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**Examining the cost effectiveness and
efficiency of inspections regarding the
enforcement and compliance to
Occupational Health and Safety Act**

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Acronyms

Acronym	Description	Acronym	Description
APP	Annual Performance Plan	KZN	KwaZulu-Natal
BCEA	Basic Conditions of Employment Act	LP	Limpopo
CCMA	Commission for Conciliation, Mediation and Arbitration	LRA	Labour Relations Act
CD: PO	Chief Director: Provincial Operations	MP	Mpumalanga
CF	Compensation Fund	MTEF	Medium Term Expenditure Framework
CFO	Chief Financial Officer	MTSF	Medium Term Strategic Framework
CIO	Chief Information Officer	NACTU	National Council of Trade Unions
COIDA	Compensation for Occupational Injuries and Diseases	NC	Northern Cape
COO	Chief Operations Officer	NDP	National Development Plan
COSATU	Congress of South African Trade Unions	Nedlac	National Economic Development and Labour Council
CS	Corporate Services	NT	National Treasury
DDG	Deputy Director General	NW	North West
DoL	Department of Labour	OHS	Occupational Health and Safety
EC	Eastern Cape	OHSA	Occupational Health and Safety Act
FEDUSA	Federation of Unions of South Africa		
FS	Free State	PFMA	Public Finance Management Act
GP	Gauteng Province	SMME	Small Medium Macro Enterprises
HO	Head Office	SP	Strategic Plan
ICT	Information and Communication Technology	SL	Salary Level

IES Inspection and Enforcement Services

NOSA National Occupation of Safety Association

1. INTRODUCTION

The goal of the Occupational Health and Safety programme is to ensure the health and safety of South African employees across all occupations and industries in South Africa. The system of providing regular inspections in the work place is and always has been a challenge. Of particular concern is the current system of managing expenses for this programme, particularly with regards to how its budget is not separated from other projects in the branch. Another area of concern is the noticeable untailored information used by the department to determine its target of its reactive inspections, thereby resulting in inefficient allocation of the programme limited resources.

This report will address these two concerns and make recommendations to enhance the financial health of the department while also ensuring that key personnel are attracted to the field.

This report has been commissioned by Government Technical Advisory Centre, and seeks to examine efficiency and cost effectiveness of inspections carried out to monitor and enforce compliance with the OHS Act.

1.1 Background

What is Occupational Health and Safety?

Occupational Health refers to all activities involves the promotion and maintenance of the highest degree of physical, mental and social well-being of workers in all occupations by preventing departures from health, controlling risks and the adaptation of work to people, and people to their jobs.

What is happening now?

South Africa's rates of occupational health and safety incidents in the workplace is high and continues to increase. The construction industry alone reports at least two fatalities every week. Economic estimates suggest that the country is spending over R2 billion every year on workplace incidents. This cost is estimated to be 3.5% of the national Gross Domestic Product (GDP). Costs to workers and their families include permanent disabling

injuries, debilitating diseases, loss of employment and therefore, the loss of breadwinners within families.

Employers also bear a substantial part of the costs, and these include property damage, lost production time, lost skills as well as the cost of engaging and retraining replacements. Traditionally, employers, particularly those who employ unskilled workforces view expenditure on OHS activities as a cost to be avoided. Often, injured and sick workers are returned to the homelands or neighbouring territories with minimal (if any) compensation, to be replaced by others recruited through the labour broker system.

Occupational Health and Safety Legislation in South Africa , the Occupational Health and Safety Act 85 of 1993 ("the OHS Act") is the principal law regulating OHS in most sectors of the economy. It came into effect on 1 January 1994, replacing the Machinery and Occupational Safety Act 6 of 1983 ("MOS Act") which had been the country's first comprehensive statute on OHS.

