

1. GENERAL OVERVIEW

The general perception nationally is that the North West Government did not spare much time in getting down to the business of governance immediately after elections. Strategic advantage was taken of the infrastructure (human and physical) inherited from erstwhile Bophuthatswana government and old provincial structures.

The challenge facing the new democratically elected government included inculcating a spirit of "Northwestinism" in a province consisting of three entities inherited from the old political orders, viz Bophuthatswana, Western Transvaal and a small portion of the Cape Provincial Administration. A particularly daunting task was to integrate these three sub-regions as well as their departments. The ex Bophuthatswana Administration had twenty six (26) departments; and the provinces about five (5) departments each.

Around the middle of May, Strategic Management teams (SMTs) were constituted for each of the ten departments. The key function of the SMTs was to determine the vision, mission, clients, services, criteria for effectiveness and efficiency, functions and sub-functions, structures, job descriptions, skills required, implementation plan and performance management indicators for the new departments. Most of this work is expected to be completed by the end of September 1994.

The Provincial Service Commission Work study teams played a crucial role in advising departments in their restructuring activities. In this regard, a comprehensive document was produced. It is interesting to note that a number of provinces are using this meticulously compiled manual.

Priority has also been given to establishing the Premier's office, especially determining the strategic perspective that this structure should adopt in providing political leadership to the provincial government. Once more a document has been produced, and this has also been found useful by other provinces.

Realising that the process of transformation and restructuring was not only about structures, systems and institutions, but also about how that change impacted on civil servants (people), the Premier directed that a programme of change management be instituted so that the views, fears and anxieties of civil servants could be identified, with a view to implementing mechanisms that would smoothen the process of transition. Considerable progress has been made in this regard and an interim report has been completed.

In order to give strategic direction and alignment to restructuring activities in departments, it was deemed essential to develop a common strategic Vision, priorities to be pursued in realising this vision and action plans for implementation. Departmental and SMT representatives attended a highly successful three-day workshop which culminated in a draft report outlining strategy for governance/administration in the North West Province. Subsequently, members of the Executive Council (MEC) also held their workshop (based on this draft report). The effect of this exercise has been to give policy and political flavour to the original document.

A number of new Acts have been passed and old ones amended. This enabling legislation has facilitated the task of governance greatly, despite the slow pace at which National Government has been assigning powers to provinces.

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The integration of staff currently operating in the three old administrations, and the transfer of old Bophuthatswana civil servants in Thaba Nchu and Moretele II to the OFS and Eastern Transvaal respectively is progressing but not yet completed. Nevertheless the Acting Director General has already taken charge of civil servants in the old Western Transvaal and Cape Province. This process should be completed once finances have been completely integrated.

Although the provincial government has inherited the ex-Bophuthatswana Department of Finance, the process of closing books in respect of Bophuthatswana has somewhat put a hold on the establishment of a Provincial Revenue Fund. Nevertheless, efforts are underway to expedite this process.

A major challenge is the restructuring of pension funds. Considerable work has already been done in restructuring the financial institution which administered four (4) funds of erstwhile Bophuthatswana. These are Unemployment Insurance Fund, Workers Compensation Fund, Bophuthatswana Government Service Pension Fund and Bophuthatswana National Provident Fund. This institution - Sefalana Employee Benefits Organization (SEBO) has been dogged by serious problems, including an almost lack of a democratic ethos. A number of investigations had been conducted in the past and reports never released to contributors. The new government has reversed this process by tabling these reports in the Provincial Legislature. Preparatory work to align retirement arrangement within the national framework is advanced.

Sterling work has been done in effecting parity in respect of conditions of service for ex-Bophuthatswana civil servants in keeping with the spirit of the Constitution (1993) and the Public Service Act of 1994. This will place ex-Bophuthatswana civil servants on the same level as public servants in the old South Africa with similar qualifications and experience. The government has been particularly concerned that civil servants should be adequately motivated in their work.

In his wisdom, the Premier places a high premium on interacting with civil servants. He has therefore been addressing them at various parts of the province. This initiative has proven very useful in informing public servants about government's policies, and getting their views about how things should be run. Three Commissions, viz Gender, Youth and RDP have been established. This has helped to expedite the implementation of some of the key aspects of government policy. The process of building solid and effective institutions around these structures continues.

On the whole, although province has made considerable progress, tremendous challenges still lie ahead. Government is determined to drive the process of governance with the vigour and enthusiasm expected by North West citizens.

#### ASSIGNMENT OF POWERS

In terms of Proclamation 110 of 1994, published on 17 June 1994, the majority of Bophuthatswana laws resorting under the functional areas of schedule 6, were assigned to the Premier of the North West.

