





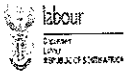
 <p>labour Department: Labour REPUBLIC OF SOUTH AFRICA</p>	
<p>Presentation to the Select Committee: 19 september 2012</p>	
	

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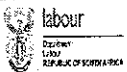
 <p>labour DEPARTMENT OF REPUBLIC OF SOUTH AFRICA</p>	<h2>1. INTRODUCTION</h2>
<p>Over the years the Inspectorate experienced a high turnover resulting in the loss of requisite skills and competencies. In our approach to inspection we adopted a generalist approach to all aspects of our work. The end result of this approach was a general decline in the enforcement capabilities.</p> <p>New sectoral determinations introduced added to the increase in the scope of work for workers. As a response to this, the re-orientation of the inspectorate became necessary. To improve the enforcement capabilities through implementation of specialization competency based training.</p>	
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 <p>labour DEPARTMENT OF REPUBLIC OF SOUTH AFRICA</p>	<h2>2. Background</h2>
<p>Treasury allocation of R28m (2012) and R32m (2013). Ministerial approval was obtained to create posts based on the allocation letter from Treasury (add numbers of inspectors).</p> <p>A subsequent meeting with Treasury on the progress of the implementation resulted in the revision of the allocation letter giving us the green light to implement specialization (with no change in amounts). Progress is being made to fill the establishment with the new posts.</p>	
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 **3. SPECIALIZATION MODEL (Rationale)**

- Serves as a departure from the current practice where an inspector has to do everything
- Provides for specialization and career pathing for an inspector
- Provides for better monitoring and enforcement of the labour laws
- Will enable the inspectorate to measure the impact of legislation in the areas of specialisation

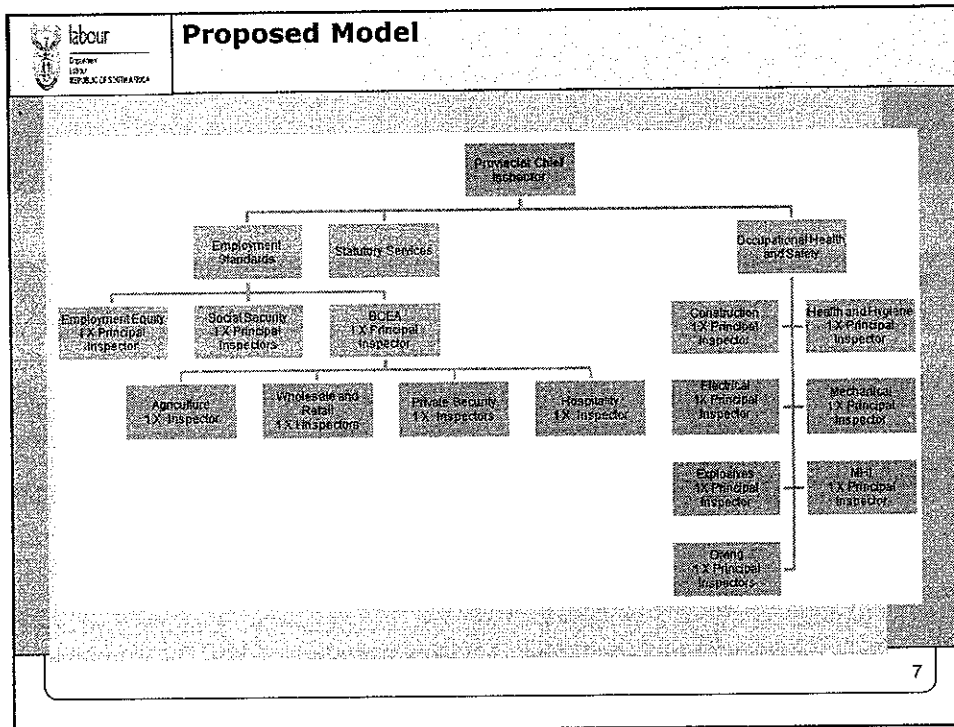
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 **Provinces**

Based on our current funding allocation, the following posts will be created at PO Level

GP	13
KZN	14
WC	13
EC	12
Limpopo	7
Free State	7
Mpumalanga	7
NW	7
NC	7

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3. SPECIALISATION MODEL (RATIONALE)


The model is based on :


- Ensuring that we build human resource capacity at both Head Office and Provincial Offices
- Explore the best possible ways of utilizing the limited funding for the benefit of the organisation
- Ensure that there is a clearly defined career path for inspectors
- Provinces do not require the same human resources
- Understanding of the economic activities of different provinces
- Contribution of each province to the IES work
- It is envisaged that from 20 September recruitment will commence
- With this model retention rates of our inspectorate should

