# To: The President of the Republic of South Africa

I have the honour in terms of section 10(1) of the Independent Commission for the Remuneration of Public Office-Bearers Act, 1997 (Act No. 92 of 1997) to present the Annual Report which covers the activities of the Commission for the period 01 January 2015 to 31 December 2015.

Section 10(2) requires the President to cause a copy of the Annual Report submitted by the Commission to be tabled in Parliament as soon as may be practicable.

Yours sincerely

## Judge Cagney John Musi Chairperson

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# **TABLE OF CONTENTS**

1	ACKNOWLEDGEMENTS4				
2	PREV	TEW OF THE REPORT 5 - 7			
3	ABOU	ABOUT US8 - 19			
	3.1	Vision			
	3.2	Mission			
	3.3	Underlying principles			
	3.4	Mandate			
	3.5	History			
	3.6	Composition			
	3.7	Profiles of the Commissioners			
	3.8	Roles and Functions			
	3.9	Secretariat			
4	THEL	LEGISLATIVE FRAMEWORK20 - 28			
	4.1	Definition of a Public Office-Bearer			
	4.2	Commission's roles and responsibilities			
	4.3	Publication of recommendations			
	4.4	Section 219 of the Constitution, 1996			
	4.5	The Independent Commission for the Remuneration of Public Office-Bearers Act, 1997			
	4.6	The Remuneration of Public Office-Bearers Act, 1998			

5	FACTO	DRS THAT THE COMMISSION CONSIDERS WHEN MAKING RECOMMENDATIONS			
6	GOVERNANCE30				
7	OUTP	UTS ON 2015/2016 STRATEGIC OBJECTIVES AND STATUTORY OBLIGATIONS31 - 39			
	7.1	Strategic objectives and statutory obligations			
	7.2	Key outputs			
	7.3	Challenges			
8	THE C	OMMISSION'S PROGRAMME FOR THE YEAR 201540			
9	PROGRESS REPORTS AND MILESTONES				
	9.1 Annual recommendations for 2015/2016				
	9.2	Proclamations for remuneration recommendations and determinations			
10	ANNE	XURES50 - 56			

# I Acknowledgements

The Independent Commission for the Remuneration of Public Office-Bearers (Commission) wishes to acknowledge the following individuals and institutions, and thank them for their contributions towards the functioning of the Commission during 2015, and in generating this Annual Report:

- 1. The Presidency, for administrative support to the Commission;
- 2. All public office-bearers and other stakeholders who actively participated in productive consultations and communication with the Commission in the execution of its mandate;
- 3. All Commissioners during the reporting period, for their diligence, dedication and commitment to the Commission's activities;
- 4. The Commission's Secretariat for its diligence, efficiency and excellence in supporting the work of the Commission; and
- 5. Shereno Printers for the design, editing and publication of this Report.

# 2 Preview of the report

The Commission complies with section 10(1) of the Independent Commission for the Remuneration of Public Office-Bearers Act, 1997 (Act No. 92 of 1997) to report on the Commission's activities of the previous year. The reporting period is for 01 January 2015 to 31 December 2015.

The Commission is statutorily obliged to comply with section 8(6) when recommending the salaries, allowances and benefits of public office-bearers.

In addition to statutory compliance, the Commission further considered the Medium Term Budget Policy Statement of 22 October 2014 in which the Minister of Finance indicated that budgets have been planned on a neutral assumption that cost-of-living adjustments will track consumer price index (CPI) projections. In the previous budget cycles, resources had been available to accommodate unanticipated wage pressures, but given current constraints, there is little scope to provide more resources over the Medium Term Expenditure Framework (MTEF) period. Any departure from the path of CPI-linked cost-of-living adjustments would require either reallocation of resources from other spending areas (capital, goods and services, transfers) or prompt a need to reduce government employment.

On 23 July 2015, the Monitory Policy Committee (MPC) of the South African Reserve Bank (SARB) issued a statement reflecting that the inflation forecast of the Reserve Bank had changed marginally since the previous meeting of 21 May 2015. The headline inflation was expected to average 5.0% in 2015. The forecast for the first two quarters of 2016 was also revised up by 0.1 percentage point to 6.9% for the first quarter and 6.1% for the second quarter, with a return to within the target range by the third quarter. However, the forecast for inflation for both 2016 and 2017 remained unchanged at 6.1% and 5.7% respectively.

The Commission made its recommendations independently taking into consideration factors such as the role, status, duties, functions and responsibilities of office-bearers concerned; affordability; current principles and levels of remuneration; inflationary increases; available resources of the State; and any other factor which the Commission considered to be relevant, such as, amongst others, the current economic climate; feedback received from the stakeholder management sessions and any other relevant pieces of remuneration information available.

The Commission published its Annual Recommendations on cost-of-living-adjustment for public office-bearers for the fiscal year 2015/2016 on the 20th November 2015.

The Annual Report provides an overview of the Commission, its mandate, roles, functions, major projects undertaken, challenges, its annual programme and the changing context as well as the complexity thereof, within which the Commission operates.

**Chapter 3** and **Chapter 4** of the Annual Report are theoretical but indispensable to fully understand the ethos and nature of the Commission.

**Chapter 3** deals with, amongst other things, the vision, mission, underlying principles, mandate, history, composition, Commissioners, appointments, roles and functions, and the Secretariat of the Commission. It furthermore provides an understanding of the Commission's legislative mandate and how this mandate is carried out.

**Chapter 4** deals with the legislative framework within which the Commission operates. The Commission is a statutory body and as such must comply with the provisions of the Constitution and National pieces of Legislations. The definition of "public office-bearer" is key to the mandate of the Commission.

At its Strategic Planning session held on 30 – 31 of January 2015, the Commission invited its key stakeholders to make representations on their remuneration-related challenges. It was on the strength of these presentations, as well as the fact that the last major remuneration review had been done in 2007, that the Commission decided to conduct future reviews of remuneration for all public office-bearers using a staggered approach, given its financial constraints.

In April 2015, a tender was awarded to Ernst & Young to conduct a major review for public office-bearers in the local government sphere. The project was expected to be completed by the end of January 2016.

The Commission had to confront new challenges, such as, the implementation of the Determination of Remuneration of Members of Constitutional Institutions Matters Amendment Bill, 2013.

**Chapter 5** highlights the legislative factors that the Commission must consider when making recommendations.

**Chapter 6** deals with governance issues and more specifically describes the frequency and necessity of meetings, the budget and the administration of the Commission.

**Chapter 7** sets out strategic objectives and statutory obligations of the Commission, including its key outputs and challenges and how these are dealt with.

**Chapter 8** provides information regarding the Commission's programme of action for 2015. This includes all meetings scheduled and attended by the Commission, the sub-committees and the Secretariat.

**Chapter 9** provides the progress reports, milestones and the activities of the Commission during 2015.

6

The Commission endeavours to support public office-bearer institutions in attracting and retaining skilled and competent office-bearers across the spectrum of public office-bearer groups through its research and recommendations and affirms its commitment to continuous improvement.

A full copy of the Annual Report 2015 is available on the Commission's website at: http://www.remcommission.gov.za

# 3 About us

#### 3.1 VISION

The Commission envisages independent, transparent, accountable and sustainable determinations of equitable and appropriate total remuneration for all public office-bearer positions in the Republic of South Africa.

#### 3.2 MISSION

The Commission strives, inter alia, to make researched recommendations as required in respect of the remuneration of all public office-bearers.

#### 3.3 UNDERLYING PRINCIPLES

The Commission formulated a set of underlying principles it utilises in exercising the discretion and responsibility conferred on it by the Constitution and the relevant pieces of legislation. The principles are drawn from the objectives and values of a constitutional democracy, and are meant to be practical guides in formulating a just remuneration dispensation.

These principles are as follows:

- Good governance
- Lawful, open, fair and justifiable
- Consideration of separation of powers
- Consideration of public interest
- Affordability
- Transparent and accessible
- Performance and market driven

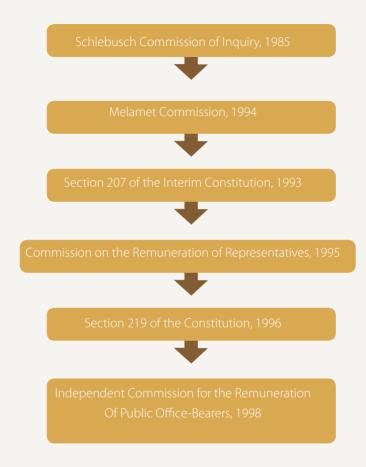
## 3.4 MANDATE

The Commission is a statutory entity established in terms of section 2 of the Independent Commission for the Remuneration of Public Office-Bearers Act, 1997 (hereinafter referred to as "the Commission Act"). The Commission obtains its *mandate* mainly from the following pieces of legislation:

- The Constitution of the Republic of South Africa, Act No. 108 of 1996
- The Independent Commission for the Remuneration of Public Office-Bearers Act No. 92 of 1997
- The Remuneration of Public Office-Bearers Act No. 20 of 1998

## 3.5 HISTORY

Below is a sketch of the history of the Commission.