The OHS Act has a wider application than the MOS Act, covering all sectors of employment, except the mining industry , which is governed by Mine Health and Safety Act. (S.1 (3)). It also covers any activities of self-employed persons that may pose a risk to others (S.9). Certain sectors are subject to concurrent jurisdiction and are covered by the OHS Act and other sector-specific legislation. For example the OHS Act applies to the aviation industry but aviation accidents are investigated in terms of the Aviation Act (S.24 (3) (c)). The OHS Act also excludes investigation by an inspector of a traffic accident on a public road, irrespective of whether it was in connection with the activities of persons at work (S.24 (3) (a)).

The Occupational Health and Safety Programme

Occupational Health and Safety programme with the Department of Labour is responsible for administering the OHS Act. Inspections and enforcement actions are generally the primary way through which businesses, in particular SMEs, "experience"

regulations and regulators. Inspections are mandatory checks of compliance with applicable regulations.

Key concerns in Occupational Health and Safety programme

- Who are the people affected by Occupational Health and Safety (OHS) incidents in the workplace?
- What are the challenges with OHS programme's cost effectiveness and efficiency?
- How much will it cost to provide the OHS programme over the MTEF period?
- What other policy options are available for providing the OHS programme?
- How can cost ineffectiveness and inefficiency of the programme be prevented?

It focuses on the *Occupational Health and Safety programme* within the Department of Labour (DOL). It aims to answer the following research questions:

2. PROGRAMME DESCRIPTION AND ELEMENTS

2.1 Programme description

The programme purpose is to provide for the health and safety of persons at work and for the health and safety of persons in connection with the use of plant and machinery; the protection of persons other than persons at work against hazards to health and safety arising out of or in connection with the activities of persons at work; to establish an advisory council for occupational health and safety; and to provide for matters connected therewith.

An integrated OHS policy is essential for developing a stable and productive work environment. Since 1994, and in light of the new Occupational Act, the laws regulating the labour market have been revised to promote healthier labour relations, appropriate working conditions, equity in the workplace and improved skills. Improved working

conditions are necessary to ensure higher labour productivity, better quality work, healthier labour relations and compliance with quality standards.

The programme has an establishment of about 90 inspectors at the provincial offices and labour centres. The inspectors are located in 9 provinces with the largest complements being found at Johannesburg (8 filled inspector posts), Durban (6 filled inspector posts). The smaller regional offices are Umthata with (one filled inspector posts) and Welkom with (two filled inspector posts).

Furthermore the programme has a staff complement of 27 which is located in Pretoria (Head Office). These officials are responsible for the programme policy development and support of inspections at provincial and Labour Central level. Head office structure has three directorates: Health and Hygiene, Electrical and Mechanical Engineering and Explosives and Civil Engineering. On average the inspectorate has been operating with a 38 percent vacancy rate, which has been ascribed mainly to the moratorium that was placed on the filling of vacant posts and the difficulty in recruiting suitably qualified technically-skilled staff.

The economic gains associated with improvement in OHS are far-reaching, and include:

- increased productivity and improved worker morale;
- reductions in the working time lost due to injury and disease;
- decreased equipment down-time and less damage to materials and machinery,
- savings in the costs of recruiting and training replacement employees; and
- reductions in transaction costs such as insurance costs and legal fees.

Before 2008, OHS programme experienced difficulties in attracting or retaining sufficient numbers of suitably qualified and experienced personnel. This problem arose partially because the department was unable to offer remuneration that was comparable to that offered by the OHS industry. This situation has improved, and the OHS programme is better resourced. At the end of 2015/16, the programme had 82 inspectors with OHS qualifications in its OHS inspectorate and a vacancy rate of 47% for these 21 positions. The ILO benchmark is 1 Inspector for every 20 000 members of the workforce. In terms

of the Quarterly Labour Force Survey (February 2015) RSA has 15 320 000 employed persons. It means that South Africa requires 766 OHS inspectors for employed workers, compared to 82 inspectors as at the end of March 2016.