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 labour DEPARTMENT OF LABOUR REPUBLIC OF SOUTH AFRICA	<h4>4. Tools of Trade</h4>
<ul style="list-style-type: none"> • Key to the effective functioning of the inspectorate is the availability of tools of trade • The Department has policies that enables it to provide tools of trade to the inspectorate • The Telecommunication policy enables our inspectors to get a cellphone allowance (R1000pm) • The subsidized policy enables our inspectors to apply for subsidized cars • Alternatively, inspectors can use pools cars available at their labour centres • Currently we have procured 227 vehicles, with additional 250 vehicles currently on order. 	
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 labour DEPARTMENT OF LABOUR REPUBLIC OF SOUTH AFRICA	<h4>5. Information Technology System</h4>
<ul style="list-style-type: none"> • Information management is an important element in our work • The IES Case Management System development commenced in August 2007 and was required to be completed by September 2009. Siemens failed to meet two deadlines and after 9 Project Managers and more than 6 so called User Acceptance Tests (UATs), the system has not been signed off to date. The last "test" in July 2012 produced about 147 errors. • Only one (1) full workflow (end to end) test was ever conducted in a production environment in July 2012 and resulted in some critical errors being raised. 	
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<ul style="list-style-type: none"> • We have terminated our engagement with Siemens on all application development • The Department developed a new Information, Communication and Telephony (ICT) Strategy. • As a consequence of this strategy: <ul style="list-style-type: none"> - a new service provider with the requisite competencies will be brought on board to finalise all the outstanding applications. - This process however should be completed in the next 3 - 6 months. 	
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 labour DEPARTMENT LABOUR REPUBLIC OF SOUTH AFRICA	6. Problematic Sectors
<ul style="list-style-type: none"> • Our labour market is characterized by huge non compliance with the labour market policies throughout all sectors. • The increased number of complaints recorded at out labour centres bears testimony to this. • In 2011/12 financial year, an excess of 154 000 complaints were recorded. • Most complaints came from the following sectors: <ul style="list-style-type: none"> Security Hospitality Agriculture Forestry Wholesale and retail sector. 	
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6. Problematic Sectors (Cont...)

These sectors have as result of continuous complaints received by our Department, earned themselves a label of being "problematic sectors".

The challenges these sectors pose ranged from:

- Non payment of overtime/wages/
- Paying workers below minimum wage (highly prevalent in farming sector)
- Poor state of employee dwellings (uninhabitable)
- Non payment of provident fund contributions over to PSIRA
- Non compliance with occupational health and safety
- Illegal deductions
- It is for this reason that all the sectors mentioned below have been put on our radar screen for full compliance


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Provincial Targets 2012/13

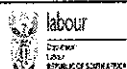
SECTOR	EC	FS	GN	KZN	LP	MP	NC	NW	WC	Totals
Problematic Sectors										
Security	522	78	3152	2413	313	222	63	410	920	
Wholesale and retail	3461	1234	7693	4828	6271	2804	692	890	2688	
Agriculture	3067	4119	274	3218	974	1130	1800	1222	1680	
Forestry	21	0	0	1611	30	188	0	0	84	
Domestics	1309	1210	4771	804	1956	2021	943	1390	840	
Hospitality	2732	1646	1137	3218	1083	1154	346	1314	1849	
IES Total Contribution	11112	8287	17027	16092	10627	7519	3644	5226	8061	87795

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		FORESTRY		
Agriculture		Forestry		
Prov.	Target	Actual	% Compliance	Variance
	766	436	0	-330
	1029	489	98	-540
	60	131	67	71
N	804	253	80	-551
	243	310	67	67
	280	251	80	-19
	900	562	90	-338
	306	198	80	-108
	420	508	0	88
NATIONAL	4808	3148	62.4	-1660

Prov.	Target	Actual	% Compliance	Variance
EC	5	0	0	-5
FS	0	0	0	0
GP	0	0	57	0
KZN	402	49	13	-353
LP	7	2	50	-5
P	47	13	38	-34
NC	0	0	0	0
NW	0	0	0	0
WC	21	1	0	-20
NATIONAL	482	65	17.6	-417

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		Progress to date (QMR 1)			
Whole Hospitality		Hospitality			
Prov.	Prov.	Target	Actual	% Compliance	Variance
EC	EC	683	493	0	-190
FS	FS	411	287	98	-124
GP	GP	280	534	52	254
KZN	KZN	804	1574	73	770
LP	LP	270	194	52	-76
MP	MP	286	461	48	175
NC	NC	0	19	111	19
NW	NW	328	117	98	-211
WC	WC	462	375	0	-87
NATIONAL	NATIONAL	3524	4954	59.1	530

Prov.	Target	Actual	% Compliance	Variance
EC	683	493	0	-190
FS	411	287	98	-124
GP	280	534	52	254
KZN	804	1574	73	770
LP	270	194	52	-76
MP	286	461	48	175
NC	0	19	111	19
NW	328	117	98	-211
WC	462	375	0	-87
NATIONAL	3524	4954	59.1	530

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Prov.	Target	Actual	% Compliance	Variance
EC	131	301	0	170
FS	19	92	97	73
GP	788	1097	39	309
KZN	604	75	86	-529
LP	78	180	39	102
MP	52	93	58	41
NC	0	7	86	7
NW	102	30	93	-72
WC	230	391	0	161
NATIONAL	2004	2266	55.33	262

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labour DEPARTMENT OF LABOUR REPUBLIC OF SOUTH AFRICA	Progress to date
	<ul style="list-style-type: none"> • The inspections done to date are indicating that in almost all the sectors the level of compliance with the law is low • As per any non compliance noted, a legal notice is issued to force the employer to comply • We are currently following up on the notices issued to establish whether they have been complied with.

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Thank you

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