#### **Schlebusch Commission of Enquiry**

This Commission was established in 1985 to inquire into the structure of the remuneration and conditions of service of the then State President, Ministers, Deputy Ministers, Members of Parliament and members of the President's Council.

#### **Melamet Commission**

This Commission was established on 15 March 1994 by the Transitional Executive Council to consider the remuneration of persons elected to legislative bodies at the various levels of government during the April 1994 elections, and to establish a consistent and coherent remuneration structure for members of national and provincial legislatures.

#### Section 207 of the Interim Constitution, 1993

The Interim Constitution promulgated a Commission to make recommendations to Parliament, the provincial legislatures and local governments regarding the nature, extent and conditions of remuneration and allowances of the members of all elected legislative bodies of the national, provincial and local governments.

#### Commission on the Remuneration of Representatives

This Commission was instituted in terms of the Commission on the Remuneration of Representatives Act, 1994. The Commission functioned from 21 April 1995 to 05 April 1998. The first Chairperson of this Commission was Justice HW Levy, who was succeeded by Justice JH Steyn.

#### Section 219 of the Constitution

Prescribed that National Legislation must establish an independent commission to make recommendations concerning the salaries, allowances and benefits referred to in sub-section 219(1).

#### Independent Commission for the Remuneration of Public Office-Bearers

As a consequence of section 219 of the Constitution, the Independent Commission for the Remuneration of Public Office-Bearers Act, 1997, established the current Commission to make recommendations concerning the salaries, allowances and benefits of defined public office-bearers.

#### Former Chairpersons of the Commission since 1995

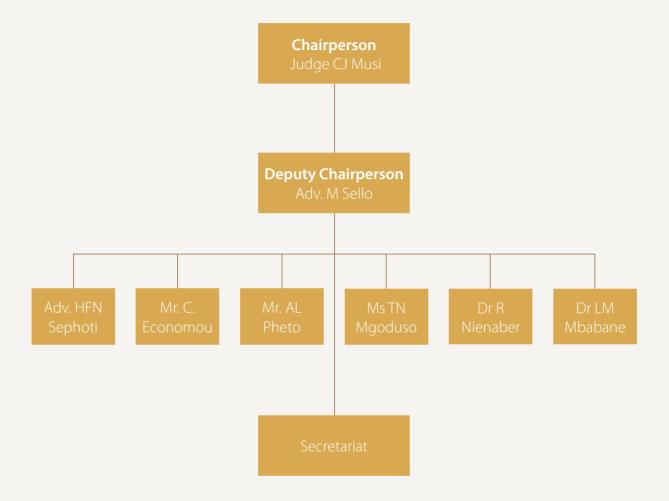
NO	DATE OF APPOINTMENT	NAME
1.	21 April 1995–05 April 1998	Justice HW Levy
2.	21 August 1998-30 April 2000	Justice JH Steyn
3.	10 May 2000-31 March 2004	Justice RJ Goldstone
4.	01 April 2004-31 March 2009	Deputy Chief Justice Dikgang Moseneke
5.	01 September 2009–31 August 2014	Judge LW Seriti
6.	10 October 2014–to date	Judge CJ Musi

### 3.6 COMPOSITION

Section 3 of the Act provides for the Commission to consist of eight members appointed by the President. All members of the Commission serve in a part-time capacity for a non-renewable term of office of five years.

The members are appointed in terms of their knowledge of, or experience in matters relating to the functions of the Commission. The Act also provides for criteria for disqualification of appointment and vacation of office of members of the Commission.

## The Commission comprises the following members:



#### 3.7 Profiles of the Commissioners

Judge Cagney John Musi is a Judge of the Free State High Court, and the Labour Appeal Court. He also sits regularly as an Acting Judge of the Lesotho High Court and the Labour Appeal Court of Lesotho.

He holds the following qualifications: Dip Luris, BA (Hons) LLB from the University of the Western Cape and a LLM from the University of Cape Town. He was appointed by the President as the Chairperson of the Independent Commission for the Remuneration of Public Office-Bearers on 10 October 2014.





Adv. Mahlape Sello was appointed as a Deputy Chairperson of the Independent Commission for the Remuneration of Public Office-Bearers on 09 February 2014. She studied towards a Master of Arts and Law in Russia and LLB at Wits University.

She is a practising advocate and a member of the Johannesburg Society of Advocates. She has been in practice since 2003. She serves as the Chairperson of Murray & Roberts Limited and Chairperson of the Advertising Industry Tribunal of the Advertising Standards Authority of South Africa. She is also a member of the South African Law Reform Commission.

Dr Ronel Nienaber holds a Doctorate in Commerce from the University of Johannesburg, an M Comm (HR Management) cum laude from the University of Pretoria and is a registered Industrial Psychologist (HPCSA) and certified Global Remuneration Practitioner (GRP) through WorldatWork. She has been a member of the South African Reward Association (SARA) Executive Committee for 18 years and served as president of the association for three years. She was actively involved in the drafting of the reward practice notes, supporting the King III Code of Good Governance for South Africa. She is currently employed by Sasol, as the Vice President Global Rewards. Dr Ronél Nienaber was appointed by the President as a Commissioner to the Independent Commission for the Remuneration of Public Office-Bearers on 10 October 2014.





Mr. Costa Economou was appointed as a Commissioner to the Independent Commission for the Remuneration of Public Office-Bearers on 02 February 2011. Mr. Economou is a qualified Actuary and the Chief Executive Officer of Colourfield Liability Solutions (Pty) Ltd, He holds an MBA in Finance and Economics (with Honours) from the University of Chicago Booth School of Business and he is a member of Beta Gamma Sigma. He is also a CFA Charterholder and CAIA Charterholder

Mr. Economou is a Deputy Chairman and Chairman-elect of Actuarial Society's Retirement Matters Committee. He was a Council Member of the Actuarial Society of South Africa and served on the Actuarial Society's Accounting Disclosures, Surplus Legislation and Member Services Committees. He served as an Executive Head and Director at one of South Africa's largest employee benefit financial serves companies.

Adv. Neo Sephoti was appointed as a Commissioner to the Independent Commission for the Remuneration of Public Office Bearers by the President on 10 March 2011.

She is currently appointed by the North West Provincial Government as Head of Department for the Department of Tourism in the North West Province effective February 2016.

Adv. Sephoti has occupied the following positions:

- Corporate Affairs Manager for South African Breweries, Central Region;
- Director Regulatory Services and Acting Chief Director: Corporate &
- Regulatory Services at North-West Department of Finance &
- Economic Development;
- Legal Advisor at North-West Provincial Legislature ;
- Military Law Officer with the South African Defence Force;
- Prosecutor/Acting Control Prosecutor with the Department of Justice (Molopo);
- Candidate attorney with Kraamwinkel Attorneys
- Adv. Sephoti was admitted as an Advocate of the High Court in 1999.

She also served on the Rules Board for the Courts of Law. She is also a Tribunal Member with the National Consumer Tribunal.





Mr. Andrew Lekgotla Pheto is currently the Special Advisor to Kgosi Pilane of Bakgatla-Ba-Kgafela Traditional Community and Deputy President of the Congress of Traditional Leaders of Southern Africa. He is a Chartered HR Practitioner and Senior OD Consultant and served on various Boards, including the Water Board, Operating Licencing Board and Minerals-related Boards. He is currently the Chairman of Crownhill, a mining and minerals company. He has over 20 years' experience in the private and public sector, 10 of which has been at Senior Management and Executive Level. He established Bakgatla Investment Holdings (Pty) Ltd as Chief Executive Officer, an investment wing of Bakgatla-Ba-Kgafela Traditional Community based in Johannesburg (Melrose Arch). He holds a B.Com: HRM and B.Com: Industrial Psychology (Hons) from the North-West University, an Executive Leadership Certificate from University of Stellenbosch and Leadership Certificate in Transformation of Public Sector from Wits School of Public Management and Administration. Currently finalising his Master of Commerce Degree with the University of the North-West. Mr. Pheto was appointed as a Commissioner to the Independent Commission for the Remuneration of Public Office-Bearers on 10 October 2014.

Ms Thandeka Nozipho Mgoduso is a social entrepreneur and has worked both in the private and the public sectors of the economy in South Africa. She holds a Master's Degree in Clinical Psychology from Wits University as well as attendance of numerous executive programs at universities and leadership institutions both locally and internationally.

Ms Mgoduso has served on a number of boards, both in the private sector, listed and unlisted companies, and in the public sector. She is a non-executive director at the South African Reserve Bank (Chair of REMCO), Tongaat Huletts (member of the SHE, Risk and SEC), Assore Limited (member of SEC), Metair Investments (Chair of REMCO) and BIOSS SA.

Previous board positions have included Deputy Chair of the National Nuclear Regulator, Non Executive Directorship and Chairing the REMCO at the Air Traffic Navigation Services and Chairmanship of the Road Freight Association.

She was appointed by the President as a Commissioner to the Independent Remuneration of Public Office Bearers on 10 October 2014.





