



ANNUAL REPORT 2008

THE INDEPENDENT COMMISSION FOR THE REMUNERATION OF PUBLIC OFFICE BEARERS



Justice Dikgang Moseneke
Chairperson



Dr ATM Mokgokong
Deputy Chairperson



Mr R Martin
Member



Ms AM Mokgabudi
Member



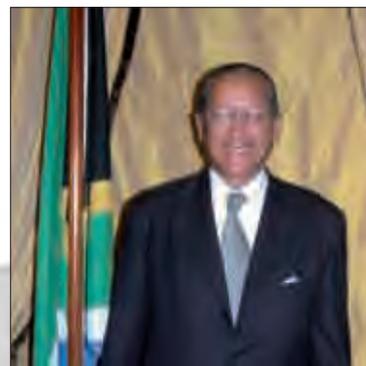
Dr SM Motsuenyane
Member



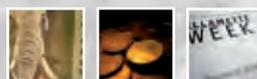
Mr ML Ndlovu
Member



Ms N Newton-King
Member



Dr FA Sonn
Member



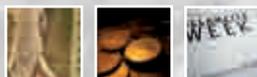
The Independent Commission for the Remuneration of Public Office Bearers - 2007



Seated: Justice Dikgang Moseneke (Chairperson), Dr ATM Mokgokong (Deputy Chairperson)
Dr SM Motsuenyane

Back: Mr R Martin, Ms AM Mokgabudi, Mr ML Ndlovu, Dr FA Sonn, Mr N Ulrich (Secretary)

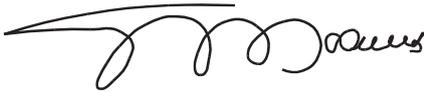
Absent: Ms N Newton-King



To: Mr TM Mbeki, the President of the Republic of South Africa

I have the honour to submit to you in terms of section 10(1) of the Independent Commission for the Remuneration of Public Office Bearers Act, 1997 (Act No. 92 of 1997), this Commission's report on its activities from 01 January to 31 December 2007.

Yours sincerely



Justice Dikgang Moseneke
Chairperson

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OVERVIEW

This Annual Report covers the period from 01 January to 31 December 2007.

The Report starts off by setting out briefly the history, mandate and legislative framework of the Commission. The aim thereof is to create an understanding amongst readers of the report, of the role and responsibilities of the Commission, and in particular an understanding of how the Commission's current activities fit into this structure. The composition and administration of the Commission is also stated. The Commission's current short and long term objectives are set out for purposes of clarity and transparency.

The Report summarises the Commission's program for 2007 by highlighting some of the most significant activities of the Commission during the year. These include Commission meetings, statutory meetings with officials, meetings with stakeholders, international engagements, and milestones in respect of delivery of reports.

The Report further contains progress reports in respect of the major projects embarked upon by the Commission during 2007, and the achievement of some milestones by the Commission. These include the Commission's mandatory annual remuneration recommendations, the major review of the remuneration structure for all public office bearers, increased capacity and resources for the Commission, open and transparent communication with all relevant stakeholders, and the launch of a website for the Commission.

One of the most significant activities embarked upon by the Commission during 2007 was the publication of its pioneering review report on public office bearer remuneration in March 2007. A full copy of the report is available on the Commission's website.



HISTORY, MANDATE, LEGISLATIVE FRAMEWORK, GOVERNANCE AND OBJECTIVES

2.1 BRIEF HISTORY OF THE COMMISSION

In order to understand the role and functions of the Commission, it is necessary to make a brief reference to its historical background.

In 1985, the Parliament of the time established a Commission, known as the Schlebusch Commission of Inquiry, 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. As a result of the continuous need for adjustments to the remuneration and conditions of service of those members, the Melamet Commission was appointed to establish a consistent and coherent remuneration structure for national and provincial legislatures.

Section 207 of the Interim Constitution of 1993 promulgated a Commission to make recommendations to Parliament, the provincial legislatures and local governments regarding the nature, extent and conditions of the remuneration and allowances of the members of all elected legislative bodies of the national, provincial and local governments, and members of provincial houses and the Council of Traditional Leaders. The Commission on Remuneration of Representatives was therefore instituted in terms of the Commission on Remuneration of Representatives Act, 1994 (Act 37 of 1994), which Commission functioned from 21 April 1995 to 05 April 1998. The first Chairperson of this Commission was Justice HW Levy, who was succeeded from 06 March 1996 by Justice JH Steyn.

With the promulgation of the Constitution of the Republic of South Africa, 1996, (Act 108 of 1996), Section 219 thereof prescribed that an Act of Parliament should establish a framework for determining the salaries, allowances and benefits, or upper limits thereof, as the case may be, of certain public office bearer positions. As a consequence, the Independent Commission for the Remuneration of Public Office Bearers Act, 1997 (Act 92 of 1997), established the current Commission to make recommendations concerning the salaries, allowances and benefits of defined office-bearers. The first Chairperson appointed in terms of this Act was Justice JH Steyn, who served as such from 21 August 1998 to 30 April 2000, when he was succeeded by Justice RJ Goldstone. Justice Goldstone served as

Chairperson until 31 March 2004, when he was succeeded by the current Chairperson, Justice Dikgang Moseneke.

2.2 THE COMMISSION'S MANDATE

The Commission obtains its mandate mainly from:

- The Constitution of the Republic of South Africa, Act 108 of 1996
- The Independent Commission for the Remuneration of Public Office Bearers Act, Act 92 of 1997
- The Remuneration of Public Office Bearers Act, Act 20 of 1998

Section 219 of the Constitution of the Republic of South Africa, 1996, (Act 108 of 1996) stipulates that an Act of Parliament must establish a framework for determining the salaries, allowances and benefits, or the upper limits thereof, as the case may be, for public office bearer positions. It further stipulates that national legislation must establish an independent commission to make recommendations concerning the above salaries, allowances and benefits.

Pursuant to the provisions of Section 219 of the Constitution, 1996, the Independent Commission for the Remuneration of Public Office-Bearers Act, 1997 (Act No. 92 of 1997) (hereafter referred to as the Commission Act) was enacted, which, amongst other things, established this Commission.

In terms of Section 8(4) of the Commission Act, the Commission shall, after taking into consideration the factors referred to in subsection (6), publish annually in the Gazette recommendations concerning -

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



HISTORY, MANDATE, LEGISLATIVE FRAMEWORK, GOVERNANCE AND OBJECTIVES (continued)

In terms of Section 1 the Commission Act, as amended by section 7 of the Judicial Officers (Amendment of Conditions of Service) Act, No. 28 of 2003, 'office-bearer' means-

- a) any Member of the Cabinet, any Deputy Minister, any member of the National Assembly, and 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); and
 - 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); and
- 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 Act 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 the purpose of this Act".



HISTORY, MANDATE, LEGISLATIVE FRAMEWORK, GOVERNANCE AND OBJECTIVES (continued)

2.3 THE COMMISSION'S LEGISLATIVE FRAMEWORK

Table 1 below sets out briefly the legislative framework within which the Commission and its predecessor operated since 1993, and indicates, where applicable, which Acts have been repealed in the meantime.

Table 1: Legislative framework

Act	Act No.	Relevance	Repealed by Act
Magistrates Act	90/1993	Provides for remuneration and conditions of employment of Magistrates	N/A
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	Establishes 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, 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 and 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
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



HISTORY, MANDATE, LEGISLATIVE FRAMEWORK, GOVERNANCE AND OBJECTIVES (continued)

It is necessary to draw attention to provisions in the following Acts which, as stated above, are the main determinants of the Commission's mandate:

- The Constitution of the Republic of South Africa, 1996
- The Independent Commission for the Remuneration of Public Office Bearers Act, 1997
- The Remuneration of Public Office Bearers Act, 1998

2.3.1 Section 219 of the Constitution

As indicated above, 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 must establish an independent commission to make recommendations concerning the salaries, allowances and benefits referred to in subsection (1).
- (3) Parliament may pass the legislation referred to in subsection (1) only after considering any recommendations of the commission established in terms of subsection (2).
- (4) The national executive, a provincial executive, a municipality or any other relevant authority may implement the national legislation referred to in subsection (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.”

Section 219 provides Constitutional acknowledgement and recognition for the need for ongoing impartial adjudication of appropriate levels of remuneration for all Public Office Bearers. It further acknowledges that public trust of and confidence in South African public office bearers could only be achieved and maintained at acceptable levels if this task is conducted with scrupulous objectivity. It was with this objective in mind that the Independent Commission for the Remuneration of Public Office Bearers Act was established to give effect to the constitutional precepts of Section 219.

2.3.2 The Independent Commission for the Remuneration of Public Office Bearers Act

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)(a) The Commission may conduct an inquiry into any matter in respect of which it is authorized by this Act, section 219 of the Constitution or any other law to perform any function.
- (b) For the purposes of the inquiry, the Commission shall have the powers contemplated in section 3 of the Commission Act, 1947 (Act 8 of 1947), and the provisions of subsections (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 summonsed 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



HISTORY, MANDATE, LEGISLATIVE FRAMEWORK, GOVERNANCE AND OBJECTIVES (continued)

- 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 (Act 47 of 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 subsection (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 subsection (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) When making recommendations referred to in subsection (4) the Commission 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;
- (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 said Commission, is relevant.

2.3.3 The Remuneration of Public Office Bearers Act

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 summarized below for ease of reference.

2.3.3.1 The President

The Commission makes recommendations regarding the salary, benefits and allowances of the President, to the National Assembly.



HISTORY, MANDATE, LEGISLATIVE FRAMEWORK, GOVERNANCE AND OBJECTIVES (continued)

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

The National Assembly determines the salary 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 No. 58 of 1962 shall apply. This amount is referred to as the political office bearer's allowance.

2.3.3.2 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 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 a 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 No. 58 of 1962.

2.3.3.3 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 bearer positions.

The President determines upper limits of the salaries, benefits and allowances of the Premiers, Members of

Executive Committees and Members of Provincial Legislatures.

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.

2.3.3.4 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 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.



HISTORY, MANDATE, LEGISLATIVE FRAMEWORK, GOVERNANCE AND OBJECTIVES (continued)

2.3.3.5 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 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.

2.3.3.6 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 Constitutional Development;
- 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.

2.4 GOVERNANCE

The Commission Act, 1997, regulates the operations and governance of the Commission to a very large extent. The Act determines, amongst others, how the Commission is constituted, the terms of office of members of the Commission, meeting and reporting requirements of the Commission, as well as specific functions and the administration of the Commission. Some of these aspects need to be highlighted in this Report.

The Commission consists of eight members appointed by the President on the ground of their knowledge of, or experience in, matters relating to the functions of the Commission. These members serve in a part-time capacity for non-renewable terms of office of five years each. The Act is quite clear on criteria for disqualification to appointment and vacation of office of members of the Commission.

The Commission is required by law to meet at least once per year, at a time and place determined by the Chairperson of the Commission. The Commission adhered to this prescript, as set out more fully below. The Act also sets out that five members of the Commission shall constitute a quorum for Commission meetings, and that a decision of a majority of the members of the Commission present at a meeting shall constitute a decision of the Commission.

