | 2013/2014 |
| R1 437 004.00 | Former Regional General Manager – Eastern Cape Office | Changes in the terms and conditions of employment rendered the employee redundant, leading to a breakdown of relations. The breakdown in relations led to a negotiated mutual separation agreement. | 2014/2015 |
| R50 000.00 | Former Filing Clerk – National Office | This was an irregular appointment as the individual did not have appropriate qualifications for the position. The contract was then annulled upon which the employee took the matter to the CCMA and the CCMA ruled that there had been procedural unfairness in the handling of the matter and an award of four months’ salary was given. | 2014/2015 |