

NATIONAL ASSEMBLY

FOR WRITTEN REPLY

QUESTION 2057

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Mrs AT Lovemore (DA) to ask the Minister of Basic Education:

1. From what date were provinces required to implement occupation specific dispensations in terms of Collective Agreements 1 and 2 of 2008, as negotiated and concluded within the Education Labour Relations Council?

RESPONSE: (1)

1. Collective Agreements 1 and 2 of 2008 were implemented with effect from 1 January 2008.
2. What percentage of each provincial budget was allocated to compensation of employees for the final year preceding the implementation of Occupation Specific Dispensation (OSD) and in each financial year since the implementation of the OSD?

RESPONSE: (2)

Provinces	2007/08	2008/9	2009/10	2010/11	2011/12	2012/13	2013/14
EC	80.6%	77.5%	83.6%	80.8%	81.2%	82.1%	81.5%
FS	77.9%	75.9%	84.1%	79.9%	82.7%	78.2%	76.3%
GP	74.0%	74.2%	78.7%	75.0%	74.4%	75.9%	75.4%
KZN	80.9%	80.7%	84.4%	78.4%	79.9%	79.0%	77.9%
LP	80.7%	80.2%	83.4%	80.6%	82.3%	83.7%	82.3%
MP	74.8%	78.6%	82.0%	80.2%	79.6%	79.5%	80.1%
NC	75.2%	76.8%	83.4%	78.6%	74.3%	76.5%	76.8%
NW	89.4%	80.7%	81.1%	76.6%	77.9%	77.6%	78.1%
WC	77.0%	78.1%	79.3%	78.8%	76.0%	76.2%	74.5%
TOTAL	79.0%	78.2%	82.3%	78.7%	79.0%	79.2%	78.4%

3. What measures are being implemented to prevent any provincial department of education from allocation one hundred percent of its budget to compensation of employees?

RESPONSE: (3)

- (a) The Department of Basic Education on a monthly basis conducts the In-year-Monitoring and analysis of the provincial education departments (PEDs) expenditure and revenue information. The PEDs submit the information on a monthly basis to the Department of Basic Education and the National Treasury as required by sections 32 and 40(4) of the Public Finance Management Act (PFMA) and also in sections 7 to 9 of the Division of Revenue Act (DoRA);
- (b) On an annual basis, the Department of Basic Education, conducts the Budget Standard Exercise with individual provincial education departments to evaluate amongst others, allocation and spending for the compensation of employees and other sector priorities such as LTSM, scholar transport, infrastructure and maintenance, Inclusive education, ICT, teacher development, conditional grant spending, audit outcome and audit action plan etc;
- (c) Twice a year, the Department of Basic Education conducts Provincial Support and Monitoring exercises with the provincial education departments. The primary purpose of the Provincial Support and Monitoring exercise is to evaluate, amongst others, budget allocation and spending on compensation of employees and nationally agreed priorities and conditional grants; and
- (d) On an annual basis, the Department of Basic Education analyses the draft and final Estimates of Provincial Revenue and Expenditure (EPRE) whereby the first step towards more effective control of personnel expenditure is to ensure that PEDs budget realistically for compensation of employees and refrain from filling unfunded posts.
4. Whether her department's projections indicate that compensation of employees will become unaffordable for any provincial department of education within the next twenty years; if so, what mitigating measures will she implement to avoid the retrenchment of teachers?

RESPONSE: (4)

- (a) The department is working closely with provincial education departments to ensure that the compensation of employees remain within an acceptable range.
- (b) There are budgetary pressures given the competing needs in the sector but it should be noted that education is personnel driven and, therefore, personnel costs need to be budgeted appropriately. The department assists the provincial departments of education through interventions listed in question 3 to ensure that provincial education departments craft credible budgets that adequately cater not only for personnel but also capital and non personnel non capital (NPNC); and
- (c) Given the interventions listed in question 3, there won't be any need to retrench teachers due to lack/ insufficient compensation of employees budget within the next twenty years.