

## Update: Salary negotiations

### **Wage negotiations: 2019/20-financial year**

Salary negotiations for DTI entities re-commenced on 11 of June 2019 for feedback on the mandating process of labour. As previously reported, labour's initial demand was 15% across-the-board, and the employer initially offered 4.2% across-the-board. After several rounds of negotiations, the employer's current offer is 6.3% for employees earning above R 500 000 per annum and 7% for employees earning below R500 000 per annum. Labour has since adjusted its demand to 8.5% across-the-board and maintained its position on all other demands.

The employer's response to labour on the other demands is that it should be subjected to a process of appointing a services provider to assist with alignment of benefits across DTI entities. Labour demanded that the issue of medical aid, housing, pension fund, 13<sup>th</sup> cheque, and absorbing of fixed-term workers be prioritised and finalised in this round of negotiations. The employer did not move from its offer of 6.3% for employees earning above R500 000 per annum and 7% for employees earning below R500 000 per annum. The employer further indicated on 11 June 2019 that the above offer is final.

Labour has not move from 8.5% across-the-board and maintained the *status quo* on all other demands. Parties reached deadlock on the wage negotiations on 11 June 2019.

**MANDATE REQUESTED:** The PSA is seeking a mandate from members on the current offer on whether to accept or reject the offer of 6.3% for above R500 000 and 7% for below R500 000 per annum. The mandate should be submitted through the respective PSA Provincial Offices by **18 June 2019**.

Members will be informed of developments.

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GENERAL MANAGER