



the dpsa

Department:  
Public Service and Administration  
REPUBLIC OF SOUTH AFRICA

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## TO ALL HEADS OF NATIONAL DEPARTMENTS

### SUBJECT: WORKSHOP ON EARLY RETIREMENT WITHOUT PENALISATION OF BENEFITS IN TERMS OF SECTION 16(6) OF THE PUBLIC SERVICE ACT, 1994

1. With the recent 2019 Budget Speech, the Minister of Finance reiterated the measures that government needs to put in place to assist with the growing budget deficit, which has accrued due to government expenditure on the 2018 Wage Settlement Agreement. During, and post the 2018 Wage Negotiations, economic realities and financial pressures were discussed with organised labour. The purpose was to jointly explore the implementation of tangible measures, to ensure that the budgetary ceiling is not exceeded, and that there is no negative impact on job security, as well as to ensure that departments continue to perform efficiently and effectively with regard to human resources management, within the current Medium Term Expenditure Framework (MTEF) and beyond.
2. Based on the ongoing requests and queries from employees in the Public Service to exit without pension penalties, all prescripts with respect to Early Retirement (ER) were considered. It must be noted that this initiative is in response to a need identified by employees, who wish to exit the public service before the official retirement age, but where departments do not necessarily have funds set aside within budgets to consider such personal requests.
3. National Treasury (NT) has agreed to assist in providing additional funding to departments and government components, both nationally and provincially, who wish to utilize section 16(6) of the PSA or applicable sector legislation.
4. As per the DPSA circular and the guidelines dated 25 February 2019, a national workshop explaining the contents of circular and the accompanying Guideline on managing Early Retirement in the Public Service and the Guideline for Early Retirement Funding Provision has been scheduled to take place on the **04 April 2019 at the DPSA offices 3<sup>rd</sup> floor Auditorium, Batho Pele House 546 Edmond Street, Arcadia from 10h00-14h00.**

5. To keep the workshop to a manageable size, number of delegates is limited to a maximum of three per department. Departments are requested to submit contact details and vehicle registration numbers for parking arrangements to Gladys Mkhwanazi, Salome Motaung and Rene De Wit whose contact details appear above.
6. Delegates to the workshop should preferably be from Human Resource Components.
7. Your co-operation in this regard will be highly appreciated.

Regards



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**PROFESSOR RICHARD LEVIN**  
**DIRECTOR-GENERAL**

DATE: 29/03/19