Dr Loyiso Mbabane is an Economist as well as an Industrial Psychologist. He has an MSc in Economics from the University of London as well as an MA in Industrial Psychology from Wits University. He also has a Master of Management (MM) degree from Wits. He holds a Ph.D. in Business Administration from the University of Cape Town. He has worked in the field of economic empowerment and transformation for many years. He served as Senior Lecturer at the UCT GSB and went on to serve as Executive Dean of the Faculty of Business, Management and Law at Walter Sisulu University for five years. He served as the Chairperson of the Commission for Employment Equity from 2012 to 2015. In 2015, he served briefly as the Director-General of the Eastern Cape Province. He is currently an independent Economist; consultant as well as part-time academic. Dr Mbabane was appointed by the President as a Commissioner to the Independent Commission for the Remuneration of Public Office-Bearers on 10 October 2014.

#### 3.8 Roles and functions

The role of the Commission is to make recommendations on salaries, allowances and benefits of public office-bearers. The Commission's role is critical as it promotes a democratic society where public office-bearers do not set remuneration for themselves.

The functions of the Commission are set out fully in the Independent Commission for the Remuneration of Public Office-Bearers Act, 1997 and are summarised to include:

- The powers and duties conferred to the Commission by section 219 of the Constitution, 1996;
- Conducting inquiries into any statutorily authorised matter;
- Conducting research, or causing research to be conducted as may be necessary for the performance of the functions of the Commission;
- Publishing annual recommendations concerning salaries, allowances and benefits of all public office-bearers, and resources
  necessary to enable an office-bearer to perform his or her functions effectively; and
- Publishing an Annual Report on its activities.

The Commission operates in an environment where it is required to balance the views and submissions of public office-bearers with the economic realities of the Republic, the perceptions of the general public and the current trends with respect to appropriate comparators in remuneration.

#### 3.9 Secretariat

Legislation requires that the administration of the Commission be conducted by such officers in the Presidency as designated by the Director-General: Office of the President after consultation with the Commission. The Secretariat, under the leadership of Mr PM Makapan, performs vital support and infrastructure work, pivotal to the performance of the Commission's powers and duties.

The Secretariat Structure is as follows:



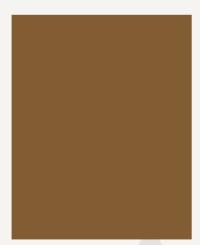
**Head of Secretariat**Mr Peter Makapan



**Remuneration Specialist**Ms Dikeledi Ranthako



**Remuneration Specialist**Ms Misaveni Mashaba



Remuneration Specialist Vacant



**Senior Admin Officer**Ms Constance Masemola



**Senior Secretary**Ms Vassie Govender

# 4 The Legislative Framework

## 4.1. Definition of a Public Office-Bearer

In terms of section 1 of the Independent Commission for the Remuneration of Public Office-Bearers Act, 1997, as amended by section 7 of the Judicial Officers (Amendment of Conditions of Service) Act, 2003, "office-bearer" means:

- a) Any member of the Cabinet, any Deputy Minister, any member of the National Assembly, or any permanent delegate to the National Council of Provinces
- b) Any Member of the Executive Council of a Province or any member of any provincial legislature
- c) Any member of any Municipal Council of any category or type of municipality
- d) Any person holding the office of:
  - i) Constitutional Court judge or a judge, as defined in section 1 of the Judges' Remuneration and Conditions of Employment Act, 2001 (Act No. 47 of 2001)
  - ii) Magistrate, who is appointed under section 9 of the Magistrates' Courts Act, 1944 (Act No. 32 of 1944), read with section 10 of the Magistrates Act, 1993 (Act No. 90 of 1993)
- e) Any member of the National House of Traditional Leaders, any member of any Provincial House of Traditional Leaders or any traditional leader. Section 5(5) of the Remuneration of Public Office-Bearers Act, 1998 defines a Traditional leader as:
  - "a person identified by the Minister for Provincial Affairs and Constitutional Development after consultation with the Premier concerned, by notice in the Gazette, for purposes of this Act."

# 4.2 Commission's roles and responsibilities

In terms of section 8(4) of the Independent Commission for the Remuneration of Public Office-Bearers Act,1997, as amended, the Commission shall, after taking into consideration the factors referred to in sub-section (6), publish in the *Gazette* recommendations concerning -

- a) The salaries, allowances and benefits of any office-bearer, as defined in paragraphs (a), (d) and (e) of the definition of office-bearer' in section 1
- b) The upper limits of the salaries, allowances or benefits of any office-bearer as defined in paragraphs (b) and (c) of the definition of office-bearer in section 1
- c) The resources which are necessary to enable an office-bearer, as defined in paragraphs (a), (b), (c) and (e) of the definition of 'office-bearer' in section 1 to perform the office-bearer's functions effectively.

#### 4.3 Publication of recommendations

Section 8(5) of the Independent Commission for the Remuneration of Public Office-Bearers Act,1997, provides that recommendations referred to in sub-section (4) must be published in the *Gazette* at least once a year in respect of each category of office-bearers and must be submitted to Parliament before publication.

**Table 1** below sets out briefly the legislative framework within which the Commission operates. The table further indicates where applicable, which Acts have been amended or repealed. Regarding amendments to the Remuneration of Public Office-Bearers Act, 1998, the question of affordability is a key aspect and recommendations cannot be made where there are no resources by the State to remunerate in terms of such recommendations.

Table 1

ACT	ACT NO.	RELEVANCE	REPEALED BY ACT
Magistrates Act	90/1993	Provides for remuneration and conditions of employment of Magistrates	N/A
Interim Constitution of the Republic of South Africa	200/1993	Promulgated legislation establishing a Commission to make recommendations on remuneration of office-bearers	108/1996
Commission on Remuneration of Representatives Act	37/1994	Established a Commission to make recommendations regarding the nature, extent and conditions of remuneration and allowances of all elected members of national, provincial and local legislative bodies, and traditional leaders	92/1997
Payment of Members of Parliament Act	6/1994	Provided for payment of remuneration and allowances to Members of Parliament	20/1998
Remuneration and Allowances of Executive Deputy Presidents, Ministers and Deputy Ministers Act	53/1994	Provided for payment of remuneration and allowances to Executive Deputy Presidents, Ministers and Deputy Ministers	20/1998
Remuneration of Traditional Leaders Act	29/1995	Provided for the remuneration of certain traditional leaders	20/1998
Constitution of the Republic of South Africa	108/1996	Provides for legislation of an Independent Commission to make recommendations regarding salaries, allowances and benefits of certain stated office-bearers	N/A
Independent Commission for the Remuneration of Public Office-Bearers Act	92/1997	Established this Commission to make recommendations regarding salaries, allowances and benefits of office-bearers	N/A
Remuneration of Public Office- Bearers Act	20/1998	Provides a framework for determining salaries, allowances and benefits of defined office-bearers	N/A
Remuneration of Public Office- Bearers Amendment Act	9/2000	Further regulates remuneration of political office- bearers	N/A
Remuneration of Public Office- Bearers Second Amendment Act	21/2000	Regulates remuneration of Traditional Leaders holding more than one office	N/A

ACT	ACT NO.	RELEVANCE	REPEALED BY ACT
Judges' Remuneration and Conditions of Employment Act	47/2001	Provides for remuneration and conditions of employment of all judges	N/A
Judicial Officers (Amendment of Conditions of Service) Act	28/2003	Includes all judicial office-bearers in the scope and definition of office-bearers	N/A
Traditional Leadership and Governance Framework Act	41/2003	Changes the structure of traditional leadership office- bearer positions	N/A
Traditional Leadership and Governance Framework Amendment Act	23/2009	Amends the Traditional Leadership and Governance Framework Act, 2003 by inserting certain definitions and the Public Office-Bearers Act, 1998 to make provision for remuneration recommendations	N/A

#### 4.4 Section 219 of the Constitution

Section 219 provides Constitutional acknowledgement and recognition of the need for ongoing impartial adjudication of appropriate levels of remuneration for all public office-bearers. It acknowledges that public trust of and confidence in the South African public office-bearers can only be achieved and maintained at acceptable levels, if this task is conducted with judicious objectivity.

It was with this objective in mind that the Independent Commission for the Remuneration of Public Office-Bearers Act, 1997 was enacted to give effect to the Constitutional prescripts of section 219. Section 219 of the Constitution stipulates that:

- "(1) An Act of Parliament must establish a framework for determining:
  - (a) the salaries, allowances and benefits of members of the National Assembly, permanent delegates to the National Council of Provinces, members of the Cabinet, Deputy Ministers, Traditional Leaders and members of any councils of traditional leaders; and
  - (b) the upper limit of salaries, allowances or benefits of members of provincial legislatures, members of Executive Councils and members of Municipal Councils of the different categories.
- (2) National legislation therefore established an independent commission to make recommendations concerning the salaries, allowances and benefits referred to in sub-section (1).
- (3) Parliament may pass the legislation referred to in sub-section (1) only after considering any recommendations of the commission established in terms of sub-section (2).