The functions of the Commission are set out fully in the Act, and include:

- the powers and duties conferred to the Commission by section 219 the Constitution, 1996;
- conducting inquiries into any statutorily authorized 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



HISTORY, MANDATE, LEGISLATIVE FRAMEWORK, GOVERNANCE AND OBJECTIVES (continued)

- 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 expenditure incidental to the performance of the powers and duties of the Commission is defrayed from money appropriated by Parliament for that purpose.

In accordance with Section 3 of the Commission Act, as amended by section 8 of the Judicial Officers (Amendment of Conditions of Service) Act, 2003 (Act No. 28 of 2008) (hereinafter referred to as the Judicial Officers Act), the President appointed the members indicated in Table 2 below to serve on the Commission for the periods indicated against their names:

Table 2: Composition of Commission

Name	Assignment	Date from	Date to
Justice Dikgang Moseneke	Chairperson	01 April 2004	31 March 2009
Dr ATM Mokgokong	Deputy Chairperson	17 March 2004	16 March 2009
Mr R Martin	Member	24 November 2005	23 November 2010
Ms AM Mokgabudi	Member	24 November 2005	23 November 2010
Dr SM Motsuenyane	Member	24 November 2005	23 November 2010
Mr ML Ndlovu	Member	17 March 2004	16 March 2009
Ms N Newton-King	Member	10 March 2006	09 March 2011
Dr F Sonn	Member	17 March 2004	16 March 2009

The Commission was fortunate to operate at full strength for the entire 2007.

The Commission is assisted in its task by a full time Secretariat consisting of officials on the establishment of The Presidency. During 2007 the Secretariat consisted of a Director, Mr Neil Ulrich, and his Secretary, Ms Durinda Franks-Swart. The Commission wishes to express its appreciation to the members of the Secretariat for their outstanding service to the Commission, and the high standard of working documents and reports developed by them.

The Commission succeeded in obtaining approval for the establishment of an increased full time Secretariat component within The Presidency, and concluded the recruitment process at the end of December 2007. A diagram depicting the approved Secretariat structure is included as Annexure E hereto. The newly appointed staff members commenced their employment on 01 February 2008.



HISTORY, MANDATE, LEGISLATIVE FRAMEWORK, GOVERNANCE AND OBJECTIVES (continued)

2.5 THE COMMISSION'S OBJECTIVES

The Commission formulated the below stated short- and long term objectives towards the fulfillment of its mandate. The short term objectives relate to those objectives meant to be achieved in 2007, and is elaborated upon in the section dealing with milestones and progress reports below. The long term objectives, explained briefly below, will direct the Commission's activities beyond 2007.

Short term objectives

- Increase internal research and administrative capacity, through an improved and effective Secretariat structure.
- Effective communication with public office bearers.
- Complete annual cost-of-living remuneration adjustments for 2007/2008.
- Complete the major review of public office bearer remuneration.
- Complete the 2007 Annual Report.

Long term objectives

- Conduct a major review of the pension and medical aid benefits of all public office bearers.
- Conduct a major review of the resources necessary to enable an office-bearer in each of the institutions to perform his or her functions effectively.
- Closer liaison with similar Remuneration Tribunals in SADC and other countries.
- Recommend a remuneration system for all public office bearers, based on performance measurement, management and reward.

2.5.1 Long term objectives

2.5.1.1 Conduct a major review of the pension and medical aid benefits of all public office bearers

The logical next step in the complete review of public office bearer remuneration, after completion of the salary review published in March 2007, is to review the pension and medical aid benefits offered to public office bearers. This not only entails a comprehensive and transparent recordal of such current benefits, but a principled analysis of the appropriateness thereof in a larger public office bearer remuneration structure. The Commission

intends to publish recommendations relating to the pension and medical aid benefits for all public office bearers at the end of March 2008.

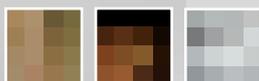
2.5.2.2 Conduct a major review of the resources necessary to enable an office-bearer in each of the institutions to perform his or her functions effectively

The Commission has become aware of vast inequities in both the process for determination of and the actual resources allocated to different public office bearers to enable them to perform their respective duties effectively. The Commission is of the opinion that it is important to draw a clear distinction between remuneration and tools of trade, which refers to the resources required by a public office bearer to perform his or her duties effectively. The Commission has found that there are significant differences in the approaches adopted by different institutions with regard to the allocation of tools of trade to office bearers in those respective institutions. A full review per institution is necessary, and a similar review process to the Commission's review of public office bearer remuneration, published in March 2007, would be both appropriate and necessary. It is important to note that the Commission is statutorily mandated, by virtue of section 8(4)(c) of the Independent Commission for the Remuneration of Public Office Bearers Act, 1997, to make recommendations in respect of the resources necessary to enable an office-bearer to perform his or her functions effectively. The Commission intends to make recommendations in this regard by the end of March 2008.

2.5.2.3 Closer liaison between Remuneration Tribunals in SADC and other countries

After direct engagements between the Commission and representatives from its counterparts in Namibia and Botswana in 2007, a need was identified for closer liaison and co-operation between the relevant tribunals in the region. Areas of mutual interest include, amongst others, the sharing of information on scientific remuneration structuring methodologies, fundamental principles and practices relating to public office bearer remuneration in a constitutional context, and justifiable benchmarking practices.

The Commission has therefore resolved to seek opportunities for closer liaison between the similar



HISTORY, MANDATE, LEGISLATIVE FRAMEWORK, GOVERNANCE AND OBJECTIVES (continued)

tribunals in the SADC region in the near future, as well as to extend its international comparative liaison into the future.

2.5.2.4 Recommend a remuneration system for all public office bearers, based on performance measurement, management and reward

Ordinarily in the private sector, remuneration is required to be performance driven. However matters are different in the domain of public office bearer remuneration. Office bearers in the same grade are deemed to be equal and are normally entitled to the same pay level despite their manifest unequal performance. This entrenched notion of entitlement to equal remuneration seems to be intolerant to performance based remuneration. However the role of public office bearers present a special challenge in setting appropriate performance outputs or targets. This is so because the roles require the exercise of a discretion or judgment in the public interest. Sometimes the decisions are driven by policy or political choices that are hard to measure in terms of performance.

The Commission recognises the salutary role of performance as a determinant of fair remuneration. Public office bearers too must perform their tasks dutifully and to the best of their skills and ability. However, the Commission accepts that the public power wielded by office bearers must be exercised as required by the Constitution and other law. Therefore no remuneration system, laudable as its objects may be, should bear the potential to undermine the proper or lawful exercise of power which often requires sound judgment and discretion untainted by financial incentive. It however remains important to explore appropriate means of enhancing performance of public office bearers without limiting the proper fulfilment of duties imposed by law. It must be added that not all measured performance need be linked to financial reward. Quite often internal and external rating of performance and public disclosure of poor performance has a salutary effect. The Commission has therefore resolved to conduct extensive research on this issue, and will report thereon after finalisation thereof. It is however first necessary to finalise the review process in respect of a base pay structure for public office bearers, set for completion in March 2008, before this ambitious project is embarked upon.



3. THE COMMISSION'S PROGRAMME FOR THE YEAR

A schedule of the Commission's programme of meetings for 2007 is set out in Annexure C hereto. The schedule distinguishes between:

- Commission meetings;
- Statutory meetings with officials;
- Meetings with stakeholders; and
- Milestones in respect of delivery of reports.

The meeting attendance of members of the Commission in 2007 is reflected in the register attached as Annexure D.

The Commission's Secretariat continued to conduct required research, which was previously performed by consultants, and to monitor the work of actuarial consultants appointed by the Commission for the specific purpose of calculating current and proposed pension and medical aid benefits. This not only enabled the Commission to complete its major research report with regard to a review of public office bearer remuneration, but will also assist the Commission in the completion of the second phase of its review process, namely a review of pension and medical aid benefits, and tools of trade for public office bearers.



4. PROGRESS REPORTS AND MILESTONES

4.1 Increased internal research and administrative capacity, through an improved and effective Secretariat structure

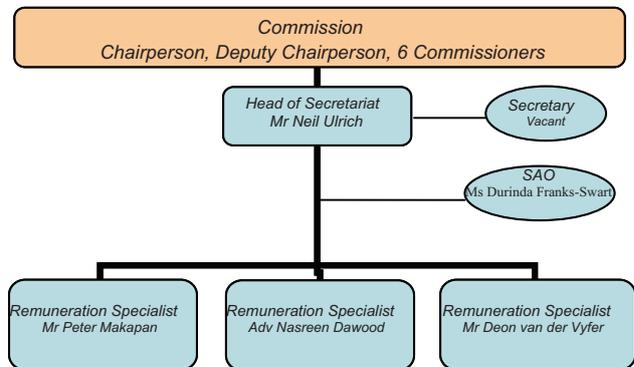
After the Commission decided in 2005 to seek approval from the Director-General in The Presidency to create an increased full time staff capacity for the Commission, it made a formal proposal and request for such in 2006. After initial approval of the proposed structure in November 2006, the Commission was required to make significant further submissions to both The Presidency and the Department of Public Service and Administration during the course of 2007, before the Commission's increased Secretariat structure was finally approved in October 2007. The Commission is delighted to report that the recruitment process for the newly established positions have been completed, and that the Secretariat structure will be fully staffed with effect from 01 February 2008.

The increased capacity for the Commission will, amongst other things, result in the following:

- Increased commitment to and understanding of research projects embarked on by the Commission;
- Increased administrative and research support to the Commission;
- Increased efficiency in producing consistent and timeous research reports;
- Knowledge sharing opportunities with other public service institutions will be enhanced by the establishment of internal information resources;
- The Commission will be in a better position to execute direct control over research processes;
- Succession planning opportunities for Secretariat positions; and
- The retention of institutional memory.



The new Secretariat structure for the Commission is depicted in Annexure E hereto, while the members staffed in the new Secretariat structure is as depicted in the photo above and diagram below .



4.2 Effective 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 as set out in Annexure C hereto, the Commission maintained an open door communication policy through its Secretariat. This led to significant strengthening of relations between the Commission and its stakeholders.

The Commission further deemed it essential to involve public office bearer stakeholders in consultative engagements in the completion of both phases of its major review project, and especially with regard to the fundamental and philosophical principles underlying the remuneration of public office bearers. The Commission, through its Secretariat, further participated in engagements with many different stakeholders for the purpose of research and information sharing on its review projects.



4. PROGRESS REPORTS AND MILESTONES

(continued)

The Commission finalised the development of its own website in early 2007, and launched the website on 31 March 2007. The Commission is proud of and excited with this enhancement of its ability to share information with different stakeholders and other interested parties, and the mechanism it established for the Commission to operate more transparently.

The Commission website (which can be found at <http://www.remcommission.gov.za>) contains the following relevant information:

- Composition of Commission and its Secretariat
- Contact details for the Commission
- List of all public office bearer positions
- Annual remuneration tables since 2005
- Full text versions of:
 - Commission reports
 - Relevant legislation
 - Commission's remuneration recommendations
 - Remuneration Proclamations
- Links to various other relevant websites
- Relevant articles and news items
- A photo gallery

The Commission remains committed to transparency in its activities, and the facilitation of access to relevant information by any stakeholder.

