

**TOTAL ADDITIONAL FUNDING REQUIRED BY THE DoL**

| <b>Programme</b>                                     | <b>Total<br/>(R'000)</b> |
|--|--------------------------|
| <b>1. Labour Policy and Labour Market Programmes</b> | <b>300, 000</b>          |
| <b>2. Public Employment Services</b>                 | <b>135, 000</b>          |
| <b>3. Inspection and Enforcement Services</b>        | <b>250, 000</b>          |
| <b>4. Administration</b>                             | <b>215, 000</b>          |
| <b>TOTAL</b>   | <b>900,000</b>           |

Inspectors

|                                     |          | Current                             | Nr Posts    | Annual Cost          | DOL Portion          |
|-------------------------------------|----------|-------------------------------------|-------------|----------------------|----------------------|
| <b>Total Required Establishment</b> |          | Inspector SR 6                      | 776         | R 116,643,423        | R 69,644,736         |
| Generalist                          | 971 SR8  | Inspector SR 7                      | 73          | R 13,288,425         | R 7,873,758          |
| Principals                          | 405 SR10 | Inspector SR 8                      | 160         | R 35,150,472         | R 21,099,470         |
| Specialists                         | 240 SR12 | Teamleader SR 8                     | 295         | R 67,489,012         | R 40,493,407         |
|                                     | 1616     |                                     | <b>1304</b> | <b>R 232,571,332</b> | <b>R 139,111,371</b> |
|                                     |          | Annual cost for 2010/11 based on 6% |             | R 243,037,042        | R 145,371,383        |

| Option A  | Generalist    | Principals    | Specialists   |               |
|---|---------------|---------------|---------------|---------------|
|   | SR8           | SR10          | SR 12         |               |
| Salary Package 1/7/09   | R 231,204     | R 326,266     | R 448,521     |               |
| 1/7/2010 = 6%   | R 245,076     | R 345,842     | R 475,432     |               |
| Therefore total salary for 2010/11                                | R 241,608     | R 340,948     | R 468,704     |               |
| Therefore to appoint numbers above                                | 971           | 405           | 240           |               |
| Total cost  | R 234,601,543 | R 138,083,928 | R 112,489,067 |               |
| DOL portion: 60% Generalist only                                  | R 140,760,926 | R 138,083,928 | R 112,489,067 | R 391,333,920 |
| Less the current 1078 Inspector and Team Leader posts annual Cost |               |               |               | R 145,371,383 |
| Short Fall  |               |               |               | R 245,962,538 |

Procurement of professional and special services for special investigations (EEA and OHSA) R 4,037,362  
**Total** R 250,000,000

# MEMO

To : Director-General : Labour

From : Acting SEM : HRM

Date : 23 March 2010

## MOTIVATION FOR ADDITIONAL FUNDING : ADMINISTRATION

### 1. Background

The Corporate Services Branch has three Chief Directorates and three Directorates reporting directly to the Deputy Director-General : Corporate Services. In addition, the budgets of the Office of the CIO and the CFO are reflected under the Corporate Services.

The Branch has challenges in almost all its Chief Directorates and Directorates.

### 2. Requirements

The Branch needs R192,326 million for additional human resources. In addition, there will be R17 million to ensure the acquisition and implementation of the electronic document management system, furniture and the NIA vetting system (SVIS).

The additional human resources are meant to capacitate Financial Management, Employment Relations, Training and Development, Performance Management and Security Services at Provinces and Special Programmes, Organisational Development, Human Resource Planning, Legal Services, ICT, Communications, Risk Management, Internal Audit and Security Services at Head Office.

**R F Chauke**  
**Acting Senior Executive Manager : HRM**

## PUBLIC EMPLOYMENT SERVICES

| SUBPROGRAMME   | FINANCIAL YEAR<br>2010 / 2011 |
|--|-------------------------------|
| <b>Management &amp; Support Services: PES</b>              | <b>30 250</b>                 |
| Compensation of Employees                                  |                               |
| Goods & Services   |                               |
| Capital Assets   |                               |
| <b>Employer Services: All Provinces</b>                    | <b>122 162</b>                |
| Compensation of Employees                                  |                               |
| Goods & Services   |                               |
| Capital Assets   |                               |
| <b>Registration &amp; Placement: All Provinces</b>         | <b>23 401</b>                 |
| Compensation of Employees                                  |                               |
| Goods & Services   |                               |
| Capital Assets   |                               |
| <b>Designated Groups Special Service</b>                   | <b>681</b>                    |
| <b>Sheltered Employment Factories</b>                      | <b>62 559</b>                 |
| <b>Productivity South Africa Workplace Competitiveness</b> | <b>31 155</b>                 |
| <b>Training Of Staff: Public Employment</b>                | <b>1 262</b>                  |
| <b>Additional allocation required</b>                      |                               |
|  | <b>280 420</b>                |

### OTHER PES PROGRAMMES FUNDED FROM DIFFERENT SOURCES

|  |              |
|--|--------------|
| Training Lay-Off UIF Contribution        | R1,7 billion |
| Training Lay-Off NSF Contribution        | R1.4 billion |
| Training of Unemployed Persons Scheme    | R400 million |
| Productivity SA Work place challenge DTI | R8,5 million |

|  |                  |
|--|------------------|
| <b>Productivity South Africa Social Plan</b> | <b>29,000.00</b> |
|--|------------------|

| NEW ADDITIONAL FUNDS | REASONS FOR ADDITIONAL FUNDS   |
|----------------------|--|
| <b>Million</b>       |  |
| <b>17,840.00</b>     |  |
| 10,340.00            | To fund newly created post   |
| 6,000.00             | Expanded structure requires more goods and services  |
| 1,500.00             | Expanded structure requires additional machinery and Equipment.  |
| <b>18,180.00</b>     |  |
| 8,680.00             | To employ an additional 60 Career Counsellors over and above the 90 career counsellors (i.e. 55 already employed + 35 still to be appointed and budgeted for during the 2010/11). This will enable each Labour centre to have at-least 1 counsellor and 25 more for distribution in larger labour centres. |
| 6,000.00             | Tools of trade(IT system, travel and subsistence, venues and facilities  |
| 3,500.00             | Expanded structure requires additional machinery and Equipment.  |
| <b>15,680.00</b>     |  |
| 8,148.00             | To fund newly created PES post at Labour Centre Level  |
| 4,000.00             | Expanded structure requires more goods and services  |
| 3,500.00             | Expanded structure requires additional machinery and Equipment.  |
| <b>1,500.00</b>      |  |
| <b>29,000.00</b>     | To fund the ne Management structure to focus on product research and development, sales, marketing, accounting   |
| <b>45,000.00</b>     | To increase the base line allocation and to make provision for the Social Plan Programme currently funded by NSF or UIF annual discreationery grants   |
| <b>5,358.00</b>      |  |
| <b>32,558.00</b>     |  |
| <b>132,558.00</b>    |  |

**35,000.00**

The Social Plan is currently funded by the NSF and has applied for funding from both the NSF and UIF. Voted funding will create stability within the programme