#### THE INDEPENDENT COMMISSION FOR THE REMUNERATION OF PUBLIC OFFICE BEARERS

- (4) The national executive, a provincial executive, a municipality or any other relevant authority may implement the national legislation referred to in sub-section (1) only after considering any recommendations of the commission established in terms of subsection (2).
- (5) National legislation must establish frameworks for determining the salaries, allowances and benefits of judges, the Public Protector, the Auditor-General, and members of any commission provided for in the Constitution, including the broadcasting authority referred to in section 192.

# 4.5 The Independent Commission for the Remuneration of Public Office-Bearers Act, 1997

Section 2 of the Act establishes the Commission. Section 3 (as substituted by section 8 of Act 28 of 2003) provides that the Commission shall consist of eight members appointed by the President.

Section 8 outlines the following functions of the Commission:

- (1) The Commission may exercise the powers and shall perform the duties entrusted to the Commission by this Act, section 219 of the Constitution or any other law.
- (2) (i) The Commission may conduct an inquiry into any matter in respect of which it is authorised by this Act, section 219 of the Constitution or any other law to perform any function.
  - (ii) For the purposes of the inquiry, the Commission shall have the powers contemplated in section 3 of the Commission Act, 1947, and the provisions of sub-sections (3) and (4) of the said section 3 shall apply in respect of a person who gives evidence before the Commission or who has been summoned to attend any meeting of the Commission as a witness or to produce any book, document or object.
- (3) The Commission may conduct or cause to be conducted such research or obtain such information from the secretary to Parliament, the secretary to any provincial legislature, the secretary to the National House of Traditional Leaders, the secretary to any provincial House of Traditional Leaders, the Chief Executive Officer of any municipality, the Chief Justice or any person designated for that purpose by the Chief Justice, or any functionary or body as may be necessary for the performance of the functions of the Commission under this Act, section 219 of the Constitution or any other law.
- (3A) Whenever the Commission performs any function in terms of this Act relating to the remuneration of any office-bearer as defined-

- (a) in paragraph (d)(i) of the definition of 'office-bearer' in section 1, it must have regard to the provisions of the Judges' Remuneration and Conditions of Employment Act, 2001 and in particular to section 2 of that Act; or
- (b) in paragraph (d)(ii) of the definition of 'office-bearer' in section 1, it must have regard to the provisions of the Magistrates Act, 1993 (Act 90 of 1993), and in particular to section 12 of that Act.
- (3B) (a) If the Chairperson of the Commission is an office-bearer as defined in paragraph (d)(i) of the definition of 'office-bearer' in section 1, that member must refrain from participating in any of the Commission's deliberations relating to the remuneration of any office-bearer as defined in paragraph (d) of the said definition.
  - (b) Any member of the Commission who may directly or indirectly derive any benefit from the acceptance by the President of any recommendations by the Commission must refrain from participating in any of the Commission's deliberations relating to such recommendations.
- (4) The Commission shall, after taking into consideration the factors referred to in sub-section (6), publish in the *Gazette* recommendations concerning-
  - (a) the salary, allowances and benefits of any office-bearer as defined in paragraphs (a), (d) and (e) of the definition of 'office-bearer' in section 1;
  - (b) the upper limits of the salary, allowances or benefits of any office-bearer as defined in paragraphs (b) and (c) of the definition of 'office-bearer' in section 1; and
  - (c) the resources which are necessary to enable an office-bearer as defined in paragraphs (a), (b), (c) and (e) of the definition of 'office-bearer' in section 1 to perform the office-bearer's functions effectively.
- (5) Recommendations referred to in sub-section (4) must be published in the *Gazette* at least once a year in respect of each category of office-bearers and must be submitted to Parliament before publication.
- (6) Subsection 6 provides for the factors that the Commission must take into account when making recommendations in terms of subsection (4).

## 4.6 The Remuneration of Public Office-Bearers Act, 1998

This is the main Act dealing with the remuneration of office-bearers, and outlines also the processes for determining the salaries, benefits and allowances for office-bearers. The respective processes are summarised below for ease of reference.

#### (i) The President

The Commission makes recommendations regarding the salary, benefits and allowances of the President of the Republic.

The National Assembly determines, by resolution, the salary, benefits and allowances to be paid to the President.

The National Assembly determines the salaries after considering:

- The Commission's recommendations:
- The different roles, status, duties, functions and responsibilities of public office- bearers;
- The affordability of different levels of remuneration of public office-bearers;
- Current principles and levels of remuneration in society in general; and
- Inflationary trends and figures.

The National Assembly also determines the amount to which section 8(1)(d) of the Income Tax Act, 1962, as amended shall apply. This amount is referred to as the political office-bearers' allowance.

(ii) The Deputy President, Ministers, Deputy Ministers, Members of the National Assembly and permanent delegates to the National Council of Provinces.

The Commission makes recommendations to the President regarding the salaries, benefits and allowances of these public office-bearers.

The President subsequently determines the salaries, benefits and allowances of these public office-bearers after considering:

- The recommendations of the Commission;
- The different roles, status, duties, functions and responsibilities of public office-bearers;
- Affordability of different levels of remuneration of public office- bearers;
- Current principles and levels of remuneration in society in general;

- Inflationary trends and figures; and
- Advice of the relevant Cabinet Committee.

The President also determines the amount which shall constitute the political office- bearers' allowance in terms of section 8(1) (d) of the Income Tax Act, 1962.

(iii) Premiers, Members of Executive Committees and Members of Provincial Legislatures

The Commission makes recommendations to the President on the upper limits of the salaries, benefits and allowances of these public office-bearers.

The President subsequently determines the upper limits of the salaries, benefits and allowances of the public office-bearers.

The applicable Provincial Legislature determines a Premier's **actual** salary, benefits and allowances by way of a resolution.

The Premier in turn determines the **actual** salaries, benefits and allowances of the Members of Executive Committees and Members of Provincial Legislatures in the applicable Provincial Legislature.

(iv) Traditional Leaders, Members of the National and Provincial Houses of Traditional Leaders

The Commission makes recommendations to the President on the salaries, benefits and allowances of these public office-bearers.

The President subsequently determines the salaries, benefits and allowances of these office-bearers, after consultation with the Minister for Provincial and Local Government and relevant Premier(s), and after considering:

- The recommendations of the Commission;
- The roles, status, duties, functions and responsibilities of traditional leaders, members of the National House of Traditional Leaders, and members of the Provincial Houses of Traditional Leaders:
- The current principles and levels of remuneration in society generally;
- the need for the promotion of equality and uniformity of salaries and allowances for equal work performed;
- The enhancement of co-operation, unity and understanding between traditional communities nationally;
- The extent of the role and functions of traditional leaders across provincial borders; and
- Inflationary trends and figures.

#### THE INDEPENDENT COMMISSION FOR THE REMUNERATION OF PUBLIC OFFICE BEARERS

#### (v) Members of Municipal Councils

The Commission makes recommendations to the President on the upper limits of the salaries, benefits and allowances of these public office-bearers.

The Minister for Provincial and Local Government, after consultation with each provincial Member of the Executive Council (MEC) responsible for local government, determines the upper limits of the salaries, benefits and allowances, after having considered:

- The recommendations of the Commission;
- The respective role, status, duties, functions and responsibilities of the different members of Municipal Councils;
- The different categories or types of municipalities, having regard to their respective powers, duties and functions;
- The gross income, the area of jurisdiction and the nature of settlement of each municipality;
- The affordability of different levels of remuneration of public office-bearers;
- The current principles and levels of remunerations in society generally;
- The need for the promotion of equality and uniformity of salaries, benefits and allowances for equal work performed;
- The provision of uniform norms and standards nationally to address disparities; and
- Inflationary trends and figures.

A member of a Municipal Council is entitled to an additional allowance in respect of membership of any other Municipal Council than the one elected to, which allowance is determined by a majority resolution of such other Municipal Council in consultation with the MEC responsible for local government in the relevant Province.

### (vi) Constitutional Court Judges, Judges and Magistrates

The Commission makes recommendations to the President regarding the salaries, benefits and allowances of these judicial office-bearers. In doing so, the Commission is statutorily obliged to consult with:

- The Minister of Justice and Correctional Services;
- The Minister of Finance; and
- The Chief Justice or a person designated by the Chief Justice.

The President determines the salaries, benefits and allowances by means of a notice in the *Gazette* after Parliament considered and approved the draft notice.

# 5 Factors that the commission considers when making recommendations

When making recommendations referred to in section 8(4) of the Independent Commission for the Remuneration of Public Office-Bearers Act, 1997 as amended, the Commission in terms of section 8(6) of the same Act, must take the following factors into account:

- (i) The role, status, duties, functions and responsibilities of the office-bearers concerned;
- (ii) The affordability of different levels of remuneration of public office-bearers 'POBs';
- (iii) Current principles and levels of remuneration, particularly in respect of organs of state, and in society generally;
- (iv) Inflationary increases;
- (v) The available resources of the state; and
- (vi) Any other factor which, in the opinion of the Commission, is relevant.

