

Feedback: Special Labour Forum - 3 August 2021

Unilateral change in date of payment: Previous section 197 transferees

Members will recall that labour successfully ensured that the employer does not proceed with its unilateral action. It was then brought to labour's attention that the intended unilateral action resulted in salaries being received late, with incorrect payments and benefits for the July-salary run. Following these reports from members, a special meeting was requested to address the problem. Labour presented to the employer, amongst others, the consequences suffered as a result of the unilateral actions:

- Medical aids of some employees were suspended owing to non-payment of contributions for July 2021 and as a result chronic medication could not be obtained
- Life policies and funeral policies were suspended as a result on non-payment of monthly contributions
- Loans had to be incurred to cover the shortfall in budgets as a result of the delay in salary payments
- Some employees who were due to receive their annual bonuses did not receive their payments

No proper consultation took place with labour on the proposed changes given that it involved terms and conditions. This includes changes regulated and protected under section 197 of the *Labour Relations Act (LRA)*, the Transfer Agreement as well as the *Basic Conditions of Employment Act (BCEA)* on the payment of salaries and applicable benefits. Management acknowledged and conceded to inconveniencing employees following its actions to move the pay date. It apologised for the inconvenience caused and requested time to resolve the problem. This includes making an assessment on the impact of the inconvenience caused. It was further reported that it has scheduled meetings with the Finance Department to resolve the challenges.

It was noted that the employer submitted correspondence to employees committing to effect the outstanding payments. The pay date remains the 15th of each month as of August 2021, until after engagement with labour on the matter. The remaining issues, as well as an update on the engagement with Finance, is scheduled for 6 August 2021. Parties will also meet every Friday until all the outstanding matters are resolved. The employer also confirmed that calculations on the PMDS for the 2019/20-

financial year were finalised and ready for payment. This may be included with the outstanding payments of salaries and benefits.

PMDS payments 2020/21-financial year

The employer reported that it is finalising the moderation and calculations of the 2020/21 PMDS. Attempts will be made to have this paid to employees with their salary payments in August 2021.

Salary increases: 2021-financial year

The employer confirmed that it will comply with the implementation of PSCBC Resolution 1/2021 once the DPSA issues the Directive.

GENERAL MANAGER