



NUUSBRIEF 33 NEWSLETTER

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SALARISONDERHANDELINGE 2015

Vakbonde onttrek uit ooreenkoms

SALARY NEGOTIATIONS 2015

Unions withdraw from agreement

Organised Public Service Unions

Media Statement, 12 June 2015

**Organised Public Service Unions have officially withdrawn
from the public service wage agreement**

The Public Service Unions have taken a decision to suspend their participation in all collective bargaining processes in the PSCBC and other sectors until the dispute over the implementation of 6.4% instead of the agreed 7% salary increase is resolved. This comes after we learnt that there was a circular from DPSA which stated that government intends to implement 6.4% instead of 7%. Herein they claim that they overpaid public servants by 0.6% and according to Resolution 1 of 2012, they can deduct it in the next agreement. The parties subsequently, agreed that the workers will not be paid the 6.4% until we have obtained a legal opinion on the interpretation of the agreement. Meanwhile the DPSA has gone ahead to implement 6.4% violating the agreement.

The background of the agreement goes back to the 19th of May 2015 when the unions implemented their individual mandates given to them by their members by signing a three year deal concluding the 2015/2016 round of negotiations. This was despite the fact that the package fell short of the demands of the workers. At the time we were positive about the deal having managed to place health/medical assistance and housing at the top of the agenda. We were also looking forward to engaging the employer on the new remuneration policy that will ensure that the starting base of public servants is lifted. Some of what is contained in the public service wage settlement agreement that we signed is the following:

- Cost of living adjustment: Agreed to settle at 7% and CPI+1% for the following year,
- Agreed to settle on 28.5% on the Medical Aid,
- Accepted the new leave dispensation of 5 days for Parents of Children with special needs,
- Accepted the new paternity leave dispensation of 3 days as a start with the intention of further improvement in the next round of negotiations,
- Agreed on the process to develop policy on the Recognition of Prior Learning (RPL), and
- Bursary Scheme for employees.

We were therefore deeply angered and disappointed when the Department of Public Service and Administration released a circular directing the Departments to implement a 6.4% salary adjustment instead of the 7% which has been agreed to. They alleged that there was an overpayment of 0.6% in the salary adjustment for 2014/15, because of the actual inflation figures issued by National Treasury were 5.6% while the salaries were adjusted using a projected CPI of 6.2%. They argued that according to Resolution 1 of 2012 if they have overpaid workers they can deduct it in the next agreement.

We argued that the employer had no business linking a lapsed agreement with a new one and made it dear that we rejected that interpretation. We are still of the firm view as Labour that the clause contained in the 2012-2015 agreement has no effect to this current agreement.

We ultimately called a Council meeting on 1 June 2015 and in that meeting it was agreed that workers will not be paid

6.4% until we have a legal opinion on the interpretation of that clause.

In a council meeting convened yesterday, 11 June 2015, the employer admitted that they have already paid those workers who are getting paid on the 15th and they have implemented a 6.4% increase. We viewed this as a breach of the two agreements –

- (a) paying 6.4% instead of 7%, and
- (b) paying members 6.4% even though we agreed that they must stop everything. We have therefore suspended every collective bargaining process in the PSCBC and the sectors until this matter is resolved. We have officially withdrawn from the agreement.

END