# 6 Governance

The Independent Commission for the Remuneration of Public Office-Bearers Act, 1997, regulates the operations and governance of the Commission to a very large extent and determines, amongst others, how the Commission is constituted, the terms of office of its members, schedule of meetings and its reporting requirements, as well as specific functions and its administration.

#### Commission meetings and decisions

The Commission is required by law to meet at least once a year, at a time and place determined by its Chairperson. The Commission however, meets more often than the basic requirement, because of the scope of its work. The Act further sets out the quorum requirements, namely, that five members shall constitute a quorum for meetings. Decision making is by consensus, however, where a matter needs to be voted on, the majority view holds.

#### The Commission's budget

The expenditure incidental to the exercise or performance of the powers and duties of the Commission is defrayed from monies appropriated by Parliament for that purpose. The Presidency provides the Commission with the financial support and resources, that includes the budget to exercise its mandate as prescribed by the Act and other legal provisions.

#### Administration of the Commission

Section 11(1) of the Commission Act provides that the "Director-General: Office of the President shall, after consultation with the Commission, designate such officers in the Office of the President as may be necessary to perform the work incidental to the exercise or performance of the powers and duties of the Commission." The Commission is assisted by the Secretariat as discussed in Chapter 3 of this Annual Report.

The Secretariat provides governance advice and expertise to the Commission. The Secretariat further supports the Commission as it discharges its legislative mandate by providing operational and secretariat services, assisting different public office-bearer institutions with implementation of the President's Proclamations, and interpretation of relevant reports by the Commission's stakeholders.

# 7 Outputs on 2015/2016 Strategic Objectives and Statutory Obligations

# 7.1 Strategic objectives and statutory obligations

# 7.1.1 To conduct an inquiry into any matter in respect of which the commission is authorised by relevant act(s)

KEY PERFORMANCE ACTIVITY	INDICATORS	RESOURCES	OUTPUTS / COMMENTS
<ul> <li>Investigation into performance-based pay</li> </ul>	<ul> <li>Research and benchmarking on the subject</li> <li>Closer liaison with relevant departments/stakeholders</li> <li>International visit for fact findings missions</li> <li>The project to be linked to the local government remuneration review project</li> </ul>	Budget	<ul> <li>The Commission enquired during its stakeholders' visits whether performance-based pay was worth investigating</li> <li>The Commission resolved to pursue, investigate and assess whether the project should be implemented, and thereafter engage its stakeholders to test whether the project is worth doing</li> <li>The Commission further resolved that the investigation should form part of the future projects on remuneration review of POBs</li> </ul>
<ul> <li>Review of local government remuneration</li> </ul>	<ul> <li>Appointment of the service provider</li> <li>Management of the project</li> <li>Report of the review project and the recommendations of the Commission</li> </ul>	Budget	■ The project commenced in May 2015 and the end date of the project was moved from 31 January 2016 to March 2016 because of the delay in appointing the service provider and engagements with stakeholders.

KEY PERFORMANCE ACTIVITY	INDICATORS	RESOURCES	OUTPUTS / COMMENTS
■ Fourth Major Review	<ul> <li>Preparation for the reviewing of salaries, allowances, benefits and tools of trade of all POBs</li> <li>Drafted Terms of Reference for the review</li> </ul>	Budget	<ul> <li>The Commission resolved to follow a phased-in approach for the review of remuneration of POBs, guided by the categorisation of POBs positions starting with the Executive and Legislative Sector</li> <li>The Terms of Reference of the above review were finalized and the budget was requested from the Presidency</li> </ul>

## 7.1.2 To make annual recommendations concerning the salaries, allowances and benefits of POBs

KEY PERFORMANCE ACTIVITY	INDICATORS	RESOURCES	OUTPUTS / COMMENTS
• 2015/2016 Annual Remuneration Recommendations	<ul> <li>Request for submissions from stakeholders on 2015/2016         Annual Remuneration         Recommendations     </li> <li>Research in line with best practices and benchmarking</li> <li>Identify comparative research data and sources</li> <li>Discussion documents/draft recommendations</li> <li>Commission's inputs and discussion</li> <li>Commission's final report on the subject</li> <li>Justifiable, transparent and fair recommendations</li> <li>Recommendations that are in line with international best practice and trends</li> </ul>	Budget Commissioners' availability Secretariat support	<ul> <li>The annual recommendations were submitted to the President on 24         October 2015 and to the Presiding         Officers of Parliament on 28 October         2015.</li> <li>The recommendations were also         published in the Government Gazette         and a press statement was released on         20 November 2015.</li> </ul>

KEY PERFORMANCE ACTIVITY	INDICATORS	RESOURCES	OUTPUTS / COMMENTS
<ul> <li>Principal Traditional Leadership position remuneration recommendations</li> </ul>	<ul> <li>Conduct job grading</li> <li>Conduct research on developments in comparable remuneration practices internationally</li> </ul>	Budget Approval of service provider	<ul> <li>Terms of Reference for the review of certain positions was drafted</li> <li>The Commission resolved to amend the above Terms of Reference to include all Traditional Leadership positions</li> <li>The project was deferred from the 2015 programme to a future review of which the commencement date will still be determined</li> </ul>
Effective     consultation with     stakeholders	<ul> <li>Stakeholder engagement plan</li> <li>Statutory consultation</li> <li>Extension of consultation to other POBs (e.g. JOASA and ARMSA)</li> <li>Submission of recommendations to the President</li> <li>Submission of recommendations to National Parliament/NCOP</li> <li>Press conference</li> <li>Publishing of recommendations in Government Gazette</li> </ul>	Availability of commissioners and stakeholders	<ul> <li>The communication and engagement with stakeholders were maintained</li> <li>Statutory consultation with key stakeholders was conducted</li> <li>Newly appointed Commissioners were introduced to the stakeholders</li> <li>The submissions were received from stakeholders and discussed during the Commission meetings</li> </ul>

#### 7.1.3 To submit an Annual Report to the President

KEY PERFORMANCE ACTIVITY	INDICATORS	RESOURCES	OUTPUTS / COMMENTS
<ul> <li>Timeous project plan in place</li> <li>Compliance with stipulated time frames in terms of legislation</li> <li>Motivated, comprehensive and factual reporting</li> </ul>	<ul> <li>Secretariat draft Annual Report</li> <li>Inputs and discussion by Commission</li> <li>Finalisation and printing of Annual Report</li> <li>Submission to President</li> <li>Circulation to main stakeholders</li> <li>Broadcasting of Annual Report on Commission website</li> </ul>	Commissoners' availability  Secretariat's input	■ The annual report was submitted to the President on 24 October 2015, printed and adopted by Parliament in November 2015 and distributed to Stakeholders from 09-15 December 2015

# 7.1.4 To investigate and consider any specific matter relating to the salaries, allowances and benefits of POB on request by the President or any other stakeholders

KEY PERFORMANCE ACTIVITY	INDICATORS	RESOURCES	OUTPUTS / COMMENTS
<ul> <li>Review of pension benefit structure of MPs and MPLs</li> <li>Investigation of new positions of Traditional Leaders</li> <li>Investigation for rationale parity relating to the POBs positions</li> <li>Establish check list to ensure that we give effect to our mandate</li> </ul>	<ul> <li>Assessment of implementation of the Commission's major reports and the President's determinations</li> <li>Commission report to President and other stakeholders</li> <li>Research report</li> <li>Liaising with relevant authorities for implementation of the review</li> </ul>	Budget Sub-committee, National Treasury and POBPF Department of Cogta National Parliament / Legislatures	<ul> <li>Terms of reference for the pension benefits structure, rationale parity and Traditional Leadership positions were finalized</li> <li>Pension benefits structure and rationale parity will form part of the review of Executive and Legislative Sector</li> </ul>

# 7.1.5 Exercise good governance and planning

KEY PERFORMANCE ACTIVITY	INDICATORS	RESOURCES	OUTPUTS / COMMENTS
<ul> <li>Drafting of Commission's Code of Ethics</li> </ul>	<ul> <li>Commission's Charter and Code of Ethics</li> </ul>		<ul> <li>The Commission's Charter and Code of ethics was drafted and adopted by the Commission</li> </ul>
<ul> <li>Recruitment and induction of new Commissioners</li> </ul>	<ul> <li>Assisting the Presidency with the recruitment and induction of new Commissioners</li> </ul>	Secretariat	<ul> <li>The advert for call for nominations for individuals to serve as Commissioners was prepared</li> </ul>
<ul> <li>Ensure proper annual planning</li> </ul>	<ul> <li>Provide Presidency with a clear annual programme of the Commission</li> </ul>	Secretariat	The Commission Strategic plan document and Secretariat operational plan were finalized  The Commission Strategic plan  document and Secretariat operational
Commission     performance     evaluation and its     value add	<ul> <li>Effective and efficient management of the Commission</li> <li>Monitor and provide reports on Commission's achievements</li> <li>Commission meetings to be held on the agreed dates</li> <li>Optimal attendance of meetings and participation therein</li> </ul>	Available Commissioners	<ul> <li>Reports and minutes of the Commission activities were compiled and maintained</li> <li>Meetings with the Presidency on the independence of the Commission and clarifying secretarial support required</li> </ul>
<ul> <li>Ensure compliance         with legislative         prescripts and         acceptable         standards</li> </ul>	Strict compliance with all statutory and policy requirements	Educated Commissioners	Commission is complying with the relevant legislation and prescripts

