

MEDIA RELEASE: PSA warns government to tread carefully with repeated statements of job losses and cutting of benefits of public servants

DATE: 29 July 2019

EMBARGO: None

ENQUIRIES: communication@psa.co.za

The Public Servants Association (PSA) that represents more than 240 000 public-sector employees has issued a stern warning to government about continued statements in the media related to job losses as announced last week by President Cyril Ramaphosa. This includes comments by the Minister for Public Service and Administration, Minister Senzo Mchunu, on the reduction of the wage bill and only having employees declared in excess additional to the establishment for a period of one year.

However, in recent media reports, the Minister made a U-turn, stating that there will be no job losses but wanting to cut on incentives of public servants and bizarre statements by Treasury to cut public servants' wages with 10%.

Labour parties in the Public Service Coordinating Bargaining Council (PSCBC) on Friday, 26 July 2019 engaged in a conciliation process on the reduction of bonuses and the employer's early-retirement offer. Such restructuring processes and reduction of the wage bill are regarded as the start of processes that will eventually justify job losses in the Public Service in a process that is undermining the provisions of the *Labour Relations Act*.

The PSA pointed out that there cannot be talk about economic growth and addressing unemployment whilst being engaged in processes to reduce Public Service jobs that will further poverty and then ask South Africans to embrace job losses. The PSA is also questioning whether government is aware of the processes it wants to embark on or is it merely making these statements to gain public and private sector sympathy in preparation for what is coming. The PSA stated that what government fails to understand is that the more than 1.2 million public servants are also breadwinners, taxpayers and their families will also be affected. Instead, the picture being painted to Public Service unions and the public is one of grasping at straws and legitimising the bail-out of state-owned institutions that failed because of large-scale corruption and mismanagement and then expecting public servants to pay for this.

The PSA warned that government's continued statements are instilling fear, panic and job insecurity, especially in the Public Service, that will result in it paying dearly with a negative effect on stability and economic growth. The Union has continuously called on the employer for proper engagement to assist the process and avoid labour unrest. Such calls remain unanswered. The PSA pointed out that the day is unfortunately drawing nearer where there will no longer encouragement for engagement. In the meantime, government is opting to rather make statements in the public domain to gain support for its ill-conceived end desperate plans rather than reverting to labour in the PSCBC to deal with these matters jointly and strategically in the interest of the country's economy and workers in general.

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