

Update: Public Service wage dispute

Members were informed in previous editions of the *Informus* that after the PSA received the answering affidavits from the employer, the PSA had five days to file its replying affidavit in response. The PSA subsequently filed its replying affidavit on 3 August 2020 at the Labour Court.

PSCBC Resolution 1/2018 made provision for a three-year, multi-term agreement on salary adjustments and improvements to conditions of service for public servants in the financial years 2018/19, 2019/20 and 2020/21. Clause 3.3 of the Resolution deals with salary adjustments, percentages, and the projected CPI in relation to the 2020/21-financial year.

The Department of Public Service and Administration (DPSA) is bound by the agreement regulating salary adjustments and improvements on conditions of service in the Public Service for the period 2018/19, 2019/20 and 2020/21 as contained in PSCBC Resolution 1/2018. In terms of clause 3.3. of the Resolution, it was agreed that with effect from 1 April 2020, and until 31 March 2021, the salary adjustments for employees on salary levels 1 to 12 will be as follows:

- *Level 1 to 7: Projected CPI +1.0%*
- *Level 8 to 10: Projected CPI + 0.5%; and*
- *Level 11 to 12: Projected CPI"*

Apart from issues arising from COVID-19, the DPSA and Treasury indicated that honoring the agreement will have catastrophic consequences for the country. This is even though government prior to the pandemic already indicated that it did not have the necessary funds to pay salary increases for public servants. It must be pointed out that Cabinet already sanctioned that agreement for the past two years and the argument that salary increases were not approved or authorised is ridiculous. The PSA is of the view should such an argument be permitted to succeed, it will destroy collective bargaining in the public sector and, quite possibly, in the private sector.

The PSA is awaiting a set-down notice from the Labour Court and will update members on developments.

GENERAL MANAGER