# 7.1.6 Stakeholder management

KEY PERFORMANCE ACTIVITY	INDICATORS	RESOURCES	REASONS / COMMENTS
<ul> <li>Effective stakeholder engagement plan</li> <li>Clear communication strategy</li> <li>Comprehensive stakeholder mapping</li> <li>Effective reputation/image management</li> </ul>	<ul> <li>Timely communication with stakeholders (Introduction of newly appointed Commissioners)</li> <li>Commission's Communication Strategy</li> <li>Stakeholder mapping document</li> <li>Stakeholder database and contacts (engaging incoming stakeholders – Chapter 9 Institutions)</li> <li>Distribution of regular communiqués to all stakeholder groups</li> <li>Establish and maintain nodal points for communication with stakeholder groups</li> <li>Press conferences/statements/communiqués</li> <li>Website maintenance</li> <li>Publication of reports in Gazette</li> <li>Compiling of quarterly newsletters and broadcast through the website</li> <li>Establish and maintain relationships with international entities to ensure continued information sharing</li> </ul>	Budget Availability of stakeholders and Commissioners	<ul> <li>The communication and engagement with stakeholders were approved</li> <li>A communication strategy was adopted</li> <li>Media interviews were granted contextualising recommendations</li> </ul>

### 7.1.7 Sustainable administration and resources

KEY PERFORMANCE ACTIVITY	INDICATORS	RESOURCES	REASONS / COMMENTS
<ul> <li>Independence, reputation and credibility of the Commission</li> </ul>	<ul> <li>Public understanding and acceptance of independence requirements</li> <li>Independent Commission activities</li> <li>Strict independent ethics and practices</li> <li>Reports of threats to independence</li> </ul>	Educated and independent commissioners	<ul> <li>The Commission forwarded its proposal and the legal opinion received on the amendment of its legislation(s) to the Presidency and Department of Justice</li> <li>The Presidency advised the Commission on its interaction with the Department of Justice on the matter</li> <li>The Commission is awaiting finalization of the matter</li> </ul>
<ul> <li>Recruitment         <ul> <li>and retention of</li> <li>qualified support</li> </ul> </li> <li>staff to the</li> <li>Commission</li> </ul>	<ul> <li>Implementation of the proposed</li> <li>Secretariat structure</li> </ul>	Budget	Awaiting response from the Presidency on the requested for filling of vacancies
■ Implementation of Determination of Remuneration of office-bearers of Independent Constitutional Institutions Laws Amendment Act, 2014 (Act No. 22 of 2014)	<ul> <li>Effective resource support to Commission</li> <li>Ensure adequate resources to action the strategic focus of the Commission</li> <li>Effective resource support to the Secretariat</li> <li>Meeting between the Commission, Presidency, National Treasury and Department of Justice and Correctional Services will be convened</li> </ul>	Budget and support Resources	Awaiting response from the Presidency on required finance and human resources

KEY PERFORMANCE ACTIVITY	INDICATORS	RESOURCES	REASONS / COMMENTS
<ul> <li>Maintain a comprehensive intelligence management capability</li> </ul>	Maintenance of document     management	Secretarial support	<ul> <li>Commission's records are properly maintained</li> </ul>

# 7.2. Key outputs

#### 7.2.1 Annual Cost-of-Living-Adjustments for 2015/2016

After taking all relevant factors and the applicable legislations into account, the Commission recommended different increases for each of the POB categories and positions.

#### 7.2.2 Communication with stakeholders

The Commission continued its initiative to communicate directly and widely with public office-bearer groups and other stakeholders. Apart from the direct interactions with public office-bearers and other stakeholders, the Commission maintained an open door communication policy through its Secretariat.

The Commission interacted with various stakeholders from public office-bearers' institutions through meetings and visits to receive submissions, comments and inputs on matters of remuneration, benefits and allowances. These meetings and visits were successful and assisted in strengthening the relationship between stakeholders and the Commission.

The Commission further consulted with the current Chief Justice in order to discuss issues of consultation on remuneration with the lower courts judiciary. In terms of legislation, the Commission is obliged to consult with the Chief Justice on matters of the judiciary.

In order to strengthen stakeholder relations and to increase the consultation between the Commission and stakeholders, the Commission formed sub-committees which consist of Commissioners and the Secretariat.

#### 7.2.3 Subcommittees of the Commission

In order to strengthen stakeholder relations and to increase the consultation between the Commission and stakeholders, as well as enhancing the effectiveness of the Commission, the Commission formed four sub-committees which consist of Commissioners and the Secretariat, namely:

- Executive and Legislative;
- Judiciary;
- Pension and Medical Aid Benefits; and
- Local Government and Traditional Leaders.

Recommendations of the sub-committees are tabled at the Commission meetings in order for the Commission to take resolutions on these. The sub-committees consist of two or three Commissioners and at least one member of the Secretariat.

## 7.3 Challenges

On 07 November 2012, the Cabinet resolved that the Commission should also deal with the determination of the remuneration, allowances and related terms and conditions of employment of members of Constitutional Institutions (Chapter 9 Institutions) and furthermore, that the Commission be strengthened to deal with the consequently enlarged scope of work.

The President approved the Determination of Remuneration of Office-Bearers of Independent Constitutional Institutions Laws Amendment Act, 2014 (Act No. 22 of 2014) ("the Act") on 02 June 2014 to effect the above.

The Commission updated the Presidency and the Minister of Justice and Correctional Services on its challenges relating to the pronouncement and readiness for implementation of the Determination of Remuneration of Office-Bearers of Independent Constitutional Laws Amendment Act, 2014 ("the Amendment Act"), and further feedback is awaited.

# 8 The Commission's Programme for the year 2015

A schedule of the Commission's programme of meetings for 2015 is set out in *Annexure A*. The schedule distinguishes between:

- Commission meetings;
- Statutory meetings with officials; and
- Meetings with stakeholders.

The meeting attendance is reflected in the register attached as Annexure B.

# 9 Progress reports and milestones

#### 9.1 ANNUAL RECOMMENDATION FOR 2015/2016

The Commission is statutorily obliged by virtue of section 8(4) and (5) of the Independent Commission for the Remuneration of Public Office-Bearers Act, 1997, to make annual recommendations relating to the salaries, benefits and allowances, and the resources required by public office-bearers to enable them to perform their respective duties effectively.

The Commission in their meeting of 17 October 2015 resolved to make the annual remuneration recommendations of public office-bearers for 2014/2015 financial year. The Commission considered, amongst others, the following factors to be relevant in forming the basis for its decision:

- Section 8(6) of the Commission;
- The level of the Consumer Price Index (CPI) and its forecast;
- Forecasted salary increase for the year ahead;
- Economic and social environment:
- The past recommendations together with the President's determinations; and
- The inputs from key stakeholders in terms of the mandatory consultation requirements.

Economic data has always been used as a guideline in making annual cost-of-living increase decisions for the employees of an organisation(s), whether public or private. The relevant data include the forecasted Consumer Price Index (CPI), Producer Price Index (PPI), and quarterly Gross Domestic Product (GDP) figures released by Statistics South Africa, affordability, general market increases, together with interest rates determined by the South African Reserve Bank (SARB).

Other factors that were considered by the Commission when finalising the annual remuneration recommendations include the following:

- Recognition of the principle of anchor positions to maintain the equal status of the three arms of government and President's remuneration should be above anchor positions;
- Additional benefits that are prescribed by POBs institutional handbooks and prescripts which augment their remuneration package and the extent to which they act as a buffer to the direct effects of inflation;

#### THE INDEPENDENT COMMISSION FOR THE REMUNERATION OF PUBLIC OFFICE BEARERS.

- Recognition that the judiciary positions are the only POBs (excluding the traditional leaders) that are not elected but appointed;
- Benchmarking with SMS for Judges and Magistrates;
- Preclusion of Judges and Magistrates from practicing and/or being involved in business;
- The rand value for other POBs categories;
- Assistance in overcoming salary disparities of Headmen/Headwomen and promoting uniform salary within the Provinces;
   and
- Inputs from stakeholders.

The Commission after taking into account all relevant factors and the applicable legislations, proposed the following:

- 5% for the President and all anchor positions of the Executive, Legislative and Judiciary;
- 5% for Members of National and Provincial Executive, Deputy Ministers, Members of Parliament and Provincial Legislatures;
- 5% from the position of Deputy Chief Justice to Judge of Supreme Court of Appeal;
- 5.5% from the position of Judge President of High/Labour Court to Chief Magistrate;
- 6% for the position of Senior Magistrate and Magistrate;
- 5.5% from position of Executive Mayor to Whip;
- 6% for position of Municipal Councilor;
- 5.5% for a position of a King/Queen;
- 6% from a position of Chairperson of National House of Traditional Leaders to a full-time member of Provincial House of Traditional Leaders:
- 8% for a position of Senior Traditional Leaders; and
- An annual amount of R91 000 for the Headmen/Headwomen.