4.3 Annual cost-of-living remuneration adjustment recommendations

After publication of its major remuneration review recommendations on 30 March 2007, the Commission was requested by the President to make additional recommendations for a CPIX related general cost-of-living salary adjustment, while the President still considers the recommendations published by the Commission in its March 2007 report. The Commission therefore published such recommendations for the 2007/2008 financial year on 16 November 2007, in Government Gazette No. 30478. A copy of these recommendations appear in Annexure A hereto.

In making its annual recommendations, the Commission considered, amongst other factors, the following to be relevant in forming the basis for its recommendations:

- A link between labour costs and inflation was regarded as a sound basis for making

cost of living salary adjustments.

- The Commission considered the relevant annual and month-on-month CPIX figures, as well as the percentage remuneration increases for executives, mid-management and public office bearers for each year since 2005.
- Inflation targets for the next 12 months were expected to be slightly higher than the target range of 3% to 6%.
- Month-on-month CPIX, which is believed to be the most stable inflationary comparator, for September 2007 was 6.7%.
- The National Treasury estimates the average inflation (CPIX) for the fiscal year running from 1 April 2007 to 31 March 2008, at 6.5%.
- Given that CPIX for the year to September 2007 was 6.7% and taking into account the major factors driving inflation (food and fuel prices), it is likely that the average CPIX for 2007/2008 fiscal year may be slightly higher than the estimate.
- Another important consideration is that private sector salary increases appear to be slightly higher than inflation. Moreover, the Public Service Coordinating Bargaining Council has provided for a basic salary increase for public servants of 7.5%, for 2007 and CPIX (projected) plus 1% for 2008.
- The Commission consulted, as it is statutorily required, with the Ministers of Finance and of Justice and Constitutional Development, as well as with the Chief Justice of South Africa, before compiling its recommendation. All three supported the recommendation.

The Commission's annual recommendations for the 2007/2008 financial year proposed a general percentile increase in salaries, allowances and benefits for all public office bearers, of 7.5% per annum.

The Commission was pleased to note the President's acceptance and following of its annual recommendations, in the Proclamations published in the Government Gazettes listed below. Copies of these Proclamations are attached hereto as Annexure B.



4. PROGRESS REPORTS AND MILESTONES

(continued)

ANNUAL SALARY PROCLAMATIONS: 2007/2008

Gazette No.	Date	Proclamation No.	Contents
30499	21 Nov 2007	33	Salaries and alloweances of the Deputy President, Ministers and Deputy Ministers
		34	Salaries and allowances of Members of the National Assembly and Permanent Delegates to the National Council of Provinces
		35	Determination of the upper limit of the salaries and allowances of the Premiers, Members of the Executive Councils, and Members of Provincial Legislatures
30526	27 Nov 2007	42	Salaries, allowances and benefits of Magistrates
		43	Remuneration of Constitutional Court Judges and Judges
30596	14 Dec 2007	48	Determination of salaries and allowances of traditional leaders, members of the national and provincial houses of traditional leaders
30600	18 Dec 2007	R.8808	Determination of upper limits of salaries, allowances and benefits of different members of municipal councils

4.4 Major review of public office bearer remuneration

The Commission completed and published its major review of the remuneration system in respect of public office bearers on 30 March 2007. This research was the culmination of a project initiated by the Commission at the end of 2002, when it appointed its first consultants to do research towards a complete re-evaluation of the remuneration of public office bearers. The review report included, amongst others, for the first time:

- A statement of the principles underlying public office bearer remuneration in the context of a constitutional democracy in South Africa;
- Comprehensive job profiles for each public office bearer position in South Africa;
- Institutional graded job hierarchies;
- Local and international public and private sector benchmarking; and
- Recommendations for total remuneration packages for all public office bearer positions in South Africa.

In the months before publication of the report in

March 2007, the Commission spent significant time and effort in collating the research data collected since 2002, and the drafting of the report for publication. It had the statutory duty to consult with the Chief Justice and the Ministers of Finance and of Justice and Constitutional Development before publication, which it duly did. The Commission anticipated strong public and media reaction to the publication of its report, and therefore launched the report at a well orchestrated media event, where it could communicate the most critical elements and principles contained in the report.

Subsequent to the publication of the report, the Commission was requested by the President to engage with certain groups who made submissions on the report to the President directly, and to advise him on those submissions. The Commission duly met with these groups and considered each of these submissions before making a submission thereon to the President. The Commission was advised in November 2007 that the President was still in the process of careful consideration of the recommendations contained in the Commission's report of March 2007.

The completion and publication of this remuneration



4. PROGRESS REPORTS AND MILESTONES

(continued)

review process is a major milestone in the Commission's execution of its constitutional mandate to make recommendations for a fair, justifiable, transparent and accountable remuneration regime for public office bearers in South Africa.

4.5 International comparative studies

The Commission continued its engagements with similar international remuneration tribunals in 2007, to research international best remuneration principles and practices relating to different categories of public office bearers. In this regard the Commission not only continued to seek to determine what could be regarded as international best practice, but to copy and apply such principles and practice into the South African scenario, with the necessary changes.

Besides some desktop research concluded by the Commission, and various submissions made to it by stakeholders and consultants, the Commission undertook visits to the United Kingdom and Namibia, to gather first hand relevant information. It also met with a Presidential Commission tasked by the President of Botswana to review public office bearer remuneration in Botswana.

In addition to the valuable information gathered by the Commission during these visits, it established meaningful relations with the following tribunals who operate in a similar field as the Commission, which relations will increase the Commission's ability to make future recommendations which are in line with international best practice:

- United Kingdom Cabinet Office
- United Kingdom Ministry of Justice
- United Kingdom Senior Salaries Review Body
- United Kingdom Department of Finance and Administration in the House of Commons
- Namibian Public Office Bearer Commission
- Botswana Presidential Commission on Public Office Bearer Remuneration

The photos below were taken at these engagements.



Meeting with the United Kingdom Cabinet Office
17 July 2007



Meeting with the United Kingdom
Ministry of Justice
18 July 2007



Meeting with the United Kingdom
Senior Salaries Review Body
18 July 2007



4. PROGRESS REPORTS AND MILESTONES

(continued)



**Meeting with the United Kingdom
Department of Finance and Administration
in the House of Commons
19 July 2007**



**Meeting with the Namibian
Public Office Bearer Commission
08 - 09 October 2007**



5. SARA REWARD STRATEGIST OF THE YEAR

The Secretary to the Commission, Mr Neil Ulrich, was nominated for the 2007 South African Reward Association (SARA) Reward Strategist Award, and was fortunate to receive the award at a gala banquet on 10 November 2007 (photo below). The award is presented to a candidate who was responsible for the development and implementation of complex reward systems or programmes within broad strategic guidelines, with an impact horizon of typically longer than 12 months.

Mr Ulrich was nominated for the significant role he played in the pioneering research and formulation of the Commission's major remuneration review report of March 2007.



6 ACKNOWLEDGEMENTS

The Commission wishes to acknowledge the following individuals and institutions, and thank them for their contributions towards the functioning of the Commission during 2007, and in generating this Annual Report:

1. The Presidency, for administrative support to the Commission.
2. 4 Images, for the design and publication of this Report.
3. All public office bearers and other stakeholders who actively participated in productive consultation and communication with the Commission in the execution of its responsibilities.
4. The Commission's Secretariat for its commitment to utmost performance and quality.
5. All United Kingdom and Namibian officials who hosted the Commission during its international study tours in 2007.



ANNEXURES

- A. Remuneration recommendations for 2007/2008
- B. 2007 Presidential Proclamations
- C. Commission programme for 2007
- D. Meeting attendance registers
- E. New Commission Secretariat structure



ANNEXURE A: REMUNERATION RECOMMENDATIONS FOR 2007/2008

THE INDEPENDENT COMMISSION FOR THE REMUNERATION OF PUBLIC OFFICE BEARERS

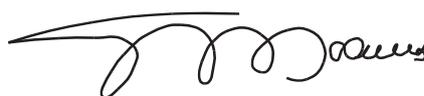
RECOMMENDATIONS ON THE SALARIES, ALLOWANCES AND BENEFITS OF PUBLIC OFFICE BEARERS FOR 2007/2008

1. On 30 March 2007, the Commission published a report and recommendations on a major review of public office bearer remuneration (main report). On 12 October 2007, the Commission, at the President's request, furnished advice on submissions made to him about the main report.
2. On 31 October 2007, the President requested the Commission to advise him on an inflation linked percentage increase to all public office bearers for the 2007/2008 financial year, as it would take some time to consider matters raised in the main report.
3. In arriving at the present recommendations, the Commission considered, amongst others, the following factors:
 - 3.1 A link between labour costs and inflation is regarded as a sound basis for making salary adjustments.
 - 3.2 The Commission considered the relevant annual and month-on-month CPI and CPIX figures, as well as the percentages of remuneration increases for executives, mid-management and public office bearers for each year since 2005.
 - 3.3 Inflation targets for the next 12 months are expected to remain slightly higher than the target range of 3% to 6%.
 - 3.4 Month-on-month CPIX, which is believed to be the most stable inflationary comparator, for September 2007 was 6.7%.
 - 3.5 The National Treasury estimates the average inflation (CPIX) for the fiscal year running from 1 April 2007 to 31 March 2008, at 6.5%. Given that CPIX for the year to

September 2007 was 6.7% and taking into account the major factors driving inflation (food and fuel prices), it is likely that the average CPIX for 2007/2008 fiscal year may be slightly higher than the estimate.

- 3.1 Another important consideration is that private sector salary increases appear to be slightly higher than inflation. Moreover, the Public Service Coordinating Bargaining Council has provided for a basic salary increase for public servants of 7.5%, for 2007 and CPIX (projected) plus 1% for 2008.
- 3.2 The Commission consulted, as it is statutorily required, with the Ministers of Finance and of Justice and Constitutional Development, as well as with the Chief Justice of South Africa, before compiling its recommendation. All three support the recommendation.

4. In view of the above considerations, the Commission recommends a general percentile increase in salaries, allowances and benefits for all public office bearers, of 7.5% per annum with effect from 01 April 2007.