2.2 Institutional analysis

The situation as it stands – current situation

The head of the DoL in South Africa is the Minister of Labour. There is also a Director General (DG) of Labour who reports directly to the Minister. Under the DG's supervision are four branches: Administration Service, Inspection and Enforcement Service, Public Employment Service and Labour Policy and Industrial relations Programmes.

The OHS programme has a more decentralized system as it is split between 9 provincial Offices, and the policy development sub-programme at HO, namely Occupational Health and Safety. This sub-programme The Occupational Health and Safety Chief Directorate oversees the Directorates of Electrical and Mechanical Engineering, Explosives and Civil Engineering, and of Occupational Health and Safety. The inspection and enforcement services are conducted across all provinces under the Compliance, Monitoring, and Enforcement Services sub-programme.

Labour inspection services are organized at the National and Provincial levels in South Africa. The Inspector General is responsible for labour inspections at the HO level, whilst Provincial Chief inspector are responsible for managing inspections at the provincial level. Detailed information about the institution can be found in Appendix B.

It is important to note that the programme has only managed to implement the first phase of the above structure. It was only able to employ principal and specialised inspectors with the intension of employee general inspectors in the third phase.

Types of inspections

In general, inspectors conduct three types of inspections:

- **Routine visits (also called pro-active inspections):** These types of visits identify areas of non-compliance and prevent occurrence of incidents harmful to workers' health and safety.
- **Emergency visit (also called reactive inspections):** This is when the programme is responding to the complaints and investigating the workplace incidents.
- **Blitz Inspections:** Identify and target high risk and problematic sectors for inspections. They are conducted monthly per sector nationally. Detailed information about the types of inspections can be found in Appendix D.

2.3 Programme Elements

Table One: Delivering OHS at different spheres of government

Labour Centre	Provincial Office	Head office
<ul style="list-style-type: none"> • Conduct pro-active inspections • Complaints and follow up inspections • Advice and information • Investigate incidents • Issue OHS notices • Recommend prosecution and/or further action to provincial office • Give evidence in Labour Court, magistrates court or Small Claims Court • Issue subpoenas 	<ul style="list-style-type: none"> • Provide support and advice to Labour centers; • Co-ordination to ensure the efficient allocation of resources between labour centres; • Ensure and monitor the implementation of a nationally decided and agree upon strategy to prioritise certain sectors, implement certain laws, run campaigns etc. • Monitor the quality of service of labour centres spelt out in service level and provincial work plans. This should include spot checks and accompanying inspectors on inspection. • Ensure constant communication and feedback to inspectors on the ground in respect of external and internal 	<ul style="list-style-type: none"> • Development of regulations and guidelines • Granting of exemptions • Approval (Accreditation) of statutory entities • Registration of statutory entities • Technical support including training on new and/or amended OHS directives and regulations.

Labour Centre	Provincial Office	Head office
	issues	

Inspection and enforcement services at provincial level

General coordination of inspections in the province to ensure efficient allocation of resources. This includes receiving progress reports and statistics from labour centres, quality audits of inspections, ensure targets in national inspection plan are being adhered to. In terms of enforcement provincial office is responsible for draft and/or check court documentation for prosecutions, recommend penalties, compliance orders and orders for Labour Court Check OHS inspection report, recommending prosecution.

Inspection and enforcement services at national level

The role of the head office in the inspection services is to provide back up support to performance and quality audits and to process Ministerial complaints and inquiries to provinces. Further conduct diving inspection as they are centralised at national level.

Inspection and enforcement at Labour centre

The labour centre has many of the same functions and divisions as the provincial office. The key functions of the labour centre are to conduct all types of inspections with the exception of diving inspection. The labour centres are also responsible for, conducting advocacy sessions, incidents investigations and reporting back to the provincial office.

2.4 A risk-based approach to regulation

Systematised decision making frameworks and procedures to prioritise regulatory activities and

deploy resources, principally relating to inspection and enforcement, based on an assessment of the

risks that regulated firms pose to the regulator's objectives. The Main elements of the approach are:

Setting the risk tolerance, risk identification and risk assessment, assigning scores and ranking firms or sites and linking supervisory resources and responses to the risk scores.

