



FOR SERVICE WORKER EMPOWERMENT

IMPLEMENTATION OF RESOLUTION 12 OF 2002 (2ND PHASE OF PENSIONS RESTRUCTURING PROCESS) RECOGNITION OF NON PENSIONABLE SERVICE AS PENSIONABLE YEARS OF SERVICE FOR PUBLIC SERVANTS AFFECTED BY PAST DISCRIMINATORY PRACTICES

- 1.) The Public Service Coordinating Bargaining Council (PSCBC) agreed on a plan to improve salaries and conditions of service for employees in the Public Service for 1998 and 1999. In pursuit of this objective, a number of past racial or gender-based discriminatory practices related to pensions were identified. This resulted in the conclusion of an agreement on the 2nd September 1998, (Resolution 7 of 1998) where in clause 7 of the said Resolution, a funding mechanism was provided for the improvement in the pensionable years of employees affected by past discrimination. In terms of the funding mechanisms of Resolution 7 of 1998, the Government Employees Pension Fund (GEPF), shall reduce the funding level by the lesser of:

1 per cent; or

The amount needed to increase to actual service, the pensionable service of general assistants (GA's) who-

- (a) are now permanent employees of the employer.
- (b) Had a stable and continuous employment relationship in the public service of at least a year immediately before they became permanent employees; and
- (c) Due to past measures that discriminated on the basis of race, were employed as casual employees and therefore, did not belong to a government pension fund.

(In short, the period to be recognized as pensionable service is the period (or portion thereof) for which each member was employed as a casual worker by his/her respective employer department but was not admitted to a pension fund.)

A task Team was formed to identify affected employees and make proposals on the allocation of funds between relevant groups and present recommendations to the PSCBC. In addition, parties to the PSCBC, agreed through clause 4 of PSCBC Resolution 12 of 2002 to recognize the pensionable service of employees contemplated in clause 7.2.2 of PSCBC Resolution 7 of 1998.

In implementing the agreement, the Pension Task Team identified a priority group to benefit. It

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AFFILIATIONS / AFFILIASIES

Public Services International Federation of Unions of South Africa

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was agreed by the parties that Employees previously appointed as GA`s and who remained employees in the Public Service for long periods without being admitted to Government Pension Funds, would be the priority group. It was further decided that the employer would oversee the investigation to determine the number and profile of employees eligible to benefit from the process. Only employees who were in employment in the Public Service on 02 September 1998 (date the Resolution was signed) were eligible to apply for recognition as GA`s. Persons, who left the Public Service before the date of the Resolution, are thus excluded from benefiting from this exercise.

The PSCBC accepted a proposal for the implementation of Resolution 7 of 1998 in two phases. In the first phase to address the GA`s as the most urgent and would be given the opportunity to apply for additional pensionable service in the GEPF. After the initial assessment of the cost impact related to the applications, a second phase to address other groups affected by discrimination must be undertaken.

IMPLEMENTATION OF THE GENERAL ASSISTANTS PROJECT IN THE GEPF

The GEPF applied the criteria explained to verify eligibility of employees for recognition of the non-contributory pensionable service as pensionable service.

From all applications received not all qualified. GEPF is currently in a process to verify the exact number and once this is confirmed successful applicant will be advised.

The GEPF identified two main reasons for the high rejection rate of applications, namely- that no credible proof was submitted and that whilst the application did not meet the criteria set for GA`s , it was considered to be eligible for recognition as part of waiting periods.

Due to the absence of a basis within the said Resolution of the number of service years to be recognized for this purpose, the GEPF requested, in their letter dated 18 April 2009 that the DPSA should advise on the percentage of pensionable service that must be recognized.

DPSA subsequently commenced a formal process through the Minister for Public Service and Administration for approval of the cost of recognizing non contributory service as pensionable for the GA`s in the GEPF. The Minister gave approval that 100% of the pensionable service be recognized.

Finally, it must be highlighted that availability of reliable data (data integrity) remains a major impediment in expeditiously finalizing the other identified practices. Discriminatory practices goes as far back as 1967 and PERSAL only commenced in the late 1980`s. The GEPF Civpen system was only developed in the 1990`s. The amalgamation of the other pension funds to form the GEPF was However, both the DPSA and the GEPF are currently engaged in a process to explore appropriate mechanisms to expedite finalization of the “waiting periods”.

Second Phase

For the implementation of the second phase being clauses 4 and 8 of PSCBC Resolution 12/2002 the following further categories of employees were identified.

- Waiting period: Any employee who were subjected to a waiting period based on race, gender or status of employment, before admission to a Government Pension Fund.
- All students such as Nurses, Radiographers etc. who were appointed on a fixed term contract.
- All black students employed in a full time a capacity upon completion of studies who were further subjected to waiting periods based on race.

Female employees in the Public Service who lost pensionable service due to changes in marital status were admitted to the Temporary Employees Pension Fund.

Female employees in the Public Service who had resign to give birth and upon return, were admitted to the Temporary Employees Pension Fund.

Employees of former TPA and certain Free State hospitals dismissed for the 1987 strikes

Employees affected by 1988 dismissals in former Natal Provincial Administration (NPA)

South African Police members dismissed in 1990; and

Employees dismissed for participation in strikes in the TPA between 1991 and 1993

SA citizens who were employed in the former Bophuthatswana before 1996

Employees dismissed for participation in industrial action between 1991 and 1993 and later on re-instated.

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In order to address the plight of these categories Task Teams of the relevant Provincial and National Bargaining Chambers will be formed to communicate the process to eligible employees on how to apply for recognition of non-pensionable service as pensionable and also to assist them in completing an application.

More detailed pamphlets and posters will soon be distributed to all National and Provincial Departments in order to ensure that the largest possible group of affected employees are reached.

HOSPERSA will by way of further articles and regular reports keep members via Provincial Offices abreast of further development.

Only employees who were in employment in the Public Service on 02 September 1998 are eligible to apply for recognition.