DIKGANG MOSENEKE
CHAIRPERSON



ANNEXURE A: REMUNERATION RECOMMENDATIONS FOR 2007/2008

ANNEXURE A										
GRADING STRUCTURE, REMUNERATION AND ALLOWANCES FOR THE PRESIDENT, DEPUTY PRESIDENT, MINISTERS DEPUTY MINISTERS (NATIONAL EXECUTIVE AUTHORITY) WITH EFFECT FROM 01 APRIL 2007										
COLUMN 1		COLUMN 2 (NOTCH 1)			COLUMN 3 (NOTCH 2)			COLUMN 4 (NOTCH 3)		
Grade	Office	Basic salary	Motor vehicle allowance	Total remuneration	Basic salary	Motor vehicle allowance	Total remuneration	Basic salary	Motor vehicle allowance	Total remuneration
No Grade	President	1270045		1270045						
Grade G	Deputy President	837161	209290	1046451						
Grade F	Minister	691858	172965	864823	726465	181616	908081	761053	190262	951315
Grade E1	Deputy Minister	562337	140584	702921	590459	147614	738073	618566	154641	773207

ANNEXURE B										
GRADING STRUCTURE, REMUNERATION AND ALLOWANCES OF MEMBERS OF THE NATIONAL ASSEMBLY AND PERMANENT DELEGATES TO THE NATIONAL COUNCIL OF PROVINCES WITH EFFECT FROM 01 APRIL 2007										
COLUMN 1		COLUMN 2 (NOTCH 1)			COLUMN 3 (NOTCH 2)			COLUMN 4 (NOTCH 3)		
Grade	Office	Basic salary	Motor vehicle allowance	Total remuneration	Basic salary	Motor vehicle allowance	Total remuneration	Basic salary	Motor vehicle allowance	Total remuneration
Grade F	Speaker: National Assembly (NA) Chairperson NCOP	691858	172965	864823	726465	181616	908081	761053	190262	951315
Grade E1	Deputy Speaker: NA Deputy Chairperson: NCOP	562337	140584	702921	590459	147614	738073	618566	154641	773207
Grade E2	Parliamentary Councilor (PC): President Chief Whip Majority Party in NA Chief Whip (CW): NCOP Leader of the Opposition i.t.o section 57(2)(d) of the Constitution	463248	115802	579050	486414	121604	608018	509595	127399	636994
Grade D	PC: Deputy President House Chairperson: NA & NCOP	440140	110035	550175	470954	117738	588692	484150	121037	605187
Grade C1	Chairperson of a Committee of a House or a Joint Committee	426501	106624	533125	456350	114088	570438	469134	117283	586417
Grade C2	CW: Official Opposition/Largest Minority Party in a House Deputy Chief Whip: Majority Party in a House	413334	103333	516668	442267	110566	552833	454668	113666	568334
Grade B	Leader of a House Whip in a House Leader of a Minority Party other than the official opposition where that leader is a member of the NA or a permanent delegate to the NCOP	396402	99177	495579	416546	104135	520681	436379	109095	545474
Grade A1	Member of NA Permanent Delegates	352871	88218	441089	377582	94396	471978	388163	97040	485203

All amounts reflected under the "Total remuneration" columns include an amount of R40 000 per annum determined in this Proclamation as the amount to which section 8(1)(d) of the Income Tax Act, 1962, applies.



ANNEXURE A: REMUNERATION RECOMMENDATIONS FOR 2007/2008

ANNEXURE C										
UPPER LIMIT OF THE SALARIES AND ALLOWANCES OF PREMIERS, MEMBERS OF EXECUTIVE COUNCILS AND MEMBERS OF PROVINCIAL LEGISLATURES WITH EFFECT FROM 01 APRIL 2007										
COLUMN 1		COLUMN 2 (NOTCH 1)			COLUMN 3 (NOTCH 2)			COLUMN 4 (NOTCH 3)		
Grade	Office	Basic salary	Motor vehicle allowance	Total remuneration	Basic salary	Motor vehicle allowance	Total remuneration	Basic salary	Motor vehicle allowance	Total remuneration
Grade F	Premier	691858	172965	864823	726465	181616	908081	761053	190262	951315
Grade E1	Executive Council member Speaker	562337	140584	702921	590459	147614	738073	618566	154641	773207
Grade D	Deputy Speaker	440140	110035	550175	470954	117738	588692	484150	121037	605187
Grade C1	Chief Whip:Majority Party	426501	106624	533125	456350	114088	570438	469134	117283	586417
Grade C2	Leader of Opposition i.t.o section 116(2)(d)of the Constitution Chairperson of a Committee Chairperson of Committees	413334	103333	516667	442267	110566	552833	454668	113666	568334
Grade B	Chief Whip:Official Opposition Deputy Chief Whip:Majority Party Deputy Chief Whip:Majority Party Deputy Chairperson of Committees	396402	99177	495579	416546	104135	520681	436379	109095	545474
Grade A1	Parliamentary Counsellor to the King Whip Leader of a Minority Party in a Legislature other than the Official Opposition	352871	88218	441089	377582	94396	471978	388163	97040	485203
Grade A2	Member of a Legislature	339842	84959	424801	350043	87509	437552	373837	93459	467296

All amounts reflected under the "Total remuneration"columns include an amount of R40 000 per annum determined in this Proclamation as the amount to which section 8(1)(d) of the Income Tax Act, 1962, applies.

ANNEXURE D				
UPPER LIMIT OF THE SALARIES AND ALLOWANCES MEMBERS OF MUNICIPAL COUNCILS WITH EFFECT FROM 01 APRIL 2007				
COLUMN 1		COLUMN 2		
Grade	Office	Basic salary	Motor vehicle allowance	Total remuneration
6	Executive Mayor Mayor	548372	182790	731162
6	Speaker Deputy Executive Mayor Deputy Mayor	438698	146232	584930
6	Member of Executive Committee Member of mayoral Committee Whip Chairperson of a sub-council	411279	137092	548371



ANNEXURE A: REMUNERATION RECOMMENDATIONS FOR 2007/2008

ANNEXURE E	
REMUNERATION OF TRADITIONAL LEADERS WITH EFFECT FROM 01 APRIL 2007	
CATEGORY	ANNUAL SALARY
King/Paramount Chief	545066
Chief	130830
Chairperson NHTL	433260
Deputy Chairperson NHTL	376116
Full time Chairperson PHTL	396713
Full time Deputy Chairperson PHTL	352871

ALLOWANCES PAYABLE TO MEMBERS OF THE NATIONAL HOUSE OF TRADITIONAL LEADERS FOR ATTENDING MEETINGS OF THE HOUSE, SEMINARS, WORKSHOPS AND CONFERENCES, IN ADDITION TO THEIR SALARIES AS TRADITIONAL LEADERS

CATEGORY	SITTING ALLOWANCE	SUBSISTENCE	TRANSPORT
Member	762,00 per day	Reasonable, actual expenses	Department of Transport tariffs for the use of privately owned vehicles

ALLOWANCES PAYABLE TO MEMBERS OF THE PROVINCIAL HOUSES OF TRADITIONAL LEADERS (WHO ARE NOT FULL TIME MEMBERS) FOR ATTENDING MEETINGS OF THE HOUSE, SEMINARS, WORKSHOPS AND CONFERENCES, IN ADDITION TO THEIR SALARIES AS TRADITIONAL LEADERS

CATEGORY	SITTING ALLOWANCE	SUBSISTENCE	TRANSPORT
Chairperson	906,00 per day	Reasonable, actual expenses	Department of Transport tariffs for the use of privately owned vehicles
Deputy Chairperson	815,00 per day	Reasonable, actual expenses	Department of Transport tariffs for the use of privately owned vehicles
Member	632,00 per day	Reasonable, actual expenses	Department of Transport tariffs for the use of privately owned vehicles

ANNEXURE F		
REMUNERATION OF CONSTITUTIONAL COURT JUDGES AND JUDGES WITH EFFECT FROM 01 APRIL 2007		
	DESIGNATION OF OFFICE	SALARY PER ANNUM (R)
	Chief Justice of South Africa	827744
	Deputy Chief Justice	813791
	President of the Supreme Court of Appeal	813791
	Deputy President of the Supreme Court of Appeal	800743
	Judge of the Constitutional Court	761972
	Judge of the Supreme Court of Appeal	761972
	Judge President of the High Court	757311
	Judge President of the Labour Court	757311
	Deputy Judge President of the High Court	745123
	Deputy Judge President of Labour Court	745123
	Judge of the High Court	739497
	Judge of the Labour Court	739497

ANNEXURE G			
REMUNERATION OF MAGISTRATES WITH EFFECT FROM 01 APRIL 2007			
DESIGNATION OF OFFICE	SALARY PER ANNUM (R)	MOTOR VEHICLE ALLOWANCE	TOTAL REMUNERATION
Special Grade Chief Magistrate	467576	136241	603817
Regional Court President	467576	136241	603817
Chief Magistrate	377678	111245	488923
Regional Magistrate	377678	111245	488923
Senior Magistrate	341713	85428	427141
Magistrate	310854	77713	388568



ANNEXURE B: 2007 PRESIDENTIAL PROCLAMATIONS

PROCLAMATION BY THE PRESIDENT OF THE REPUBLIC OF SOUTH AFRICA

NO 33 OF 2007

SALARIES AND ALLOWANCES OF THE DEPUTY PRESIDENT, MINISTERS AND DEPUTY MINISTERS

- 1 In terms of section 4(1) of the Remuneration of Public Office Bearers Act, 1998 (Act No 20 of 1998) (hereafter referred to as "the Act"), I hereby determine that the annual salaries and allowances of the various grades of office bearers in Column 1 of Schedule 1 and Schedule 2 shall be as set out in Columns 2, 3 and 4 of Schedule 1 with effect from 1 April 2007 subject to section 4(2)-(7) of the Act.
- 2 Column 4 of Schedule 1 (Notch 3) applies to a re-elected member who has occupied his or her current office, or an office in the same or a higher grade according to Column 1 of Schedule 2, for a period of at least 24 months in total, whether before or after 14 April 2004.
- 3 Column 3 of Schedule 1 (Notch 2) applies to all re-elected members other than those referred to in paragraph (2). When a re-elected member to whom Column 3 applies has held his or her current office, or an office in the same or a higher grade according to Column 1, for a period of 24 months in total, Column 4 becomes applicable to that member.
- 4 Column 2 of Schedule 1 applies to all members of the National Executive Authority who are not re-elected members.
- 5 For the purpose of calculating the period of 24 months referred to in paragraphs (2) and (3), a re-elected member who-
 - (i) was a Minister, Deputy Minister or a member of Parliament or of a Provincial Legislature on 13 April 2004, and
 - (ii) pursuant to the election of 14 April 2004 was, in the case of a Minister or Deputy Minister, appointed by the President as a Minister or Deputy

Minister in terms of section 91(3)(c) or section 93(b), respectively, of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996) , or in the case of a member of the National Assembly or a Provincial Legislature, was designated by the Electoral Commission as a member of the National Assembly or of a Provincial Legislature, or, in the case of a Permanent Delegate to the National Council of Provinces, was designated by the Electoral Commission as such in terms of section 61(2)(b) of the Constitution,

is regarded to have continued to occupy the position occupied by him or her on 13 April 2004 until so designated or appointed.

6. In this Proclamation-

- (i) "Member of Parliament" means a member of the National Assembly or a permanent delegate to the National Council of Provinces,
- (ii) "Re-elected member" means a person -
 - (a) who at any time before 14 April 2004 occupied an office in Column 2 of Schedule 2; and
 - (b) whose service in any one or more of those offices has not been interrupted in any time for a continuous period of more than 24 months.
- (iii) The appointment of a person by the President as a Minister or Deputy Minister from outside the National Assembly shall be deemed to be the election of such a person for purposes of this Proclamation.