In the same Proclamation also assigned were Ordinances of the Transvaal and Cape pertaining to Schedule 6 functional areas.

This left the Province with the dilemma that all the RSA legislation resorting under Schedule 6 were not assigned and this had a frustrating effect on, not only the administration of the Province as a whole but also on the effective creation of consolidating legislation for the Province.

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At this stage, only the Transitional Local Government Act, 1993 has, in addition to the above been assigned. Notwithstanding these frustrations it must be pointed out that the legislation dealing with Local Government, Education and Health is expected to be assigned within the near future.

This would assist in creating proper Provincial Government structures in these areas, although the assignment of all the laws dealing with Schedule 6 issues are necessary before a successful provincial government structure can be created.

#### APPOINTMENT OF ACTING DIRECTOR GENERAL

3.1 The Acting Director General was appointed on June 16 1994, to accept the responsibility as accounting officer and Head of Staff for the Provincial Administration. One of the priority functions is responsibility for the establishment of an effective administration for the province.

#### OFFICE OF THE PREMIER

4.1 One of the first actions to get the administration off the ground was to build the organisation structure for the office of the Premier. The building of the office was conducted as a transparent exercise in consultation with the Acting Director General and the Premier. The recommendations were supported by the Committee on Social and Administrative Services and approved by EXCO on 20 July 1994. The Provincial Service Commission also approved the structures on 31 August 1994. The advertisement of the posts has already been done.

#### OFFICE OF THE DIRECTOR GENERAL

5.1 The office of the Director General was structured simultaneously with the structures of the Premier, and was approved by EXCO on 20 July 1994 as

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## OFFICE OF THE PROVINCIAL LEGISLATURE

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### ACTS

The office of the Provincial Legislature was also treated as urgent with regard to establishing the Provincial Legislative powers. Although, the Provincial Service Commission has already approved the structures for this office on 31 August 1994, the question of appointing personnel as Public Servants must be resolved. According to guidelines received from the PSC - RSA, people serving the Provincial Legislature should be appointed outside civil service under separate laws and conditions. The Workstudy Division is presently conducting an investigation in this regard to assist the Legislature in arriving at a decision.

Several Cabinet Committees were established viz. :

- Financial, Economic Affairs and Agriculture
- Service Commission, Premier and Legislature
- Public Works and Local Government and Housing
- Social and administrative affairs
- Health and Education
- Transport, Media and Broadcasting
- Internal Arrangements Committee
- Rules Committee
- Gender Committee
- RDP.

### APPROVED BY EXCO

The Province has made good progress with the promulgation of Acts and Legislation to start

EXCO.

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functions over a variety of fields. The following laws have been passed by North West Provincial Public Protector Act, 1994 - 24 June 1994

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7.2 North West Provincial Service Commission Act, 1994 - 24 June 1994

7.3 North West Tender Board Act, 1994 - 24 June 1994

7.4 North West Provincial Exchequer Act, 1994 - 24 June 1994

7.5 North West Provincial Legislature's Powers, Privileges and Immunities Act, 1994 - 18 August 1994

7.6 North West Provincial Reconstruction and Development Programme Fund Act, 1994 - 25 August 1994

7.7 North West Tourism Council Amendment Act, 1994 - 25 August 1994

7.8 North West Hotels Amendments Act, 1994 - 25 August 1994

7.9 North West Housing Corporation Amendment Act, 1994 - 30 August 1994

7.10 Mmabana Cultural Foundation Amendment Act, 1994 - 30 August 1994

7.11 North West Consumer Affairs Amendment Act, 1994 - 31 August 1994

BILLS REFERRED TO COMMITTEE

8.1 House of Traditional Leaders for the Province of the North West Bill, 1994

8.2 North West Youth Commission Bill, 1994

BILLS STILL ON ORDER PAPER

9.1 Bophuthatswana Sports and Educational Aid Trust Amendment Bill, 1994

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National Sports Council of Bophuthatswana Amendment Bill, 1994

North West Casino Gaming and Betting Amendment Bill, 1994

## 10. PROVINCIAL SERVICE COMMISSION

### 10.1

A Provincial Service Commission was established for this Province under section 213 of the Constitution, after proclamation of the Provincial Service Commission Act. The Chairperson, Vice Chairperson, (permanent members) as well as part time members of the Commission were appointed by the Premier. The Commission had its first sitting on 31 August 1994.

