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SINCE 1920
SERVICE EXCELLENCE

FOR PSA MEMBERS: **INDUSTRIAL DEVELOPMENT CORPORATION OF SOUTH AFRICA LIMITED (IDC)**

09-09-2022

What's happening at IDC?

Update: Salary negotiations 2022/23

As members were made aware in the PSA general members' meeting on 6 September 2022, IDC management presented a revised offer to the PSA for an additional 0.9% from the previous offer of 5.8%. This came after parties had reached a deadlock on all matters under negotiation. Management indicated that the improved demand was an effort from its side to resolve the impasse. The PSA noted the improved offer of 6.7% for P&M bands and a sliding-scale increase of up to 9.3% for employees on A&S bands. The latest offer will be subjected to a mandating process through a poll as explained to members in the meeting.

Nonetheless, the PSA engaged management on the issue of the "special incentive award", which the Chief Executive Officer announced without giving details of who will be eligible. Management reiterated that the special incentive award is not a subject for negotiation, however, it will share the criteria that will be used to award the incentive with the PSA once it has been finalised by EXCO. The PSA, in acknowledging management's right to negotiate or not negotiate on an issue, submitted that if management is adamant to resolve the impasse between parties, it should ensure that the criteria it sets for allocating the incentive are fair and inclusive. Should the incentive award be paid to the majority of IDC employees for the excellent work they have been doing, it will serve as the financial relief we have been advocating for. One of the key reasons provided by members in justifying the need for financial relief was that the IDC has not paid performance incentives for the past four years owing to the inability to achieve corporate targets.

It is critical that special attention is given to resolving challenges encountered on issues relating to corporate target setting and how the performance reward system is structured. Management committed to provide the PSA with feedback on the allocation model for the special incentive award on Monday, 12 September 2022. As soon as the feedback is received, members will be called to a meeting on the same Monday or on Tuesday to discuss the model before the mandating process is opened for accepting or rejecting management's latest offer.

Members will be updated.

GENERAL MANAGER