The responsibility for setting annual targets of pro-active inspections rests with team of senior managers at head office and chief inspector of every province. In setting the targets the programmes leaders take the following factors into consideration political (such as NDP target of increasing inspection by 30 % at the end of 2019) and other economic factors. The programme also uses data from CF employer registration system to set its targets. However this data is not complete due to exclusion of informal sector information.

According to the Quarterly Labour Force Survey, in the first quarter of 2012 there were 2.1 million people in South Africa active in the informal economy (excluding the agricultural sector), 34% of total economic activity take place in this sector. Informal economic traders do not register with compensation fund and hence it is difficult for the OHS programme to regulate in this sector and run an effective risk base regulation of the OHS Act.

3. EXPENDITURE ANALYSIS

3.1 Introduction

The following section of the report outlines the key findings of the expenditure analysis. In 2015/16, government spent a total of R79.8 million towards the OHS programme. This budget represent 16 per cent of the Inspection and Enforcement Services branch.

Table 2: Expenditure per economic classification and line item level

OHS Expenditure consolidation (H/O & PO)	Expenditure	% of total
Current payments	70 036	87.7%
Compensation of employees	60 387	75.6%
Goods and services (key spending items are):	9 649	12.1%
Administrative Fees: Payments	276	0.3%
Assets<R5000	138	0.2%
Catering: Departml Activities	266	0.3%
Communication	688	0.9%
Fleet Services(F/Ser)	856	1.1%
Cons:Sta,Print&Off Sup	1 183	1.5%
Property Payments	857	1.1%
Travel and Subsistence	4 434	5.6%
Operating Payments	334	0.4%
Venues and Facilities	245	0.3%
Transfers and subsidies	138	0.2%
Households	135	0.2%
Payments for capital assets	9 714	12%
Machinery and equipment	9 714	12%
Total	79 887	100%

With reference to the above table the following is evident:

Salaries and wages constitute the primary cost driver of OHS programme (an average of 74 per cent of total expenditure), followed by Goods and services (mainly for travel and subsistence expenditure). OHS is running two models of fleet system, subsidies vehicles and direct purchased vehicles from department chosen service provider. Therefore the

running and maintenance cost of vehicles constitute the biggest part of travel and subsistence expenditure.

Data used for the expenditure analysis for OHS programme was sourced from Vulindlela. The data is structured according to SCOA 'segment', but for the purpose of the expenditure analysis data at a sub-program level and also the spending item at the labour centre was used. This enabled an analysis of expenditure for each item and enabled the linking of expenditure to sub-program within the programme. The main challenge with the data provided was that the department had not been capturing the expenditure by inspection type, especially for Compliance, Monitoring and Enforcement Services. Other data had to be used to get the lowest level data, ratio of OHS inspectors from other class of inspectors in the Inspection and Enforcement Services.

4. COSTING MODEL

4.1 OVERVIEW OF THE MODEL

Building on the information gathered from the expenditure analysis, it was decided to build a cost allocation model to explore other options for reducing inefficient spending by introducing other policy options.

4.2 Structure of the cost allocation model

The model consists of five main worksheets:

- (i) General Assumptions – Contains assumptions relating to inflation that are used to project the 2016/17 expenditures forward to the 2017 MTEF.
- (ii) Totals and Scenarios – Provides detail of 2015/16 spending by key cost drivers forward to the 2017 MTEF, as well as two scenarios that are compared to the status quo.
- (iii) Coverage - provides different per cent coverage over the review period.
- (iv) Vehicles and Inspection tools sheets – The two sheets provides financial and non financial information about these key tools of trade for OHS inspectors.