## 11. RE - STRUCTURING OF DEPARTMENTS

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Phase one of the process started at the end of March 1994 when information regarding the structures of the former Bophuthatswana Government Departments was compiled and forwarded to the Public Service Commission (RSA). Copies were also supplied to role-players within the province to start activities regarding the restructuring

The restructuring of departments within the province was properly structured and formalised with the adoption by EXCO of the document called "Institutional Capacity Building" at their sitting in Rustenburg. This document provided specific guidelines to handle the re-structuring process. It must be stated that other provinces are presently using these guidelines to handle their capacity building process.

The Workstudy Division of the Office of the Provincial Service Commission were divided into teams to get involved with departments and their Strategic Management Teams to initiate the building of structures. All the departments were taken on board and Strategic Planning Sessions were organised and conducted with each department.



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Strategic Management Teams were instructed to finalise the top structures of departments before the end of September 1994. The said structures were all submitted to the Provincial Service Commission with the condition that some final changes must still be incorporated in the structures.

The determination of management posts presented a major problem because the province is restricted by Chapter J of the Personnel Code (PSC - RSA) which prescribes certain norms for the determination of the number of management posts. An urgent meeting should be arranged between the Provincial Service Commission and EXCO to determine the allocation of posts which will enable departments to finalise their top structures. This will also help the SMTs to finalise the structures.

The next phase of the re-structuring process entails the placing of personnel and will start as soon as the first phase is finalised.

## 12. STRATEGIC MANAGEMENT TEAMS

### 12.1

The MECs for all ten departments manage to appoint Strategic Management Teams (SMT) to assist departments with the building of structures. Although the SMTs were supposed to be phased out at the end of August 1994, the Administration decided to extend their services until the end of September 1994, after which the Implementation Committee which was established on 9 September 1994, will take over that responsibility.

## 13. GOVERNMENT SUPPORTED INSTITUTION (GSPS)

### 13.1

The decision regarding the future role of GSIs in the province is a very sensitive issue, and will be treated as such. Because of limited human resources, the firm Ernest & Young was requested to assist government with the gathering of information. The first phase of getting structural and establishment information has been completed.

### 13.2

It was however necessary to appoint a task team to carry out the investigation. Certain criteria have been developed to evaluate the position of GSIs in order to determine their future role and the different options to be applied when deciding how to handle the GSIs in relation to the administration of the Province.

## 14. INCORPORATING FUNCTIONS AND STRUCTURES FROM TPA, CPA AND OTHER PROVINCES

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Although some uncertainties still prevail around the handling of components and functions to be incorporated into the Administration of the Province, action has already been taken to accommodate those components.

Representatives of the TPA, CPA and other roleplayers were included in strategic sessions handling the restructuring process. Temporary measures have been established regarding the handling of personnel and finances. Components to be transferred will be transferred as a whole to each separate department.

Problems are encountered with regard to the division of managerial posts to be transferred with part of the function earmarked for this province.

Negotiations are already being conducted on different forums to address this problem.

## 15. UNBUILDING OF DEPARTMENTS TRANSFERRED TO CENTRAL GOVERNMENT

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Certain departments were transferred to Central Government at the end of July 1994. Components belonging to North West will be unbundled by the PSC-RSA and transferred back to the Province

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The Department of Home Affairs completed the process and indicated the components to be transferred back to North West Province. A memo in this regard will be sent to the PSC-RSA to officially effect the transfer. Transferred components will be allocated to departments in the province. The Department of Water Affairs also completed its investigation regarding the take-over of the former Department of Water Affairs in Bophuthatswana. The functions are already been transferred to the RSA and the physical transfer of personnel will be finalised as soon as possible. The Deputy Chief Law Adviser from Central Government visited this Province to negotiate the transfer of the Law Advisors component to this Administration. The component has already been created on the structure of the Director General. It has however, been decided that it will better serve the Province it is placed on the structure of the Premier. This will be effected at the next sitting of the Provincial Service Commission.

16. TRANSFER OF THABA LNCHU AND MORETELE 2 TO THE FREE STATE  
AND EASTERN TRANSVAAL, RESPECTIVELY

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A meeting was held between officials of the Free State and Cape Provinces and the North West to arrange for the transfer of these two regions to the relevant Administrations. A task team has been set up to officially effect the transfer of personnel, assets and budget. The task team will effect the transfer during the latter half of September. The hand over of Moretele 2 to the Eastern Transvaal Administration will be handled as soon as the hand over of Thaba lNchu to the Free State is completed. The take over of functions, personnel and assets from the CPA will be effected on 4-5 October 1994.