7. In terms of section 4(3) of the Remuneration of Public Office Bearers Act, I further determine the amount of R40 000, 00 per annum as that portion of the remuneration of the Deputy President, Ministers and Deputy Ministers to which section 8(1)(d) of the Income Tax Act, 1962 (Act No 58 of 1962), applies



ANNEXURE B: 2007 PRESIDENTIAL PROCLAMATIONS

8. Proclamation No. 35, published in the Government Gazette No. 29166 of 29 August 2006, is repealed.

Given under my hand at Cape Town on this 15th day of November, Two thousand and seven



PRESIDENT

SCHEDULE 1										
GRADING STRUCTURE, REMUNERATION AND ALLOWANCES FOR THE PRESIDENT, DEPUTY PRESIDENT, MINISTERS DEPUTY MINISTERS (NATIONAL EXECUTIVE AUTHORITY) WITH EFFECT FROM 01 APRIL 2007										
COLUMN 1		COLUMN 2 (NOTCH 1)			COLUMN 3 (NOTCH 2)			COLUMN 4 (NOTCH 3)		
Grade	Office	Basic salary	Motor vehicle allowance	Total remuneration	Basic salary	Motor vehicle allowance	Total remuneration	Basic salary	Motor vehicle allowance	Total remuneration
Grade G	Deputy President	837161	209290	1046451						
Grade F	Minister	691858	172965	864823	726465	181616	908081	761053	190262	951315
Grade E1	Deputy Minister	562337	140584	702921	590459	147614	738073	618566	154641	773207



ANNEXURE B: 2007 PRESIDENTIAL PROCLAMATIONS

PROCLAMATION BY THE PRESIDENT OF THE REPUBLIC OF SOUTH AFRICA

NO 34 OF 2007

SALARIES AND ALLOWANCES OF MEMBERS OF THE NATIONAL ASSEMBLY AND PERMANENT DELEGATES TO THE NATIONAL COUNCIL OF PROVINCES (COLLECTIVELY REFERRED TO AS 'MEMBERS OF PARLIAMENT')

- 1 In terms of section 3(1) of the Remuneration of Public Office Bearers Act, 1998 (Act No 20 of 1998) (hereafter referred to as "the Act"), I hereby determine that the annual salaries and allowances of the various grades of office bearers in Column 1 of Schedule 1 and Schedule 2 shall be as set out in Columns 2, 3 and 4 of Schedule 1 with effect from 1 April 2007 subject to section 3(2)-(7) of the Act.
- 2 Column 4 of Schedule 1 (Notch 3) applies to a re-elected member who has occupied his or her current office, or an office in the same or a higher grade according to Column 1 of Schedule 2, for a period of at least 24 months in total, whether before or after 14 April 2004.
- 3 Column 3 of Schedule 1 (Notch 2) applies to all re-elected members other than those referred to in paragraph (2). When a re-elected member to whom Column 3 applies has held his or her current office, or an office in the same or a higher grade according to Column 1, for a period of 24 months in total, Column 4 becomes applicable to that member.
- 4 Column 2 of Schedule 1 applies to all members of Parliament who are not re-elected members.
- 5 For the purpose of calculating the period of 24 months referred to in paragraphs (2) and (3), a re-elected member who-
 - (i) was a Minister, Deputy Minister or a member of Parliament or of a Provincial Legislature on 13 April 2004, and

- (ii) pursuant to the election of 14 April 2004 was, in the case of a Minister or Deputy Minister, appointed by the President as a Minister or Deputy Minister in terms of section 91(3)(c) or section 93(b), respectively, of the Constitution of the Republic of South Africa, 1996 (Act No.108 of 1996) , or in the case of a member of the National Assembly or a Provincial Legislature, was designated by the Electoral Commission as a member of the National Assembly or of a Provincial Legislature, or, in the case of a permanent delegate to the National Council of Provinces, was designated by the Electoral Commission as such in terms of section 61(2)(b) of the Constitution, is regarded to have continued to occupy the position occupied by him or her on 13 April 2004 until so designated or appointed.

6. In this Proclamation-

- (i) "Member of Parliament" means a member of the National Assembly or a permanent delegate to the National Council of Provinces,
- (ii) "Re-elected member" means a person -
 - (a) who at any time before 14 April 2004 occupied an office in Column 2 of Schedule 2; and
 - (b) whose service in any one or more of those offices has not been interrupted at any time for a continuous period of more than 24 months.
- (iii) The appointment of a person by the President as a Minister or Deputy Minister from outside the National Assembly shall be deemed to be the election of such a person for purposes of this Proclamation.

7. In terms of section 3(3) of the Remuneration of Public Office Bearers Act, I further determine the amount of R40 000, 00 per annum as that portion of the remuneration



ANNEXURE B: 2007 PRESIDENTIAL PROCLAMATIONS

of the members of Parliament to which section 8(1)(d) of the Income Tax Act, 1962 (Act No 58. of 1962), applies.

8. Proclamation No. 37, published in the Government Gazette No. 29166 of 29 August 2006, is hereby repealed.

Given under my Hand at Cape Town on this 15th day of November, Two thousand and seven

Maboe Abhri.

PRESIDENT

SCHEDULE 1										
GRADING STRUCTURE, REMUNERATION AND ALLOWANCES OF MEMBERS OF THE NATIONAL ASSEMBLY AND PERMANENT DELEGATES TO THE NATIONAL COUNCIL OF PROVINCES WITH EFFECT FROM 01 APRIL 2007										
Grade	COLUMN 1 Office	COLUMN 2 (NOTCH 1)			COLUMN 3 (NOTCH 2)			COLUMN 4 (NOTCH 3)		
		Basic salary	Motor vehicle allowance	Total remuneration	Basic salary	Motor vehicle allowance	Total remuneration	Basic salary	Motor vehicle allowance	Total remuneration
Grade F	Speaker: National Assembly (NA) Chairperson NCOP	691858	172965	864823	726465	181616	908081	761053	190262	951315
Grade E1	Deputy Speaker: NA Deputy Chairperson: NCOP	562337	140584	702921	590459	147614	738073	618566	154641	773207
Grade E2	Parliamentary Councilor (PC): President Chief Whip Majority Party in NA Chief Whip (CW): NCOP Leader of the Opposition i.t.o section 57(2)(d) of the Constitution	463248	115802	579050	486414	121604	608018	509595	127399	636994
Grade D	PC: Deputy President House Chairperson: NA & NCOP	440140	110035	550175	470954	117738	588692	484150	121037	605187
Grade C1	Chairperson of a Committee of a House or a Joint Committee	426501	106624	533125	456350	114088	570438	469134	117283	586417
Grade C2	CW: Official Opposition/Largest Minority Party in a House Deputy Chief Whip: Majority Party in a House	413334	103333	516668	442267	110566	552833	454668	113666	568334
Grade B	Leader of a House Whip in a House Leader of a Minority Party other than the official opposition where that leader is a member of the NA or a permanent delegate to the NCOP	396402	99177	495579	416546	104135	520681	436379	109095	545474
Grade A1	Member of NA Permanent Delegates	352871	88218	441089	377582	94396	471978	388163	97040	485203

All amounts reflected under the "Total remuneration" columns include an amount of R40 000 per annum determined in this Proclamation as the amount to which section 8(1)(d) of the Income Tax Act, 1962, applies.



ANNEXURE B: 2007 PRESIDENTIAL PROCLAMATIONS

PROCLAMATION BY THE PRESIDENT OF THE REPUBLIC OF SOUTH AFRICA

NO 35 OF 2007

DETERMINATION OF THE UPPER LIMIT OF THE SALARIES AND ALLOWANCES OF THE PREMIERS, MEMBERS OF THE EXECUTIVE COUNCILS AND MEMBERS OF THE PROVINCIAL LEGISLATURES

1. In terms of section 6(1) of the Remuneration of Public Office Bearers Act, 1998 (Act No 20 of 1998) (the Act), I hereby determine that the upper limit of the annual salaries and allowances of the various grades of the office bearers mentioned in Column 1 of Schedule 1 and Schedule 2 shall be as set out in Columns 2, 3 and 4 of schedule 1 with effect from 1 April 2007, subject to section 6(7) to (9) of the Act.
2. Column 4 of Schedule 1 (Notch 3) applies to a re-elected member who has occupied his or her current office, or an office in the same or a higher grade according to Column 1 of Schedule 2, for a period of at least 24 months in total, whether before or after 14 April 2004.
3. Column 3 of Schedule 1 (Notch 2) applies to all re-elected members other than those referred to in paragraph (2). When a re-elected member to whom Column 3 applies has held his or her current office, or an office in the same or a higher grade according to Column 1, for a period of 24 months in total, Column 4 becomes applicable to that member.
4. Column 2 of Schedule 1 applies to all Premiers, members of Executive Councils and members Provincial Legislatures who are not re-elected members.
5. For the purpose of calculating the period of 24 months referred to in paragraphs (2) and (3), a re-elected member who-
 - a. was a Minister, Deputy Minister or a member of Parliament or of a Provincial Legislature on 13 April 2004, and
 - b. pursuant to the election of 14 April 2004 was, in the case of a Minister or Deputy Minister, appointed by the President as a Minister or Deputy Minister in terms of section 91(3)(c) or section 93(b), respectively, of the Constitution of the Republic of South Africa, 1996 (Act No.108 of 1996) , or in the case of a member of Parliament or a Provincial Legislature, was designated by the Electoral Commission as a permanent delegate to the National Council of Provinces (NCOP) in terms of section 61(2)(b) of the Constitution, is regarded to have continued to occupy the position occupied by him or her on 13 April 2004 until so designated or appointed.
6. In this Proclamation-
 - (i) "Member of Parliament" means a member of the National Assembly or a permanent delegate to the National Council of Provinces,
 - (ii) "Re-elected member" means a person -
 - (a) who at any time before 14 April 2004 occupied an office in Column 2 of Schedule 2 ;and
 - (b) whose service in any one or more of those offices has not been interrupted at any time for a continuous period of more than 24 months.
 - (iii) The appointment of a person by the President as a Minister or Deputy Minister from outside the National Assembly shall be deemed to be the election of such a person for purposes of this Proclamation.
7. In terms of section 6(4) of the Remuneration of Public Office Bearers Act, I further determine the amount of R40 000, 00 per annum as that portion of the remuneration of Premiers, members of Executive Council and members of Provincial Legislatures to which section 8(1)(d) of the Income Tax Act, 1962 (Act No 58 of 1962) , applies.
8. Proclamation No. 36, published in the Government Gazette No. 29166 of 29 August 2006, is repealed.



ANNEXURE B: 2007 PRESIDENTIAL PROCLAMATIONS

Given under my Hand at Cape Town on this 15th
day of November, Two thousand and seven.