4.3 Scenario descriptions

The cost allocation model specifies three different scenarios. Only scenario one covers the period 2016/17 to 2018/19. The model is set up to reflect the following three scenarios:

- i. **Scenario 1:** this scenario shows the cost of maintaining the status quo. In the current situation the OHS inspectorate in South Africa uses insufficient data for policy design. The programme exclude informal sector information when planning for the inspections for a given year. Futhermore the scenario does not consider the leverage created by a joint venture between the CF and the major employers' organisations which have the objective of preventing accidents or occupational diseases and promoting worker health and safety.
- ii. **Scenario 2:** this scenario it allows for some efficiency savings in certain areas. This is because the scenario consider increase usage of informal sector data for policy design.
- iii. **Scenario 3:** it allows for further efficiency savings. It takes the effects of both increase usage of informal sector data for policy design and the leverage created by a joint venture between CF and major employers' organisations.

Presently, OHS prevention & reactive inspections and compensation entity (CF) are funded from fiscus and employer levies respectively.

Table 3: Scenario costing

Summary	Baseline 2015/16		Scenario 1 (Status quo over MTEF)			Scenario 2	Scenario 3	
	Unit Cost	QTY	Cost	2016/17	2017/18	2018/19	2016/17	2016/17
Cost of employees		211	60 013 248	64 466 238	69 250 525	74 390 819	64 466 238	64 466 238
Total per salary level (SL)								
SRL: 03	132 945	22	2 924 798	3 147 083	3 386 261	3 643 617	3 147 083	3 147 083
SRL: 06 - 07	387 093	8	3 096 747	3 332 100	3 585 340	3 857 825	3 332 100	3 332 100
SRL: 08	114 000	115	13 110 000	14 106 360	15 178 443	16 332 005	14 106 360	14 106 360
SRL: 09	459 856	1	459 856	494 805	532 410	572 873	494 805	494 805
SRL: 10	486 229	34	16 531 786	17 788 202	19 140 105	20 594 753	17 788 202	17 788 202
SRL: 12	688 859	19	13 088 321	14 083 033	15 153 344	16 304 998	14 083 033	14 083 033
SRL: 13	900 145	12	10 801 740	11 514 655	12 274 622	13 084 747	11 514 655	11 514 655
Operating /variable cost			2 146 250	2 309 365	2 452 546	2 597 246	2 193 897	2 078 429
Communication (Cell phones)	2 000	211	422 000	454 072	482 224	510 676	431 368	408 665
Running and Maintenance fees/costs of cars	31 350	55	1 724 250	1 855 293	1 970 321	2 086 570	1 762 528	1 669 764
Capital cost			10 186 687	10 960 876	11 640 450	12 327 237	10 412 832	9 864 788
Inspection tools	3 687	5 525	10 186 687	10 960 876	11 640 450	12 327 237	10 412 832	9 864 788
Grand total costs			72 346 186	77 736 478	83 343 521	89 315 301	77 072 966	76 409 454
Savings realised compare to current spending							663 512	1 327 024

4.4 Assumptions

The guideline set by the department for the number of proactive inspections per inspector per month amount to 13. However, between 2011/12 and 2013/14, inspectors only conducted on average 12 such inspections. Policy focus over the medium term seeks to address this gap.

Table 4: Delivering Model output table

	Scenario 1	Scenario 2	Scenario 3
Number of inspectors	↔ 211	↔ 211	↓ 186
Number of inspections per inspector per month	↔ 12	↑ 15	↓ 8
Average cost per inspector per a.n.	↔ 413 800	↑ 441 525	↑ 469 782
Average operational cost per inspector per a.n.	↔ -	↓ 6.70%	↓ 6.40%
Number of re-active inspection per a.n.	↔ 1 305	↓ 1240	↓ 1175
Increase % in CF proactive subsidies	↔ -	↑ 5.0%	↑ 10.0%
Full coverage of labour sector (formal & informal)	↔	↔	↑ 5.0%

Movement in number of inspections with ↑ (improved), ↔ (unchanged) or ↓ (regressed).