The Commission delivered its annual recommendations to the President on the 24 October 2015. The recommendations included the annual cost-of-living- adjustments focusing on each POB category and the respective positions thereof.

The recommendations were further delivered to the Speaker of Parliament and Chairperson of National Council of Provinces (NCOP) on 28 October 2015. They were published in the Government Gazette No. 39428 on

42

20 November 2015 and further released to the public through the Government Communication and Information System (GCIS) as a press statement on 20 November 2015.

The Commission's recommendations, which reflect the annual adjustment for all public office-bearers for the 2015/2016 fiscal year, are herewith tabulated in schedules 1-7:

		SCHEDULE 1			
		REMUNERATION LEVELS WITH EFFECT 01 AI	PRIL 2015		
		NATIONAL EXECUTIVE AND DEPUTY MIN	ISTERS		
GRADE	PAY LEVEL	POSITION	ANNUAL SALARY 01-APR-14	ANNUAL SALARY 01-APR-15	
EA	1	President	2 753 689	2 891 373	
EB	1	Deputy President	2 602 297	2 732 412	
EC	1	Minister	2 211 937	2 322 534	
ED	1	Deputy Minister	1 821 577	1 912 656	

### **REMUNERATION LEVELS WITH EFFECT 01 APRIL 2015**

#### MEMBERS OF PARIJAMENT

GRADE	PAY LEVEL	POSITION	ANNUAL SALARY 01-APR-14	ANNUAL SALARY 01-APR-15
PA	1	Speaker: National Assembly	2 602 297	2 732 412
		Chairperson: NCOP	2 602 297	2 732 412
PB	1	Deputy Speaker: National Assembly	1 821 577	1 912 656
		Deputy Chairperson: NCOP	1 821 577	1 912 656
	2	House Chairperson	1 691 508	1 776 084
PC	1	Chief Whip: Majority Party	1 431 218	1 502 778
		Chief Whip: NCOP	1 431 218	1 502 778
		Parliamentary Counsellor: President	1 431 218	1 502 778
		Parliamentary Counsellor: Deputy President	1 431 218	1 502 778
		Leader of Opposition	1 431 218	1 502 778
	2	Chairperson of a Committee	1 301 148	1 366 206
PD	1	Deputy Chief Whip: Majority Party	1 171 079	1 229 633
		Chief Whip: Largest Minority Party	1 171 079	1 229 633
		Leader of a Minority Party	1 171 079	1 229 633
	2	Whip	1 086 702	1 141 037
PE	1	Member: National Assembly	989 883	1 039 377
		Permanent Delegate: NCOP	989 883	1 039 377

### REMUNERATION LEVELS WITH EFFECT 01 APRIL 2015

### PROVINCIAL EXECUTIVES AND LEGISLATURES

GRADE	PAY LEVEL	POSITION	Annual Salary 01-Apr-14	Annual Salary 01-Apr-15
LA	1	Premier	2 081 868	2 185 961
LB	1	Member of Executive Council	1 821 577	1 912 656
		Speaker	1 821 577	1 912 656
LC	1	Deputy Speaker	1 431 218	1 502 778
		Chief Whip: Majority Party	1 301 148	1 366 206
	2	Chairperson of Committees	1 171 080	1 229 634
		Leader of Opposition	1 171 080	1 229 634
		Chairperson of a Committee	1 171 080	1 229 634
	3	Deputy Chairperson of Committees	1 101 780	1 156 869
		Deputy Chief Whip: Majority Party	1 101 780	1 156 869
		Chief Whip: Largest Minority Party	1 101 780	1 156 869
		Leader of a Minority Party	1 101 780	1 156 869
LD	1	Parliamentary Counsellor to a King	989 883	1 039 377
		Whip	989 883	1 039 377
	2	Member of Provincial Legislature	958 056	1 005 958

### **REMUNERATION LEVELS WITH EFFECT 01 July 2015**

## LOCAL GOVERNMENT

GRADE	PAY LEVEL	POSITION	ANNUAL SALARY 01-JUL-14	ANNUAL SALARY 01-JUL-15
MA	1	Executive Mayor	1 177 638	1 242 408
		Mayor	1 177 638	1 242 408
MB	1	Deputy Executive Mayor	951 084	1 003 393
		Speaker/Chairperson	951 084	1 003 393
		Deputy Mayor	951 084	1 003 393
MC	2	Member of Executive Council	891 640	940 680
		Member of Mayoral Committee	891 640	940 680
		Chairperson of a Sub-council	891 640	940 680
		Whip	891 640	940 680
MD	1	Municipal Councilor	489 868	519 261

### REMUNERATION LEVELS WITH EFFECT 01 APRIL 2015

### **JUDGES**

GRADE	PAY LEVEL	POSITION	ANNUAL SALARY 01-APR-14	ANNUAL SALARY 01-APR-15
JA	1	Chief Justice	2 602 297	2 732 412
JB	1	Deputy Chief Justice	2 342 006	2 459 106
		President: Supreme Court of Appeal	2 342 006	2 459 106
JC	1	Deputy President: Supreme Court of Appeal	2 211 937	2 322 534
	2	Judge: Constitutional Court	2 081 868	2 185 961
		Judge: Supreme Court of Appeal	2 081 868	2 185 961
	3	Judge President: High/Labour Court	1 951 799	2 059 148
	4	Deputy Judge President: High/Labour Court	1 821 577	1 921 764
	5	Judge: High/Labour Court	1 691 508	1 784 541

## SCHEDULE 6

### REMUNERATION LEVELS WITH EFFECT 01 APRIL 2015

### **MAGISTRATES**

GRADE	PAY LEVEL	POSITION	ANNUAL SALARY 01-APR-14	ANNUAL SALARY 01-APR-15
JD	1	Special Grade Chief Magistrate	1 171 079	1 235 489
		Regional Court President	1 171 079	1 235 489
JE	1	Regional Magistrate	1 050 771	1 108 563
		Chief Magistrate	1 050 771	1 108 563
JF	1	Senior Magistrate	866 878	918 891
JG	1	Magistrate	788 155	835 444

### **REMUNERATION LEVELS WITH EFFECT 01 APRIL 2015**

### TRADITIONAL LEADERS

GRADE	PAY LEVEL	FULL TIME POSITIONS	ANNUAL SALARY 01-APR-14	ANNUAL SALARY 01-APR-15
TA	1	King/Queen	1 078 599	1 137 922
ТВ	1	Chairperson: NHTL	771 549	817 842
	2	Full time Chairperson: PHTL	635 475	673 603
	3	Deputy Chairperson: NHTL	590 117	625 524
	4	Full time Deputy Chairperson: PHTL	544 605	577 281
TC	1	Full time Member: NHTL	317 661	336 720
	2	Full time Member: PHTL	272 302	288 641
TD	1	Senior Traditional Leader	199 729	215 708
TE	1	Headmen/Headwomen	84 125	91 000
		PART TIME POSITIONS*		
		Part time Member: NHTL	1 144	1 224
		Part time Chairperson: PHTL	1 361	1 456
		Part time Deputy Chairperson: PHTL	1 224	1 310
		Part time Member: PHTL	949	1 015
Leaders, as	well as subs	g allowances, part time members are entitled to their sistence costs (reasonable and actual expenses) and transports the use of privately owned vehicles), for their attendance	ort costs (Department	

of Transport tariffs for the use of privately owned vehicles), for their attendance of official meetings, seminars, workshops and conferences of the respective Houses)

## 9.2 Proclamations for remuneration recommendations and determinations

Proclamations for remuneration recommendations and determinations for 2015/2016 were published in the Government Gazette as follows:

GAZETTE NO.	DATE	PROCLAMATION NO.	CONTENTS
39548	21 December 2015	1271	Determination of upper limits salaries, allowances and benefits of different Members of Municipal Councils
39428	20 November 2015	Vol. 605	Explanatory Memorandum for Annual Remuneration Recommendations for 2015/2016
39750	26 February 2016	Vol. 608	Determination of salaries and allowances of the Deputy President, Ministers and Deputy Ministers
			Determination of salaries and allowances of the National Assembly and permanent delegates to the National Council of Provinces
			Determination of the upper limit of salaries and allowances of Premiers, Members of the Executive Councils and Members of the Provincial Legislatures
39829	17 March 2016	Vol. 609	Remuneration of Constitutional Court Judges and Judges
			Determination of remuneration of Magistrates
			Determination of salaries and allowances of Traditional Leaders, Members of the National House and Provincial Houses of Traditional Leaders

# 10. Annexures

NO.	ITEM	PAGE NO.
A	Commission Programme for 2015	51 - 52
В	Meeting attendance registers	53 - 56

