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TO ALL DEPARTMENTS/PROVINCIAL ADMINISTRATIONS

(FOR ATTENTION: ALL HR MANAGERS/HEADS OF CORPORATE SERVICES/CHIEF FINANCIAL OFFICERS)

REVISION OF THE CASH AWARD: LONG SERVICE RECOGNITION SYSTEM

- 1 The Long Service Recognition System was amended to the extent that the wrist-watch awarded after 30 years of continuous service, was replaced with a cash amount of R3 000. According to PSCBC Resolution 6 of 2003 and par.5.16 of Chapter 3 of the SMS Handbook, the cash award must be adjusted annually on 01 April according to the CPIX for the period January to December of the preceding year.
2. According to calculations based upon information obtained from Stats SA the CPIX for the period January to December 2005 results in an increase of 4%.
3. The Minister for the Public Service and Administration consequently made a determination that the cash award for the Long Service Recognition System be revised with effect from **01 April 2006** as indicated in the table hereunder:

Effective Date	Increase/decrease in CPIX	Revised Amount
1 April 2003		R3 000
1 April 2004	3% increase	R3 090
1 April 2005	3.14% increase	R3 187
1 April 2006	4% increase	R3 314

4. Attached please find an updated Determination on Long Service Recognition in the Public Service. Paragraph 5.16 of Chapter 3 of the SMS Handbook will also be updated.
5. Treasury approval under reference SM 30/5 dated 19 May 2006 was obtained for the additional costs emanating from the above-mentioned determination, provided that departments fund the additional costs from their existing departmental budget allocations.


DIRECTOR-GENERAL
FOR 19/5/2006