4.5 Results

First policy option – Scenario 2

Scenario 3 is, in our opinion, the preferable option. Under this scenario, OHS programme will more proactive by reducing emergency inspections. It will achieve this by increasing subsidies of fund organisations that have the objective of preventing accidents. The 'efficiency' savings from these changes are estimated at between R30 million and R38 million (for the 2014/15 financial year). The primary driver of efficiencies is in reducing the costs under

Second policy option – Scenario 3

Scenario 3 is, in our opinion, the preferable option. Under this scenario, OHS programme will more proactive by reducing emergency inspections. It will achieve this by covering the whole labour market (formal and informal) and also increasing subsidies of fund organisations that have the objective of preventing accidents. The 'efficiency' savings from

these changes are estimated at between R30 million and R38 million (for the 2014/15 financial year). The primary driver of efficiencies is in reducing the costs under

4.6 Addressing funding gap of proactive inspections

The Director-General: Labour is empowered under COIDA to fund organisations that have the objective of preventing accidents or occupational diseases and promoting worker health and safety. Historically, this power was mainly used to subsidise the National Occupation of Safety Association (NOSA) established in 1951 as a joint venture between the Commissioner and the major employers' organisations. The highest subsidy paid to NOSA was R12.2 million in 1985. The subsidy given to NOSA during the 1980's amounted to 2 per cent – 3 percent of the total assessments received by the Compensation Fund. Funding of NOSA ceased at the end of the 2001/2 financial year and limited use is currently made of this power. The use of CF funding should ease funding pressures of OHS programme and allow implementation of its important strategies such as professionalisation.

4.7 Cost structure and personnel establishment of the OHS programme

The current structure of the programme has some inefficiency. The allocations of the programme cut across two divisions. This set-up presents a challenge when the user of information wants to retrieve information relevant to the Programme. Currently the user of the information is not is not the position to request information which specific to the Programme. The problem is mainly with the provincial capturing of budget and payments. The budget and payments of Programme in the provinces is not separated from the accounts of other inspectorate programmes such as, Labour Relations and Basic Condition of Employment.

Table 4: Coverage of employers in the country by the OHS programme

Programme impact to the relevent national outcome				
	2015/16	2016/17	2017/18	2018/19
Coverage	2.63%	2.82%	2.83%	2.83%
Number of workplace to be inspected	20 475	21 967	22 000	22 000
Employers actively registered with CF	777 939			

During 2015/16, a total of 20 475 inspections were undertaken. This amounts to the inspection of 2.63 per cent of employers registered with the Compensation Commissioner. The programme is continuing to show a slow growth in number of inspection to be conducted over the review period. This trend is not consistent with the departments' National Development Plan target of increasing its inspection by 30 per cent at the end of 2019.

5. FINDINGS

- a. Currently, categories of inspections, in provinces, share resources such as vehicles. There is under and over utilisation of other resources.
- b. The budget for the inspectorate division is integrated in the financial system.
- c. OHS programme uses statistics from Compensation Fund (CF) claims system to prioritise inspection activities and to deploy its resources.
- d. The activities of the OHS programme are interdependent.
- e. DoL management is not fully utilising its legislative powers to address funding shortages of the programme by utilising resources from its own compensation arm (CF).

6. CONCLUSION

- a. Due to the fact that the inspectorate budget is integrated in the system, it is not easy to separate some of the OHS cost components. This is an indication that the functionalities of the department's financial system are not used in full. Therefore inefficient use of the system has led to poor monitoring and evaluation of the OHS spending.
- b. The Risk assessment remains an important tool in evaluating risk and making decision about priorities. Therefore, department needs to improve its capacity in risk assessment, so that it can get better value for money.
- c. It is difficult to measure coverage of OHS programme inspection and enforcement services to the countries' workplaces.

- d. Therefore, it will help to assess all elements of the OHS programme in order to do a thorough review its performance and expenditure.
- e. Their other means of addressing the programme shortage of funding and which DoL has not fully utilised.

