

FOR PSA MEMBERS: **PUBLIC SERVICE COORDINATING BARGAINING COUNCIL (PSCBC)**

15-08-2022

## Feedback: Special Council Meeting – 12 August 2022

### Wage negotiations 2022/23-financial year

Members are aware that PSA rejected the employer's 2% offer, which led to the declaration of a dispute that is still underway. The employer raised a point *in limine* during the conciliation that the dispute is premature and that the Council lacked the authority. The Commissioner will rule on the matter around 19 August 2022. On the other hand, all unions followed the PSA and rejected the employer's offer of 2% at the special Council meeting on 7 August 2022 and the employer requested time until 12 October 2022 to revert to Council.

On 12 August 2022, the employer tabled cost-cutting measures proposed to source the 1% shortfall to propose a 3%-baseline increase. The following measures were tabled:

1. To identify and fill only critical positions.
2. Implementation of employee-initiated early retirement (EIER) without penalties, subject to an assessment of critical posts being conducted.
3. The employer initiated exit mechanisms for employees aged from 60 to 64 years old.
4. Introduction of voluntary severance packages (VSP) in the Public Service subject to assessment of critical skills.

The employer further indicated that the idea is not to reduce head counts but to source additional funds for an additional 1%. Labour saw the measures as an attack on the collective bargaining and an insult to the intelligence of labour as the employer has already implemented austerity measures, despite being previously rejected by labour. These measures are seen by labour as the extension of austerity measures and will not be considered by labour. Further, the employer previously tried the EIER and VSP without success and wants labour to rubberstamp this ridiculous plan. Cost-cutting measures will never be accepted by labour. particularly when these are only focused on the compensation budget.

Subsequently, labour requested an opportunity to engage with their principals and revert to Council on **18 August 2022**. The employer noted the response from labour and reiterated that it is still in negotiation with a hope to conclude negotiations.

**It must be noted that the employer's official offer is still at 2%, confirming the PSA long-held view that the employer negotiates in bad faith and continues with delaying tactics to frustrate employees. It seems industrial action may be the only option to push this uncaring employer who continues to disrespect workers.**

The PSA will shortly canvas members on this option. Members will be updated on developments.

Employees who want to join the PSA can visit the PSA's website ([www.psa.co.za](http://www.psa.co.za)), send an email to [ask@psa.co.za](mailto:ask@psa.co.za), or contact PSA Provincial Offices.

GENERAL MANAGER