



MINISTRY OF DEFENCE AND MILITARY VETERANS
Republic of South Africa

ADDRESS BY THE MINISTER OF DEFENCE AND MILITARY VETERANS AT THE FIRST MEETING OF THE PERMANENT MEMBERS OF THE DEFENCE FORCE SERVICE COMMISSION

Date: 10 October 2013

Deputy Minister

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Members of the Defence Force Service Commission

Today marks an important day for members of the Defence Force as it marks the inauguration of the permanent Defence Force Service Commission. It is nearly four years to the day since a decision was taken to establish a separate dispensation for the Defence Force to prioritise the conditions of service of its members.

Members of the SANDF have historically been excluded from the bargaining mechanisms providing for improvements and adjustments in respect of remuneration, allowances and general conditions of service for

the Public Service. Several attempts have been made over the years to find a way for soldiers needs to be addressed in this regard. A Military Bargaining Mechanism was established by the Defence Act of 2002, but this has proven to be dysfunctional in practice for a number of reasons.

A decision was therefore taken in 2009 to establish an Interim Defence Force Service Commission with three essential terms of reference, namely:

- a) To advise and make recommendations on a unique service dispensation outside the ambit of the Public Service;
- b) To advise on the regulatory framework for the new dispensation; and
- c) To investigate and provide advice on remuneration and conditions of service of members of the SANDF.

The Interim Commission consisted of ten members under the Chairmanship of Judge Bosielo. Some of the members of the Interim Commission are also part of the permanent Commission today. In 2012, Judge Bosielo returned to the bench of the Supreme Court of Appeal and Bishop Mpumlwana took over as the acting Chairperson. The Interim Commission will be presenting a detailed handover report to the permanent Commission at a later stage, but I would like to highlight the following main achievements of the Interim Commission:

- 1) The Commission drafted a Bill to amend the Defence Act by inserting a Chapter on the establishment and functions of the Defence Force

Service Commission. On 9 December 2010 the Amendment Act was promulgated to govern the functioning of the Commission. The Act provided that the Interim Commission would remain in place with all the powers of the permanent Commission until such time as the latter has been appointed.

- 2) One of the primary objectives of the Interim Commission was to investigate the salary conditions of soldiers and to make recommendations to the Minister. The Commission made some substantive recommendations for the improvement of salaries of soldiers in salary levels 2 to 12. These recommendations have been implemented following an announcement by the President on 16 December 2010.
- 3) The Interim Commission through its work became aware of the need for a new Defence Review to be undertaken as the last review took place in 1998. A recommendation in this regard was made to the Minister and the Review is currently underway.
- 4) The Interim Commission developed regulations to regulate the functioning of the Commission. These regulations are in an advanced stage and once adopted by the permanent Commission should be presented to the Council on Defence for approval.

The Interim Commission has laid the groundwork for the work of the permanent Commission and for this we are grateful.

There have been some delays in the finalization of the appointments of the permanent members of the Commission. This process was in part delayed by our efforts to obtain National Treasury approval for the remuneration structure of members of the Commission. Approval was obtained and endorsed by Cabinet on 29 May 2013. I then proceeded by appointing members, but due to the delay three members were no longer available to serve on the Commission, which left us without a quorum. A process was then embarked upon to appoint a further three members and as of 1 October 2013 we now have 9 members of the Commission. The Act provides that the Commission consists of no fewer than 8 and not more than 10 members. Our tenth member, Maj Gen (ret) De Lange unfortunately had to resign this week as he has been appointed in various positions within the reserves which prohibit him from serving on the Commission, as per the Act. There is however still a quorum and the Commission can proceed with its work.

I would like to briefly focus on the mandate of the Commission and my immediate priorities for the Commission going forward.

Section 62B of the Defence Act sets out the following functions for the Commission:

- a) The Commission must on an annual basis, make recommendations to the Minister on improvements of salaries and service benefits of members;
- b) The Commission must further make recommendations to the Minister on policies in respect of conditions of service;

- c) The Commission is also empowered to promote measures and set standards to ensure the effective and efficient implementation of policies on conditions of service within the Defence Force and to make recommendations to the Minister in this regard.

The first priority I see for the Commission is to finalise the regulations to govern the functioning of the Commission. As indicated earlier the process is in an advanced stage and once adopted by the Commission should be presented as soon as possible to the Council of Defence for approval, where after I will be in a position to publish the regulations in the Government Gazette.

Another aspect that must be prioritized is the development of an inclusive process for the making of recommendations to me, in accordance with section 62B(1)(a) of the Act. In terms of this provision the Commission must on an annual basis make recommendations to the Minister on improvements of the salaries of members of the SANDF. This section must be read with section 55(3) of the Defence Act which provides that the Minister may, with the approval of the Minister of Finance, determine pay or salaries taking into account any recommendation by the defence force service commission. My experience in the past financial year with this determination has shown that there are certain shortcomings in the manner in which recommendations of the defence force service commission reach my desk. I would recommend that the permanent

Commission prioritise developing a process taking into account the following aspects:

- a) The recommendations of the Commission must be made within the timeframes applicable to other Government bargaining processes so as to not result in a situation where soldiers receive increases later than the rest of the public service.
- b) The recommendations of the Commission must be developed taking into account the budgetary constraints of the Department. Section 62B(d) of the Defence Act provides that the Commission, in arriving at any recommendation, may consult with the Secretary for Defence, the CFO and National Treasury, amongst others, and the Act further implores members in this regard to consult the affordability of different levels of remuneration of the Defence , as well as inflationary increases and the levels of remuneration in the public service in general. Undertaking such consultation will ensure that whatever recommendation is placed before me by the Commission is affordable and will not raise unreasonable expectations amongst soldiers, which in turn could lead to labour unrest if the recommendations are not accepted.

Finally, I would like the Commission to prioritise giving inputs into a policy being developed by the Department to provide death benefits to members of the SANDF who died in active service whilst deployed either internally or externally. Following the loss of 14 soldiers in the Central African Republic, I became aware of the fact that our policies do not cater adequately for the

families of deceased soldiers (who died whilst on active deployment). I gave an instruction to develop a policy whereby families will receive a once off payment of R200 000.00. I would like the Commission to urgently provide inputs into the policy being developed in order for us to finalise the matter before the end of the calendar year.

Operational matters

I would like to take this opportunity to appoint Professor EL Van Harte as Chairperson and Maj Gen (ret) Bantu Holomisa as Deputy Chairperson of the Commission.

As to the staffing of the Secretariat, I can report that a staffing complement of 19 posts has been approved and that a process is underway to fill fourteen of the most critical posts during this financial year. All positions were advertised with a closing date of 16 August 2013 for the position of Head of Secretariat (at the level of Director) and 2 August 2013 for the remainder of the posts. Short listing has taken place for the position of Director and some of the newly appointed members of the Commission (Lt Gen (ret) Moloï and Prof Christie) were invited to participate in the Selection Committee. Interviews were set to take place yesterday. It is envisaged that the candidate for Head of Secretariat will take office on 1 November 2013 and all short listed candidates have confirmed their availability in this regard. Other positions will then be filled with the participation of the Head of Secretariat.

The Commission has been allocated R 8.7 million for the current financial year. When the Commission convenes its first meeting it will be required to align its projected expenditure with its annual performance plan and MTEF Plan going forward.

Finally, I would like to take this opportunity to congratulate the newly appointed Commissioners and to thank them for availing their time to service the needs of our members of the Defence Force. I want the message to go out to all our members of the SANDF today to inform them of the appointment of the permanent Commission as recognition of the prioritization that this Government has placed on the service conditions of our soldiers.

Thank you.