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Department:  
Public Service and Administration  
REPUBLIC OF SOUTH AFRICA

Private Bag X916, PRETORIA, 0001 Tel: (012) 336 1000, Fax (012) 326 7802  
Private Bag X9148, Cape Town, 8000. Tel: (021) 467 5120, Fax (021) 465 5484

Enquiries : Salome Motaung  
Telephone : (012) 336 1072  
File : 17/7/P

**TO: ALL HEADS OF NATIONAL/PROVINCIAL DEPARTMENTS AND PROVINCIAL ADMINISTRATIONS**

**REVISION OF THE CASH AWARD: LONG SERVICE RECOGNITION SYSTEM**

1. The Long Service Recognition System was amended on 1 April 2003, where a wrist-watch awarded after 30 years of continuous service, was replaced with a cash amount of R3 000.00. 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 CPI for the period commencing in January to December of the preceding year.
2. According to calculations based upon information obtained from Stats SA, the CPI for the period January 2011 to December 2011 resulted in an increase of 5.64%.
3. The Minister for Public Service and Administration has consequently made a determination that the cash award for the Long Service Recognition System be revised with effect from **01 April 2012** as indicated in the table hereunder:


| Effective Date | Increase/decrease in CPI | Revised Amount |
|----------------|--------------------------|----------------|
| 1 April 2003   |                          | R3 000.00      |
| 1 April 2004   | 3% increase              | R3 090.00      |
| 1 April 2005   | 3.14% increase           | R3 187.00      |
| 1 April 2006   | 4% increase              | R3 314.00      |
| 1 April 2007   | 4.2% increase            | R3 454.00      |
| 1 April 2008   | 7.4% increase            | R3 710.00      |
| 1 April 2009   | 7.65% increase           | R3 994.00      |
| 1 April 2010   | 5.91% increase           | R4 230.00      |
| 1 April 2011   | 3.19% increase           | R4 365.00      |
| 1 April 2012   | 5.64% increase           | R4 610.00      |

Staatsdiens en Administrasie . Ditirelo tsa Puso le Tsamaiso . Ditshebeltso tsa Mmuso le Tsamaiso . uMnyango wemiSebenzi kaHulumeni nokuPhata

Muhasho wa Tshumelo ya Muvuso na Vhulanguli . Kgoro ya Ditirelo tsa Mmušo . Ndzawulo ya Vutirela-Mfumo na Valawuri

LiTiko le Tebasebenti baHulumende nekuPhatsa . ISebe leNkonzo kaRhulumente noLawulo . UmNyango wemiSebenzi kaRhulumente nokuPhata

4. Attached please find an updated Determination on Long Service Recognition in the Public Service.
5. Treasury approval under **reference: 17/5P** has been obtained for the implementation of this dispensation. However, additional expenditure emanating from the implementation should be met from the existing departmental budgets of the affected departments.

  
For DIRECTOR-GENERAL  
DATE: 20-04-2012