7. RECOMMENDATIONS

- a) It is recommended that spending and the budget for inspectorate divisions be split according to categories of inspections of the accounting system. This will ensure transparency and effective monitoring and evaluation of OHS performance.
- b) In order for OHS to improve its efficiency, the programme needs to follow a more comprehensive approach in planning for the blitz inspections and efficient deployment of its resources.
- c) It is recommended that the OHS review project be expanded to cover all elements of the programme.
- d) The DG of DoL should consider utilising a significant portion of CF employer levies to finance OHS preventive activities such as education, training and research.

Appendix A

How is an inspection visit performed?

The principal aim of the visits is to establish, through observation of the premises, examinations of the records kept by the management of the workplace and talks with the head of the workplace and the representatives of workers, whether the labour legislation is applied and, if not, to ensure that it is.

On their arrival at the workplace, the labour inspectors notify employers of their presence and show their identity badge and/or card to the employer or their representative. Whenever there are workers' representatives at the workplace, it is desirable for inspectors to meet them, observing any conditions laid down in the legislation. They may decide, for example, to inform workers or their representatives of their presence on arrival and see them later in a room made available to them. Other contacts are often useful, especially with the enterprise's physician if there is one, with the safety and health specialist (inspectors can get one or other of them to accompany them on their visit) and with members of the safety and health committee. In certain cases, inspectors can arrange joint-visits with external specialists: medical inspectors, experts from approved bodies, and preventive supervisors from the social security service.

Inspectors organise the visit and decide the details on their own; they decide whether it is to be a full visit or a visit with a narrowly defined aim. As a general rule, with a view to making full use of the time available and reducing costs, inspectors turn any visit into a full routine visit. Inspectors in this case, check all installations, especially those that present specific hazards, and also the sanitary arrangements and the social services provided.

At the end of the visit, inspectors must inform the employer of their observations, which they normally do in writing. Most legislation requires the enterprise to keep an inspection register in which the inspector's observations must be entered; if need be, they can be entered in condensed form, with an indication that further comments will be sent to the employer at a later time

Appendix B

Final Outcome		Decent employment through inclusive economic growth		
Indicator	A 50% decrease in the number workplace accident registered with Compensation Fund			
Frequency	Quarterly and Yearly			
Source of data	Statistical information derived from the system (Umehluko)			
Intermediate Outcome		Healthier and more productive workers		
Indicator	Increased productivity in previously affected sectors of the economy			
Frequency	Quarterly and Yearly			
Source of data	Annual Productivity Statistics compiled by PSA			
Immediate Outcome		Workers have a safe working environment		
Indicator	30% increase in number of inspections and follow ups			
Frequency	Yearly			
Source of data	DoL annual report			
Final Output		Strengthened regulatory environment	Fewer incidents and accidents at workplace	
Indicator	Increased number of sectors covered by OHS regulations	Number of workplaces inspected per year to determine compliance with labour legislation		
Frequency	Yearly	Yearly		
Source of data	DoL annual report	DoL annual report		
Intermediate outputs		Published policy and/or regulations for OHS	Efficient inspections in workplaces	Better compliance by employers
Indicator	Gazetted policies and regulations	Quarterly workplace audit report for each province	Number of monthly audit reports	
Frequency	Yearly	Quarterly	monthly	
Source of data				
1. Activities		Work with legal teams to draft cases for the High Court and Labour Court	Provide technical support to inspectors	Conduct reactive inspections
Indicator	Percentage of case won	Number of support hours provided to inspectors	Turnaround time - average time per general inspection type (Large/medium/small companies) & Number of workplaces inspected per week to determine their compliance with the OHS legislation	
Frequency	Yearly	On request	Weekly	
Source of data	DoL case management system		Register of Labour Centres on findings of inspections	
2. Activities		Provide technical support to provinces	Perform partial inspections	Conduct high risk inspections
Indicator	Number of support hours provided to inspectors	Turnaround time - average time per general inspection type (Large/medium/small companies) & Number of workplaces inspected monthly to determine their compliance with the OHS legislation	Turnaround time - average time per general inspection type (Large/medium/small companies) & Number of workplaces inspected per week to determine their compliance with the OHS legislation	
Frequency	Yearly	Weekly	Weekly	
Source of data		Register of PO on findings of inspections	Register of Labour Centres on findings of inspections	
3. Activities		Develop OHS directives, Exemptions and Appeals		Enforce compliance in relation of incidents and accidents
Indicator	Published directives			
Frequency	Yearly			
Source of data				
4. Activities		Develop and publish OHS guidelines		Perform general inspections
Indicator	Published guidelines		Turnaround time - average time per general inspection type (Large/medium/small companies) & Number of workplaces inspected per week to determine their compliance with the OHS legislation	
Frequency	Yearly		Weekly	
Source of data			Register of Labour Centres on findings of inspections	
5. Activities		Develop policy and/or regulations for OHS		Conduct proactive Inspections
Indicator	Published policies and regulations		Turnaround time - average time per general inspection type (Large/medium/small companies) & Number of workplaces inspected per week to determine their compliance with the OHS legislation	
Frequency	Draft Amendment Bill		Weekly	
Source of data	Yearly		Register of Labour Centres on findings of inspections	
Programme elements		Develop OHS policy and/or regulations	Technical support to Labour centres	Proactive/Reactive inspections

