

Govt attempts to get out of 2018 wage agreement with civil servants

Eyewitness News (EWN) - 26 Feb 2020

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JOHANNESBURG - In a desperate move ahead of the Budget Speech on Wednesday, government has attempted to get out of a 2018 wage agreement with public servants. Finance Minister Tito Mboweni is under pressure from ratings agencies, among others, to decrease the Public Service Wage Bill that's been a burden on government spending for years now. The deal, which kicks in this April, had guaranteed workers Consumer Price Index plus 2% in wage increases as part of a three-year wage agreement. In a statement issued on Tuesday night, the Congress of South African Trade Unions (Cosatu) described the position paper tabled by government at the public service coordinating bargaining council on Tuesday as intransigent and reckless. The review tabled by government would lead to workers in the sector not getting wage increases for the year 2020 and 2021. According to the agreement signed by public sector unions, with the exception of the Public Service Association, either party to the deal could call for a review of its contents and government was cashing in. Cosatu has further warned government not to attempt to "smuggle" the review into Mboweni's Budget Speech, saying they would regard this as a declaration of war and the parting of ways. The federation also fired a salvo at the African National Congress alliance, saying the decision implied that the grouping "still has limited influence on what happens in government"