Maboe Mkhisi

PRESIDENT

SCHEDULE 1										
UPPER LIMIT OF THE SALARIES AND ALLOWANCES OF PREMIERS, MEMBERS OF EXECUTIVE COUNCILS AND MEMBERS OF PROVINCIAL LEGISLATURES WITH EFFECT FROM 01 APRIL 2007										
COLUMN 1		COLUMN 2 (NOTCH 1)			COLUMN 3 (NOTCH 2)			COLUMN 4 (NOTCH 3)		
Grade	Office	Basic salary	Motor vehicle allowance	Total remuneration	Basic salary	Motor vehicle allowance	Total remuneration	Basic salary	Motor vehicle allowance	Total remuneration
Grade F	Premier	691858	172965	864823	726465	181616	908081	761053	190262	951315
Grade E1	Executive Council member Speaker	562337	140584	702921	590459	147614	738073	618566	154641	773207
Grade D	Deputy Speaker	440140	110035	550175	470954	117738	588692	484150	121037	605187
Grade C1	Chief Whip:Majority Party	426501	106624	533125	456350	114088	570438	469134	117283	586417
Grade C2	Leader of Opposition i.t.o section 116(2)(d)of the Constitution Chairperson of a Committee Chairperson of Committees	413334	103333	516667	442267	110566	552833	454668	113666	568334
Grade B	Chief Whip:Official Opposition Deputy Chief Whip:Majority Party Deputy Chief Whip:Majority Party Deputy Chairperson of Committees	396402	99177	495579	416546	104135	520681	436379	109095	545474
Grade A1	Parliamentary Counsellor to the King Whip Leader of a Minority Party in a Legislature other than the Official Opposition	352871	88218	441089	377582	94396	471978	388163	97040	485203
Grade A2	Member of a Legislature	339842	84959	424801	350043	87509	437552	373837	93459	467296

All amounts reflected under the "Total remuneration"columns include an amount of R40 000 per annum determined in this Proclamation as the amount to which section 8(1)(d) of the Income Tax Act, 1962, applies.



ANNEXURE B: 2007 PRESIDENTIAL PROCLAMATIONS

PROCLAMATION BY THE

PRESIDENT OF THE REPUBLIC OF SOUTH AFRICA

NO 42 OF 2007

SALARIES, ALLOWANCES AND BENEFITS OF MAGISTRATES

- 1 In terms of section 12 of the Magistrates Act, 1993, (Act No 90 of 1993); I hereby determine the rate, as contained in the attached Schedule, at which salaries and allowances are payable to Magistrates annually, with effect from 1 April 2007.
- 2 Proclamation No. 41, published in Government Gazette No. 29247 of 22 September 2006, is hereby repealed.

Given under my Hand at Cape Town on this 15th day of November, Two thousand and seven.

PRESIDENT

SCHEDULE			
REMUNERATION OF MAGISTRATES WITH EFFECT FROM 01 APRIL 2007			
DESIGNATION OF OFFICE	SALARY PER ANNUM (R)	MOTOR VEHICLE ALLOWANCE	TOTAL REMUNERATION
Special Grade Chief Magistrate	467576	136241	603817
Regional Court President	467576	136241	603817
Chief Magistrate	377678	111245	488923
Regional Magistrate	377678	111245	488923
Senior Magistrate	341713	85428	427141
Magistrate	310854	77713	388568



ANNEXURE B: 2007 PRESIDENTIAL PROCLAMATIONS

CONDITIONS APPLICABLE TO ALL RANKS OF MAGISTRATES IN RESPECT OF ALLOWANCES AND BENEFITS

1. APPLICATION

Any reference to "magistrate" in either the Proclamation or these Conditions, refers to all ranks of magistrates who have been permanently appointed in terms of section 9(1) of the Magistrates Court Act, 1944 (Act No. 32 of 1944), read with section 10 of the Magistrates Act, 1993 (Act No. 90 of 1993). These allowances and benefits shall therefore not apply to any magistrate who is not permanently appointed.

2. ANNUAL SERVICE BONUS

The service bonus of a magistrate is the service bonus, including the requirements, conditions and circumstances, which are applicable to a deputy director in the Public Service: Provided that the basis of calculation shall be on the magistrate's annual basic salary at the date on which he or she qualifies for payment.

3. MOTOR VEHICLE FINANCING BENEFIT FOR ALL RANKS OF MAGISTRATES

The annual motor vehicle financing benefit of a magistrate is as set out in the Schedule, and is payable in twelve monthly instalments on the date on which he or she qualifies for payment of salary, subject to the following conditions:

- a. A maximum of seventy percent of the motor vehicle financing benefit may be utilized to fund the capital and interest for the purchase or lease of a reliable motor vehicle.
- b. A magistrate shall maintain a reliable motor vehicle to be utilized for official journeys.
- c. A magistrate shall at all times have his or her motor vehicle (or a reliable substitute) available for official journeys.
- d. A chief magistrate or regional court president, or his or her delegate, as the case may be, shall decide whether a magistrate may utilize his or her motor vehicle for any specific official journey(s), taking into account practical implications, cost effectiveness, road conditions etc.
- e. A magistrate shall secure his or her own financing of loans for the purchase or lease of a reliable motor vehicle. Should a magistrate

not be able to successfully secure a loan or lease, he or she may through the Department

apply for a guarantee from the National Treasury in order to secure a loan or lease.

- f. A magistrate shall at his or her own expense obtain and maintain comprehensive insurance on the motor vehicle, and is fully responsible for all running and maintenance costs and the cost of registration and licensing of the motor vehicle.
- g. A magistrate shall not simultaneously participate in any other Motor Finance Scheme, subsidised motor transport scheme, or state provided departmental transport scheme.
- h. A magistrate who participates in the subsidised motor transport scheme shall not receive the motor vehicle financing benefit until such time that his or her contract under the subsidised motor transport scheme has been terminated at his or her request with the approval of and subject to the conditions that the Director-General: Justice and Constitutional Development may stipulate.
- i. A magistrate receiving the Motor Car Finance Benefit in terms of Government Notice R.1416 dated 22 December 2000 shall receive the motor vehicle financing benefit as from 1 July 2001 provided that he or she repays to the Department all basic and supplementary allowances received under the Motor Car Financing Benefit since 1 July 2001.
- j. If a magistrate utilizes his or her motor vehicle to travel for official purposes away from his or her usual place of work, the Department shall reimburse toll fees, and parking fees in excess of R10 per month. The member is responsible for parking fees (if levied) at his or her usual place of work.
- k. If a magistrate uses his or her motor vehicle to carry out official duties, the Department will compensate the magistrate for kilometers travelled in excess of 500 kilometres per month, according to the tariffs payable for privately owned motor vehicles as prescribed by the Department of Transport.
- l. Any journey between a magistrate's home and usual place of work, including any travel between residence and the branch court where a particular magistrate usually performs his or her judicial functions,



constitutes a private journey.

4. HOME OWNER'S AND MEDICAL AID ALLOWANCE

The home owner's and medical aid allowance of a magistrate is the allowance, including the requirements, conditions, circumstances, and basis of calculations, which is applicable to a deputy director in the Public Service as amended from time to time.



ANNEXURE B: 2007 PRESIDENTIAL PROCLAMATIONS

PROCLAMATION BY THE PRESIDENT OF THE REPUBLIC OF SOUTH AFRICA

NO 43 OF 2007

REMUNERATION OF CONSTITUTIONAL COURT JUDGES AND JUDGES

- 1 In terms of section 2 of the Judges' Remuneration and Conditions of Employment Act, 2001 (Act No 47 2001), I hereby determine the rate, as contained in the attached Schedule, at which salaries are payable to Constitutional Court Judges and Judges annually, with effect from 1 April 2007.
- 2 Proclamation No. 41, published in Government Gazette No 29247 of 22 September 2006, is hereby repealed.

Given under my Hand at Cape Town on this 15th day of November, Two thousand and seven.



PRESIDENT

SCHEDULE	
REMUNERATION OF CONSTITUTIONAL COURT JUDGES AND JUDGES WITH EFFECT FROM 01 APRIL 2007	
DESIGNATION OF OFFICE	SALARY PER ANNUM (R)
Chief Justice of South Africa	827744
Deputy Chief Justice	813791
President of the Supreme Court of Appeal	813791
Deputy President of the Supreme Court of Appeal	800743
Judge of the Constitutional Court	761972
Judge of the Supreme Court of Appeal	761972
Judge President of the High Court	757311
Judge President of the Labour Court	757311
Deputy Judge President of the High Court	745123
Deputy Judge President of Labour Court	745123
Judge of the High Court	739497
Judge of the Labour Court	739497



ANNEXURE B: 2007 PRESIDENTIAL PROCLAMATIONS

PROCLAMATION BY THE PRESIDENT OF THE REPUBLIC OF SOUTH AFRICA

NO 48 OF 2007

DETERMINATION OF SALARIES AND ALLOWANCES OF TRADITIONAL LEADERS, MEMBERS OF THE NATIONAL AND PROVINCIAL HOUSES OF TRADITIONAL LEADERS

In terms of section 5(1) of the Remuneration of Public Office Bearers Act, 1998 (Act No 20 of 1998) (the Act), I hereby,

- a) after consultation with the Premiers concerned; and
- b) after taking into consideration the matters listed in paragraphs (a) to (h) of section 5(1) of the Act,

determine that the salaries and allowances of Traditional Leaders and Members of the National and Provincial Houses of Traditional Leaders, as set out in the attached schedule with effect from 01 April 2007.

Given under my Hand at Pretoria on this 7th day of December, Two thousand and seven.



PRESIDENT



ANNEXURE B: 2007 PRESIDENTIAL PROCLAMATIONS

SCHEDULE			
REMUNERATION OF TRADITIONAL LEADERS WITH EFFECT FROM 01 APRIL 2007			
CATEGORY	ANNUAL SALARY		
King/Paramount Chief	545066		
Chief	130830		
Chairperson NHTL	433260		
Deputy Chairperson NHTL	376116		
Full time Chairperson PHTL	396713		
Full time Deputy Chairperson PHTL	352871		
ALLOWANCES PAYABLE TO MEMBERS OF THE NATIONAL HOUSE OF TRADITIONAL LEADERS FOR ATTENDING MEETINGS OF THE HOUSE, SEMINARS, WORKSHOPS AND CONFERENCES, IN ADDITION TO THEIR SALARIES AS TRADITIONAL LEADERS			
CATEGORY	SITTING ALLOWANCE	SUBSISTENCE	TRANSPORT
Member	762,00 per day	Reasonable, actual expenses	Department of Transport tariffs for the use of privately owned vehicles
ALLOWANCES PAYABLE TO MEMBERS OF THE PROVINCIAL HOUSES OF TRADITIONAL LEADERS (WHO ARE NOT FULL TIME MEMBERS) FOR ATTENDING MEETINGS OF THE HOUSE, SEMINARS, WORKSHOPS AND CONFERENCES, IN ADDITION TO THEIR SALARIES AS TRADITIONAL LEADERS			
CATEGORY	SITTING ALLOWANCE	SUBSISTENCE	TRANSPORT
Chairperson	906,00 per day	Reasonable, actual expenses	Department of Transport tariffs for the use of privately owned vehicles
Deputy Chairperson	815,00 per day	Reasonable, actual expenses	Department of Transport tariffs for the use of privately owned vehicles
Member	632,00 per day	Reasonable, actual expenses	Department of Transport tariffs for the use of privately owned vehicles



DEPARTMENT OF PROVINCIAL AND LOCAL GOVERNMENT

REMUNERATION OF PUBLIC OFFICE BEARERS ACT, 1998 (ACT NO. 20 OF 1998)

DETERMINATION OF UPPER LIMITS OF SALARIES, ALLOWANCES AND BENEFITS OF DIFFERENT MEMBERS OF MUNICIPAL COUNCILS

Under the powers vested in me by sections 7(1), 8(5)(a) and 9(5)(a) of the Remuneration of Public Office Bearers Act, 1998 (Act No. 20 of 1998), I, Fholisani Sydney Mufamadi, Minister for Provincial and Local Government, hereby-

- (a) after consultation with the member of the Executive Council responsible for local government in each province; and
- (b) after taking into consideration the matters listed in paragraphs (a) to (i) of section 7(1) of that Act;

determine the upper limits of the salaries, allowances and benefits of the different members of municipal councils as set out in the Schedule with effect from 1 July 2007 in respect of that municipal council, and repeal Government Notice No. R. 1224 of 1 December 2006 with effect from the same date.