Appendix C

Requirements for different types of inspectors

Generalist inspectors

The general job requirements are:

- Conduct inspection with the aim of ensuring compliance with the labour legislation.
- Carry out investigation on cases reported regarding contravention of labour legislation and enforce where it is evident there is contravention.
- Conduct proactive inspection regularly to monitor compliance with labour legislation.
- Conduct Advocacy Campaign on Labour legislation regularly.

Principle inspectors

There are different categories of these inspectors, which are:

- Employment Equity; Employment Standards; Occupational Health and Safety Social Security (COIDA) and Social Security (UIF)

These inspectors are required to provide more technical advice on sector specific matters relating their specialised fields. It is also envisaged that these inspectors will spend 40% of their time in the office and 60% travelling, compared to the generalist inspectors who spend most of their time travelling.

Specialist Inspector

There are different categories for these inspectors, which are:

- Civil engineering; Electrical engineering; Explosives engineering; Health and hygiene and Mechanical engineering.

Appendix D

Types of inspections

- **Routine visits (also called pro-active inspections):** These types of visits are scheduled and announced (i.e. notice is given, except for special reasons) and exhaustive. Routine inspections aim to inspect the whole of the installation and to check how far the legal provisions that apply are being complied with. During the routine visits, department carry out planned inspection visits for such purposes as education, assessing plans for new buildings, plant, equipment and processes, etc. Proactive inspections are initiated as derived from the departments' Annual Performance Plan (APP).
- **Emergency visit (also called reactive inspections):** This is the type of visit determined by events that require inspectors arrive quickly and without delay at the location of an incident (for example occupational accidents). Reactive inspections are generally serious and prompt an inquiry for both practical and legal reasons, or fires or explosions. Investigation happen after accidents have occurred or are reaction to complaints. The complaint can be lodged by the client at a walk in centre or a telephone call. It can also be made by the trade union who are listed amongst the stakeholders who can lodge the complaint.
- **Blitz Inspections:** Identify and target high risk and problematic sectors for inspections. They are conducted monthly per sector nationally.
- **Visits by request:** Labour inspectors are sometimes requested to visit a workplace to settle a problem concerning the application of a legal text, the prevention of a hazard, the exercise of trade union rights, or to give an opinion on the layout of a workshop or the planning of social services, or to investigate a worker's complaint. This type of visits is generally triggered by a complaint, and follows the same procedure as a routine visit to observe the obligation of confidentiality.