



LEAVE PAYOUT ON RESIGNATION

1. It has come to HOSPERSA’s attention that some Provincial and National Departments are not paying out leave credits on resignation in terms of clause 7.2 of PSCBC Resolution 5 of 2001. (This Resolution is an amendment to PSCBC 7 of 2000.
2. The relevant clause, which must be read in conjunction with clause 7.1(d) of PSCBC 5 2001 is quoted hereunder
 Clause 7.2 Annual Leave Accruals and Leave Payouts
 - (a) The cash value in respect of unused Annual Leave credits shall be payable at termination of service
 - (b) For purpose of leave payouts, employees shall be paid a maximum of 22 days. Where the days are more than 22, then the maximum of the Annual Accrual as listed hereunder applies

| Category | Calendar days | Working days with effect 01/07/2000 |
|--|---------------|--|
| 1. Nursing personnel in institutions that provide 24 hour service. | | |
| a) Registered nurses appointed before 01 January 1968 | 54 | 40 |
| b) Registered or enrolled nurses appointed on or after 01 January 1968 | | |
| • Less than 10 years service | 46 | 34 |
| • 10 or more years of service | 52 | 38 |
| c) Nursing assistants appointed before 01 January 1968 | 48 | 35 |

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|---|----|----|
| d) Nursing assistants appointed after 01 January 1968 | | |
| • Less than 10 years service | 40 | 30 |
| • 10 or more years of service | 46 | 34 |
| e) Student and pupil nurses | 30 | 30 |
| f) Part-time nurses | 30 | 22 |
| 2. Employees appointed prior to 01 July 1966 | 38 | 28 |
| 3. Other employees | | |
| • Less than 10 years service | 30 | 22 |
| • 10 or more years of service | 36 | 26 |

4. Some Departments seem to interpret this clause as if only the credits accrued during the year of resignation must be paid out and not the credit balance for the preceding year. The following example may better explain this approach.
Employee A resigns with last working day 31 May 2009 and would accrue leave at 22 days per annum. In 2008 he/she only utilized 12 days leaving a credit balance of 10 days. For 2009 he/she accrued 5/12 of 22 days = 9.166 days he/she therefore has 19.166 days credit on 31 May 2009.
In terms of the said clause the full credit must be paid on resignation however some Departments only pay 9.166 days.
5. In order to validate HOSPERSA's interpretation that full credit that is previous years credit plus new accrual must be paid out DPSA was approached for their interpretation and they confirmed HOSPERSA's view. However they pointed out that should the resignation be after 30 June of a specific year then in terms of clause 7.1(d) the previous years credit falls away.
6. HOSPERSA regards it as prudent that members be made aware of this anomaly so that they may monitor for their benefit that should they resign they be paid what is legally theirs.
What is important to note is that this does not apply to Leave Accrued before 01 July 2000 (so called Capped Leave) these credits are not paid out on resignation only on Death, Retirement or Boarding.