



**DEPARTMENT OF PUBLIC SERVICE AND ADMINISTRATION
REPUBLIC OF SOUTH AFRICA**

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**TO ALL HEADS OF NATIONAL AND PROVINCIAL DEPARTMENTS,
PROVINCIAL ADMINISTRATIONS AND ORGANISATIONAL COMPONENTS**

**AMENDMENT TO THE FORMULA FOR LEAVE DISCOUNTING IN TERMS OF
THE LONG SERVICE AWARD SYSTEM: PART XXVIII OF THE PSCBC
RESOLUTION 3 OF 1999**

1. As you are aware, there are inconsistencies between the new leave system and the provisions of the PSCBC Resolution 3 of 1999 in respect of the formula used for leave discounting in terms of the Long Service Awards.
2. In the light of the above, the Minister for Public Service and Administration has, in terms of section 3(3) of the Public Service Act, 1994 as amended, approved the following interim measure with effect from 1 July 2000:

The formula as provided for in the Financial Manual be converted such that it bases its calculations on working days.

The number of days to be considered in the calculation remain 10 and 15 days respectively but as working days.

The formula must read as follows:

$$\frac{A \times B}{261}$$

Where-

A = represents the employee's basic annual salary payable to him or her on the day he or she qualifies for a 20 or 30 years long service award.

B = represents the number of annual leave credits that the employee chooses to discount but limited to 10 or 15 working days respectively.

3. The relevant part in the Financial Manual will be amended in due course.

[Handwritten Signature]
For DIRECTOR-GENERAL
DATE: 22/5/2001