FS MUFAMADI
MINISTER FOR PROVINCIAL AND LOCAL
GOVERNMENT

18 DECEMBER 2007



DEPARTMENT OF PROVINCIAL AND LOCAL GOVERNMENT

SCHEDULE PREAMBLE

The salary and allowances of a member of a municipal council is determined by that municipal council by resolution of a supporting vote of a majority of its members, in consultation with the member of the Executive Council responsible for local government in the province concerned, having regard to the upper limits as set out hereunder, the financial year of municipal councils, and the affordability of municipal councils to pay within the different levels of remuneration, to councillors.

For purposes of implementing this Government Notice, "in consultation with" means that municipalities will require the concurrence of the member of the Executive Council responsible for local government in the province concerned.

Definitions

1. In this Schedule, unless the context otherwise indicates, a word or phrase to which a meaning has been assigned in the Remuneration of Public Office Bearers Act, 1998 (Act No. 20 of 1998) (hereafter "the Act") and the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998) (hereafter "the Structures Act"), has that meaning and -

"basic salary" means the component of the salary that excludes a housing allowance as provided in items 6(b) and 9(b), the municipal contribution to a pension fund as provided in item 11(a) and the municipal contribution to a medical aid scheme as provided in item 11(b);

"full-time councillor" means a councillor who has been elected or appointed to an office which has been designated as full-time in terms of section 18(4) of the Structures Act;

"grade" means the grade of municipal council as determined in terms of item 4;

"total municipal income" means in respect of a metropolitan, local or district municipality the sum total of the revenue income for the 2006 / 2007 financial year of the municipality concerned, including rates on property, fees for services rendered by the municipality, or on its behalf by a municipal entity, together with surcharges, other

authorised taxes, levies and duties, income from fines for traffic offences and contravention of municipal by-laws or legislation assigned to the local sphere of government, regional services and regional establishment levies (or its replacement) referred to in section 93(6) of the Structures Act, interest earned on invested funds, rental for the use of municipal movable or immovable property, amounts received as agent for other spheres of government, but excluding transfers and / or grants from the national fiscus;

"out of pocket expenses" means actual and necessary expenses incurred by a councillor which have been specifically authorised or which are provided for in terms of the municipality's policy, in connection with a specific official or ceremonial duty which has been delegated to the councillor in question;

"part-time councillor" means a councillor other than a full-time councillor;

"total population" means the latest available official statistics of the population residing in the area of jurisdiction of a metropolitan, local or district municipality, as determined by the Statistician-General in terms of the Statistics Act, 1999 (Act No. 6 of 1999);

"salary" includes a basic salary component, a housing allowance as provided in items 6(b) and 9(b), the municipal contribution to a pension fund as provided in item 11(a) and the municipal contribution to a medical aid scheme as provided in item 11(b); and

"total remuneration package" is the total cost to a municipality of a basic salary component, a travelling allowance as provided in items 6(a) and 9(a), a housing allowance as provided in items 6(b) and 9(b), the municipal contribution to a pension fund as provided in item 11(a) and the municipal contribution to a medical aid scheme as provided in item 11(b) to a councillor in a municipal financial year.



DEPARTMENT OF PROVINCIAL AND LOCAL GOVERNMENT

The number of points allocated for the total municipal income of a municipality is as follows:

TOTAL MUNICIPAL INCOME		NUMBER OF POINTS	
R 0	-	R 10,000,000	8.33
R 10,000,001	-	R 50,000,000	16.67
R 50,000,001	-	R 200,000,000	25.00
R 200,000,001	-	R 1,500,000,000	33.33
R 1,500,000,001	-	R 2,000,000,000	41.67
More than R 2,000,000,000		50.00	

Allocation of number of points for total population

TOTAL POPULATION		NUMBER OF POINTS	
0	-	50,000	8.33
50,001	-	100,000	16.67
100,001	-	250,000	25.00
250,001	-	550,000	33.33
550,001	-	1,800,000	41.67
More than 1,800,000		50.00	

The number of points allocated for the total population within a municipality, is as follows:

Determination of grade of municipal council

- 4.(a) The sum of the number of points allocated to a municipal council, other than a municipal council referred to in paragraph (b), in terms of items 2 and 3 respectively, determines the grade of such municipal council in accordance with the following table:

GRADE OF MUNICIPAL COUNCIL	POINTS
1	0 to 16.66
2	16.67 to 33.33
3	33.34 to 50.00
4	50.01 to 66.67
5	66.68 to 83.35
6	83.36 and above

- (b) A council that does not have any municipal income is a grade 1 municipal council as envisaged in paragraph (a).



DEPARTMENT OF PROVINCIAL AND LOCAL GOVERNMENT

5. Upper limits of the allowances of full-time councillors

GRADE	MAYOR OR EXECUTIVE MAYOR			SPEAKER, DEPUTY MAYOR OR DEPUTY EXECUTIVE MAYOR			MEMBER OF THE EXECUTIVE COMMITTEE OR MAYORAL COMMITTEE, WHIP OR CHAIRPERSON OF A SUBCOUNCIL		
	SALARY	MOTOR VEHICLE ALLOWANCE	TOTAL REMUNERATION PACKAGE	SALARY	MOTOR VEHICLE ALLOWANCE	TOTAL REMUNERATION PACKAGE	SALARY	MOTOR VEHICLE ALLOWANCE	TOTAL REMUNERATION PACKAGE
6	579,906	193,301	773,207	463,924	154,641	618,565	434,929	144,976	579,905
5	426,251	142,083	568,334	341,001	113,666	454,667	319,688	106,562	426,250
4	363,903	121,300	485,203	291,122	97,040	388,162	272,927	90,975	363,902
3	350,472	116,824	467,296	280,377	93,459	373,836	262,854	87,618	350,472
2	328,164	109,388	437,552	262,531	87,510	350,041	246,123	82,041	328,164
1	318,601	106,200	424,801	254,880	84,960	339,840	238,950	79,650	318,600

“salary” includes a basic salary component, a housing allowance as provided in item 6(b), the municipal contribution to a pension fund as provided in item 11(a) and the municipal contribution to a medical aid scheme as provided in item 11(b).

6. The upper limits of the allowances of a full-time councillor, which form part of the total remuneration package, are as follows:

(a) Motor vehicle allowance:

- (i) An allowance of not more than 25% of the annual total remuneration package of a councillor concerned as determined in terms of item 5, and which allowance includes running and maintenance costs incurred on official business up to 500 kilometres per month;
- (ii) In addition to the allowance referred to in subparagraph (i), and in addition to the annual total remuneration package of a councillor as determined in terms of item 5, official distances travelled in excess of 500 kilometres in a particular month may be claimed in accordance with the applicable tariffs prescribed by the Department of Transport for the use of privately owned vehicles;
- (iii) For the purposes of claiming running and maintenance allowances, a logbook acceptable to the South African Revenue Service reflecting the official and private kilometres travelled per month must be kept;

(iv) Where a municipal council makes a vehicle available to a councillor, other than an executive mayor or mayor where applicable, for use on official business, the councillor would not be entitled to the motor vehicle allowance as provided for in paragraphs (i) and (ii), and as determined in terms of item 5.

(v) Nothing herein contained shall prevent a councillor from making use of a council owned vehicle for attendance at a specific function which that councillor has been delegated to attend.

(b) Housing allowance:

A councillor may structure their salary to include a housing allowance.

(c) Out of pocket expenses:

In addition to the total remuneration package, a councillor must be reimbursed for actual out of pocket expenses incurred during the execution of official and ceremonial duties.

Upper limit of remuneration or allowance in respect of appointed councillors

7. The upper limit of the allowance of a councillor who has been appointed to a



DEPARTMENT OF PROVINCIAL AND LOCAL GOVERNMENT

district council in terms of section 23(1)(b) of the Structures Act, is as follows:

- (a) If such councillor is elected or appointed as speaker, mayor, executive mayor, member of a mayoral committee, member of an executive committee or part-time member of a district council, the upper limit of the remuneration to which such councillor is entitled, is equal to the difference between the total remuneration package he or she is receiving as a member of the local council and the total remuneration package allocated to that office in the district council in terms of items 5, 6, 8, 9, 10 and 11 as the case may be.
- (b) If the upper limit of the total remuneration package which a councillor is receiving as a member of a local council is equal to or higher than the upper limit of the total remuneration package to which he or she is entitled to as an appointed councillor to the district council, such councillor is entitled to receive, in addition to the total remuneration package, an allowance of not more than R591.00 per sitting of the district council or any committee of that council: Provided that this allowance is limited to R591.00 per day, regardless of the number of meetings of the district council or committees of that council that are attended by such councillor on a specific day.
- (c) A district council is responsible for –
 - (i) the payment of the remuneration or the allowance referred to in paragraphs (a) and (b) respectively; and
 - (ii) the reimbursement of travel expenditure incurred by a councillor during the performance of official functions on behalf of that district municipality, in terms of that district council's policy, and not exceeding the applicable tariffs prescribed by the Department of Transport for the use of privately owned vehicles.