## **ANNEXURE A: COMMISSION PROGRAMME FOR 2015**

DATE	ACTIVITY	PLACE	
30-31 Jan	Commission's Strategic Planning Session	Free State	
09-Feb	National Treasury	Gauteng	
27-Mar	Commission meeting	Western Cape	
30-Mar	Legislative Sector Forum	Western Cape	
23- Apr	KZN Provincial Legislature	Kwazulu Natal	
28-Apr	Mpumalanga Provincial Legislature	Mpumalanga	
28-Apr	Mpumalanga PHTL	Mpumalanga	
29-Apr	Eastern Cape Provincial Legislature	Eastern Cape	
29-Apr	Eastern Cape PHTL	Eastern Cape	
29-Apr	Ernst & Young meeting	Gauteng	
04-May	Ernst & Young meeting	Gauteng	
06-May	North West Provincial Legislature	North West	
06-May	North West PHTL	North West	
12-May	Free State Provincial Legislature	Free State	
12-May	Free State PHTL	Free State	
13-May	Northern Cape Provincial Legislature	Northern Cape	
13-May	Northern Cape PHTL	Northern Cape	
14-May	Gauteng Provincial Legislature	Gauteng	
19-May	Limpopo Provincial Legislature	Limpopo	
19-May	Limpopo PHTL	Limpopo	
21-May	Ernst & Young meeting	Gauteng	
29-May	Western Cape Provincial Parliament	Western Cape	
05-Jun	Commission meeting	Free State	

DATE	ACTIVITY	PLACE		
10-Jun	Ernst & Young meeting	Gauteng		
17-Jun	Ernst & Young meeting	Gauteng		
03-Jul	Meeting with the Municipal Councilors' Pension Fund	Gauteng		
07-Jul	Meeting with JOASA	Gauteng		
07-Jul	Meeting with ARMSA	Gauteng		
07-Jul	Meeting with LCRC	Gauteng		
09-Jul	Meeting with SALGA	Gauteng		
14-Jul	Meeting with the KZN PHTL	Kwazulu Natal		
21-Jul	Meeting with the Presiding Officers of National Parliament	Gauteng		
14-Aug	Meeting with the Trustees of POBPF	Western Cape		
21-22-Aug	Commission meeting	Kwazulu Natal		
28-Aug	Meeting with the State Attorney	Western Cape		
14-Sep	Meeting with the Minister of Justice	Gauteng		
18-Sep	Meeting with the National Treasury	Gauteng		
23-Sep	Meeting with the Chief Justice and Judges Remuneration Committee	Gauteng		
01-Oct	Meeting with National Treasury	Gauteng		
13-Oct	Ernst & Young meeting	Gauteng		
17-Oct	Commission meeting	Gauteng		
20-Oct	Meeting with National Treasury	Gauteng		
24-Oct	Meeting with the President (AR and ARR)	Gauteng		
28-Oct	Meeting with the Presiding Officers of National Parliament	Western Cape		
27-Nov	Commission meeting	Gauteng		
03-Dec	Meeting with the Deputy President	Gauteng		
08-Dec	Speakers' Forum	Mpumalanga		

## **ANNEXURE B: MEETING ATTENDANCE REGISTERS**

ATTENDANCE OF COMMISSION MEETINGS IN 2015									
Name	Date	Date	Date						
	27 Mar	05 June	21-22 Aug	17 Oct	27 Nov				
		Commissio	ners						
Judge CJ Musi	Р	Р	Р	Р	Р				
Adv. M Sello	Р	Р	Р	Р	Α				
Mr C Economou	Р	Р	Α	Α	Р				
Dr R Nienaber	Р	А	Р	Р	Р				
Dr Loyiso Mbabane	А	Α	Α	Р	Р				
Mr AL Pheto	Р	Р	Р	Р	Α				
Ms TN Mgoduso	Р	Р	Р	Р	Р				
Ms HFN Sephoti	Р	Р	Р	Α	Α				
	Secretariat								
Mr PM Makapan	Р	Р	Р	Р	Р				
Ms D Ranthako	Р	Р	Р	Р	P				
Ms M Mashaba	Р	Р	Р	Р	Р				

P: PRESENT
A: APOLOGY
N/A: NOT APPOINTED DURING THAT PERIOD
NR: NOT REQUIRED TO ATTEND

### **SUBCOMMITTEE MEETINGS 2015**

EXECUTIVE, NATIONAL PARLIAMENT AND PROVINCIAL LEGISLATURE SUBCOMMITTEE									
Name	Date	Date	Date	Date	Date	Date	Date	Date	
	30 March	21 July	14 Sept	18 Sep	24 Oct	28 Oct	03 Dec	08 Dec	
Judge CJ Musi	Р	Р	Р	Р	Р	Р	Р	Р	
Adv. M Sello	NR	А	А	NR	А	NR	Р	NR	
Mr C Economou	NR	А	NR	NR	Р	NR	Р	NR	
Ms TN Mgoduso	NR	А	Р	NR	Р	NR	Р	NR	
Mr AL Pheto	NR	Р	Р	Р	Р	NR	Р	Р	
Dr R Nienaber	NR	Р	Р	NR	А	NR	NR	NR	
Adv. HFN Sephoti	NR	NR	NR	NR	Р	NR	NR	NR	
Dr LM Mbabane	NR	NR	NR	NR	Р	NR	Р	Р	
Mr P Makapan	Р	Р	Р	Р	Р	Р	Р	Р	
Ms D Ranthako	NR	NR	А	NR	NR	NR	NR	Р	
Ms M Mashaba	NR	NR	Р	Р	NR	NR	NR	NR	

LOCAL GOVERNMENT AND TRADITIONAL LEADERS SUBCOMMITTEE								
Name	Date	Date Date Date		Date	Date	Date		
	04 May	21 May	10 June	17 June	03 July	09 July		
Judge CJ Musi	NR	NR	NR	NR	NR	Р		
Ms TN Mgoduso	NR	NR	NR	NR	Р	Р		
Mr C Economou	Р	NR	NR	NR	NR	NR		
Dr R Nienaber	NR	NR	NR	NR	Р	Р		
Mr AL Pheto	NR	NR	NR	NR	NR	Р		
Mr P Makapan	Р	Р	А	Р	Р	А		
Ms D Ranthako	Р	Р	Р	Р	P	А		
Ms M Mashaba	NR	NR	NR	NR	NR	Р		

PENSION AND MEDICAL AID BENEFITS SUBCOMMITTEE								
Name	Date	Date	Date	Date	Date	Date		
	09 Feb	14 Aug	28 Aug	01 Oct	13 Oct	20 Oct		
Judge CJ Musi	NR	Р	NR	NR	NR	NR		
Mr C Economou	Р	А	NR	Р	Р	Р		
Dr LM Mbabane	NR	NR	NR	NR	NR	NR		
Adv. HFN Sephoti	NR	NR	NR	NR	NR	NR		
Mr AL Pheto	Р	Р	NR	NR	NR	NR		
Ms TN Mgoduso	Р	NR	NR	NR	NR	NR		
Mr P Makapan	Р	Р	Р	Р	NR	NR		
Ms D Ranthako	А	Р	Р	Р	Р	NR		
Ms M Mashaba	Р	NR	Р	Р	Р	NR		

### **ATTENDANCE OF STAKEHOLDERS MEETINGS - 2015**

STAKEHOLDER ENGAGEMENTS									
Provincial Legislatures									
Name	Date								
	23 Apr	28 Apr	29 Apr	06 May	12 May	13 May	14 May	19 May	29 May
Judge CJ Musi	Р	Р	Р	Р	Р	Р	Р	Р	Р
Mr AL Pheto	Р	Р	Р	Р	Р	Р	Р	Р	Р
Ms TN Mgoduso	NR	NR	NR	NR	Р	Р	NR	NR	
Mr P Makapan	Р	Р	Р	Р	Р	Р	Р	Р	Р
Ms D Ranthako	NR	Р	NR	Р	NR	NR	NR	Р	Р
Ms M Mashaba	Р	NR	Р	NR	Р	Р	Р	NR	NR

TRADITIONAL LEADERS							
Name	Date						
	28 Apr	29 Apr	06 May	12 May	13 May	19 May	14 July
Judge CJ Musi	Р	Р	Р	Р	Р	Р	Р
Mr AL Pheto	Р	Р	Р	Р	Р	Р	Р
Ms TN Mgoduso	NR	NR	NR	Р	Р	NR	NR
Mr P Makapan	Р	Р	Р	Р	Р	Р	Р
Ms D Ranthako	Р	NR	Р	NR	NR	Р	NR
Ms M Mashaba	NR	Р	NR	Р	Р	NR	Р

JUDICIARY								
Name	Date	Date						
	07 July	23 Sept						
Judge CJ Musi	Р	Р						
Adv. M Sello	Р	А						
Mr C Economou	NR	NR						
Ms TN Mgoduso	NR	NR						
Mr AL Pheto	Р	Р						
Dr R Nienaber	А	Р						
Adv. HFN Sephoti	NR	NR						
Dr LM Mbabane	NR	NR						
Mr P Makapan	Р	А						
Ms D Ranthako	А	А						
Ms M Mashaba	Р	Р						