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DEVELOPING FINANCIAL ADMINISTRATIVE CAPACITY

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Systems and accounting structures are in place to facilitate reporting of expenditure incurred by the erstwhile Bophuthatswana Administration. Accounting structures, in order to identify expenditure incurred on behalf of regions which fall into Free State and Eastern Transvaal Provinces have not yet been put into place.

In respect of areas which did not previously form part of the erstwhile Bophuthatswana, arrangements have been made with the former provincial structures (TPA, CPA) to facilitate the reporting of expenditure for the new province.

The 1994/95 financial year budget for the Province has been approved by State Expenditure. The 1995/96 Provincial Budget is presently drawn up in compliance with guidance as prescribed by State Expenditure for submission by the 17 October 1994.

Closing of books of the erstwhile Bop.

- 1991/92 - Financial statements completed

- 1992/93 - A work programme has been developed and completion of the financial statements is scheduled for the first week in October 1994.

- 1993/94 Procedures for completion of preliminary tasks viz, bank reconciliations have been put into place and are being performed parallel with the 1992/3 financial year. A detailed work programme must still be prepared. Indications are that it could be possible to finalise books of account by the end of November 1994.

- 1994/95 The report is envisaged to be completed by February 1995.

## 18. COMPUTER SYSTEMS

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Although a final decision on the implementation of a computer system for the personnel and salary functions has not been taken, the Workstudy Division has developed, in conjunction with Ernest & Young, a take-on system to capture the new structures and establishments which will be transferred to the new system as soon as it is in place.

Potential users of asset registers attended a presentation regarding a computer system recommended by State Affairs. After a positive response, further investigation to obtain this system for this Province has been initiated.

## 19. CONCERNS AND FEARS REGARDING THE HUMAN ELEMENT WITHIN THE TRANSFORMATION PROCESS

### 19.1

An analysis of the transformation of the public service in post colonial Africa records inter alia a lack of dealing with the management of its human resources in a proper manner. In many African countries, human resources issues were regarded as administrative rather than management issues that, if managed properly, could make a major contribution to the achievement of social and economic goals. In many instances the human element has taken a back seat to other factors such as technology, economics and logistics in terms of strategic formulation processes.

Up to now, deliberations on the transformation of the public sector in South Africa have, to a very large extent, been dictated by political considerations. Transformation cannot be viewed simplistically as the restructuring of the organisational manifestations of apartheid and/or the application of affirmative action. A focus only on restructuring, implies a focus on the visible or overt aspects of the public service. It is the hidden or covert aspects that constitute the largest and most important part of the transformation process. These aspect are concerned with the "human resources employed in the public service".

At the heart of the performance of the public service lies issues concerning the efficiency, competency, motivation and morale of its workforce. If the fears of staff are not addressed, it will have a negative influence on their productivity and will by that jeopardise the achievement of the objectives of the Reconstruction and Development Programme. It is essential at this stage, that all the concerns and fears of existing staff are properly addressed and all information available is properly communicated to staff.

It is against this background that the Northwest Provincial Government decided to pro-actively address the concerns and fears of the public servants through a series of workshops facilitated by a team of external consultants.

The approach of the workshop process was motivated by two main principles, i.e.:

- internal expertise and knowledge of people working in the organisation are mobilised. This will not only protect the human dignity of the workers, but will also give credibility to the existing management cadre.
- empowerment of people through inclusive stakeholder participation, information dissemination, ownership and transparency to fully comprehend the change process.

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PROVINCIAL BARGAINING CHAMBER

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Section 5 of the Public Service labour Relations Act stipulates that a bargaining Council should be established at central level, all National Departments and at each Province. The Chamber consists of employer representatives and employee representatives in the form of admitted unions or associations. These chambers must bargain on matters of mutual interest, within the scope of the powers delegated to the employer.

The situation regarding Ex Bophuthatswana Public Servants is as such that the strict application of the law would severely restrict the presentation of Ex Bophuthatswana Public Servants. A meeting was called on 6 September with representatives of the currently admitted unions to agree on mechanisms to allow representation of Ex Bophuthatswana public servants. It was accepted that any organisation which can prove that it represents at least 500 employees can be admitted as an interim measure. Guidelines for access to recruit members will be drawn up for these servants. This was presented to the crisis committee and they accepted the measures.

A date was set for the founding meeting of the North West Chamber of the Public Service Bargaining Council, on 29 September 1994. Invitations were sent to admitted unions and the crisis committee. An advert was also placed in the media to invite any other organisation to apply for admittance. At present the recommendation of the Provincial Service Commission is awaited for the interim appointment of members of the Bargaining Chamber

20.4 Temporary employer representatives will therefore be appointed pending the finalisation of permanent management structures at which time the situation will be reviewed.

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