DEPARTMENT OF PROVINCIAL AND LOCAL GOVERNMENT

Upper limits of the annual total remuneration packages of part-time councillors

8.(1) The upper limit of the annual total remuneration package of a part-time councillor is as follows:

GRADE	MAYOR / EXECUTIVE MAYOR			SPEAKER, DEPUTY MAYOR OR DEPUTY EXECUTIVE MAYOR			MEMBER OF THE EXECUTIVE COMMITTEE OR MAYORAL COMMITTEE			OTHER PART-TIME MEMBERS		
	SALARY	MOTOR VEHICLE ALLOWANCE	TOTAL REMUNERATION PACKAGE	SALARY	MOTOR VEHICLE ALLOWANCE	TOTAL REMUNERATION PACKAGE	SALARY	MOTOR VEHICLE ALLOWANCE	TOTAL REMUNERATION PACKAGE	SALARY	MOTOR VEHICLE ALLOWANCE	TOTAL REMUNERATION PACKAGE
6	318,948	106,315	425,263	255,158	85,052	340,210	239,211	79,736	318,947	202,967	67,655	270,622
5	234,438	78,145	312,583	187,550	62,516	250,066	175,828	58,609	234,437	127,875	42,625	170,500
4	200,146	66,715	266,861	160,116	53,372	213,488	150,109	50,036	200,145	109,170	36,390	145,560
3	192,759	64,253	257,012	154,207	51,402	205,609	144,570	48,189	192,759	105,141	35,047	140,188
2	180,490	60,163	240,653	144,392	48,130	192,522	135,367	45,122	180,489	98,449	32,816	131,265
1	175,230	58,410	233,640	140,184	46,728	186,912	131,423	43,807	175,230	95,580	31,860	127,440

"salary" includes a basic salary component, a housing allowance as provided in item 9(b), the municipal contribution to a pension fund as provided in item 11(a) and the municipal contribution to a medical aid scheme as provided in item 11(b).

Upper limits of the allowances of part-time councillors

9. The upper limits of the allowances of a part-time councillor, which form part of the total remuneration package, are as follows:

(a) Motor vehicle allowance:

(i) An allowance of not more than 25% of the annual total remuneration package of a councillor concerned as determined in terms of item 8, and which allowance includes running and maintenance costs incurred on official business up to 500 kilometres per month;

(ii) In addition to the allowance referred to in subparagraph (i), and in addition to the annual total remuneration package of a councillor as determined in terms of item 8, official distances travelled in excess of 500 kilometres in a particular month may be claimed in accordance with the applicable tariffs prescribed by the Department of Transport for the use of privately owned vehicles;

(iii) For the purposes of claiming running and maintenance

allowances, a logbook acceptable to the South African Revenue Service reflecting the official and private kilometres travelled per month must be kept;

(iv) Where a municipal council makes a vehicle available to a councillor, other than an executive mayor or a mayor where applicable, for use on official business, the councillor would not be entitled to the motor vehicle allowance as provided for in subparagraphs (i) and (ii), and as determined in terms of item 8; and

(v) Nothing herein contained shall prevent a councillor from making use of a council owned vehicle for attendance at a specific function which that councillor has been delegated to attend.

(b) Housing allowance:

A councillor may structure their salary to include a housing allowance.

(c) Out of pocket expenses:

In addition to the total remuneration package, a councillor must be reimbursed for reasonable and actual out of pocket expenses incurred during the



execution of official and ceremonial duties.

Upper limits of cellphone allowances of councillors

10. In addition to the annual total remuneration packages provided for in items 5 and 8 respectively, a councillor may obtain a fixed allowance of not more than the following amounts in respect of cellphones:
 - (a) R2403.00 per month may be paid to a full-time executive mayor or mayor of a grade 6 municipal council;
 - (b) R1200.00 per month may be paid to a full-time councillor, other than an executive mayor or mayor of a grade 6 municipal council; or
 - © R749.00 per month may be paid to a part-time councillor.

Upper limits of pension fund contributions and medical aid benefits of councillors

11.
 - (a) The upper limit of the contribution to be made by a municipal council to the pension fund of which a councillor of that council is a member, is 15% of the basic salary of such councillor.
 - (b) The upper limit of the contribution to be made by a municipal council to the medical aid scheme of which a councillor of that council is a member, is 2/3 of the membership fee to a maximum of R1440.00 per month: Provided that a part-time councillor is not a member of a medical aid scheme by virtue of his or her employment in a capacity other than a councillor.



ANNEXURE C: COMMISSION PROGRAMME FOR 2007

DATE	TIME	ACTIVITY	VENUE
12 January	12:00 – 17:00	Commission meeting	George
28 February	*	Publication of 2006 Annual Report	*
05 March	10:30 – 13:45	Commission meeting	Johannesburg
07 March	16:30 – 18:00	Meeting with media consultants	Johannesburg
08 March	17:00 – 19:00	Meeting with Ministers of Finance and of Justice and Constitutional Development	Johannesburg
20 March	14:00 – 18:45	Commission meeting	Johannesburg
29 March	15:00 – 16:30	Hand over Remuneration Review Report to Acting President	Pretoria
29 March	15:00 – 16:30	Hand over Remuneration Review Report to National Parliament	Cape Town
30 March	*	Launch of Commission website	*
30 March	08:30 – 17:00	Media conference to release Remuneration Review Report	Sandton
11 April	13:30 – 16:05	Meeting with Members of Parliament	Kempton Park
05 June	09:15 – 12:30	Commission meeting	Johannesburg
04 July	11:30 – 14:15	Commission meeting	Johannesburg
13 July	09:00 – 16:45	Meetings with entities who made submissions to President on Remuneration Review Report	Pretoria
17 July	10:10 – 11:15	Meeting with the United Kingdom Cabinet Office	London
18 July	11:00 – 12:10	Meeting with the United Kingdom Ministry of Justice	London
18 July	14:30 – 15:45	Meeting with the United Kingdom Senior Salaries Review Body	London
19 July	11:00 – 12:45	Meeting with the United Kingdom Department of Finance and Administration	London
02 August	09:15 – 12:00	Commission meeting	Sandton
14 August	16:30 – 17:30	Meeting with the Minister for Public Service and Administration	Pretoria
05 September	14:20 – 17:00	Commission meeting	Johannesburg
26 September	16:15 – 17:30	Commission meeting	Johannesburg
08-09 October	14:00 – 13:00	Meeting with the Namibian Public Office Bearer Commission	Windhoek
05 November	14:00 – 18:00	Meeting with the Botswana Presidential Commission on Public Office Bearer Remuneration	Johannesburg
05 November	18:00 – 19:30	Commission meeting	Johannesburg
16 November	*	Publication of annual cost of living remuneration adjustment recommendations	*
04 December	09:15 – 12:45	Commission meeting	Sandton



ANNEXURE D: MEETING ATTENDANCE REGISTERS

COMMISSION MEETINGS

Name	Meetings attended in 2007										
	12 Jan	05 Mar	08 Mar	20 Mar	05 Jun	04 Jul	02 Aug	05 Sept	26 Sept	05 Nov	04 Dec
Justice DE Moseneke	P	P	P	P	P	P	P	P	P	P	P
Mr R Martin	A	A	A	A	P	A	A	P	A	P	P
Ms T Mokgabudi	P	P	A	A	A	A	P	A	P	A	P
Dr A Mokgokong	P	P	P	P	P	P	P	P	A	A	A
Dr SM Motsuenyane	P	A	P	P	P	P	P	A	P	P	P
Mr ML Ndlovu	P	P	A	P	P	P	A	P	P	P	A
Ms N Newton-King	P	A	P	P	P	P	P	A	A	P	P
Dr F Sonn	P	P	P	A	A	P	P	A	A	A	P
Mr N Ulrich	P	P	P	P	P	P	P	P	P	P	P

P: PRESENT

A: APOLOGY

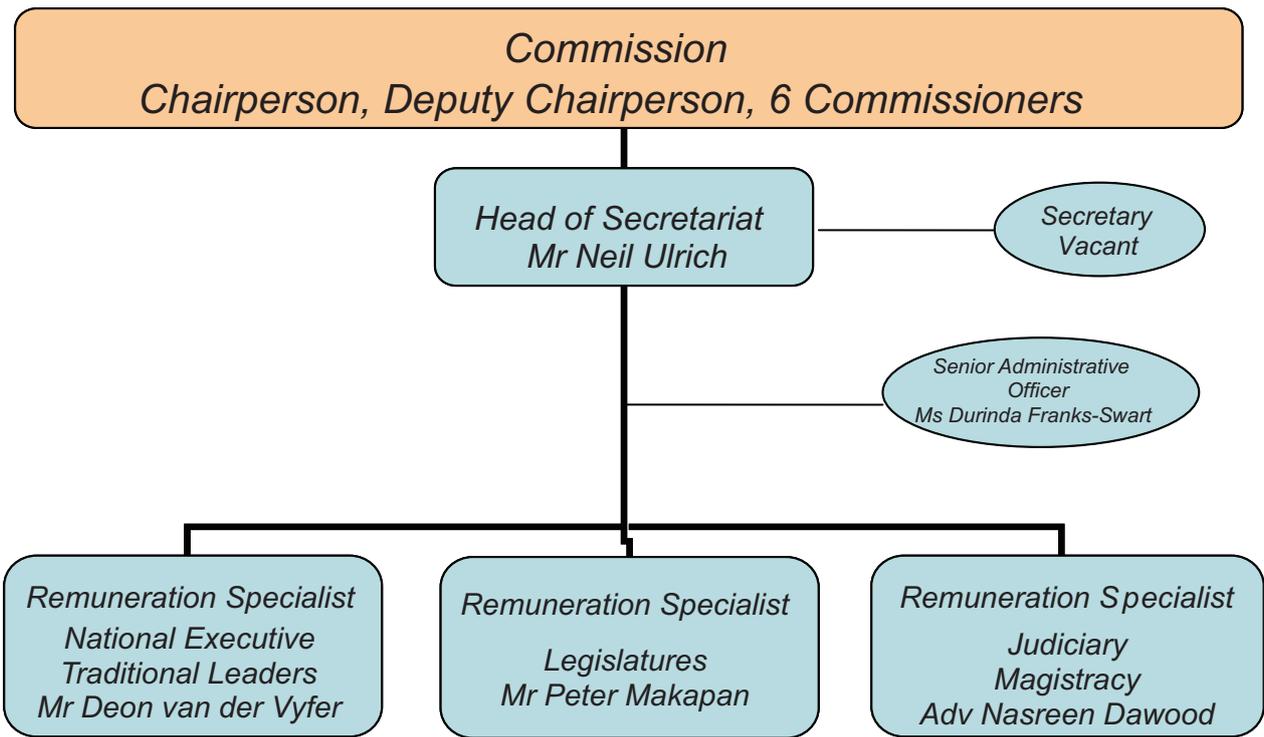
MEETINGS WITH STAKEHOLDERS

Name	Meeting date												
	07 Mar	29 Mar	29 Mar	30 Mar	11 Apr	13 Jul	17 Jul	18 Jul	18 Jul	19 Jul	14 Aug	09 Oct	05 Nov
Justice D Moseneke	P		P	P	P	P					P	P	P
Mr R Martin													
Ms T Mokgabudi													
Dr A Mokgokong		P		P	P	P	P	P	P	P	P		P
Dr SM Motsuenyane					P								
Mr L Ndlovu				P	P	P							P
Ms N Newton-King						P				P			
Dr F Sonn			P	P		P							
Mr N Ulrich	P		P	P	P	P	P	P	P	P	P	P	

Commission members were not obliged to attend the above meetings. The Commission is however indebted to those members who indeed attended the meetings where they were available to do so.



ANNEXURE E: NEW COMMISSION SECRETARIAT STRUCTURE



Back (fltr) : Mr Deon van der Vyfer, Mr Neil Ulrich, Mr Peter Makapan.

Front (fltr) : Ms Durinda Franks-Swart, Adv Nasreen Dawood.

