



INFORMUS

SINCE 1920
SERVICE EXCELLENCE

FOR PSA MEMBERS: SOUTH AFRICAN REVENUE SERVICE (SARS)

10-06-2022

Feedback: Special National Bargaining Forum Meeting – 8 June 2022

2022-Wage negotiations: R430 million no longer on offer

Members were informed that the PSA suspended the strike after issuing a memorandum to SARS and the Minister of Finance respectively. Subsequently, a special National Bargaining Forum meeting was convened on 8 June 2022 where the employer withdrew the initial amount of R430 million, which was offered towards a once-off payment and maintained that only R70 million is available. This is despite the demand by labour that the employer should consider using the entire amount of R500 million for salary increase. The employer remained steadfast and would not change its position. Unfortunately, after several and separate meetings, the employer remained adamant that various permutations can only be considered on the R70 million. The employer indicated that the offer of R430 million was offered with the expectation that it would resolve the dispute and expedite negotiations. Members should be aware that the offer made by the employer was 'all-or-nothing' with no option to split the two. It was clear that the employer's expectancy was premised on the basis that members would see the once-off gratuity as the windfall and panacea to address their dire economic conditions.

The PSA rejected the initial offer of R430 million for once-off payment and R70 million for 1.39% salary increase and the latest offer of only R70 million respectively as both did not make sense. It must be noted that since the offer was made, South Africa experienced another petrol price increase, which will impact on food prices and public transport, thus swallowing the meagre 1.39%-salary increase.

Members must note that if parties cannot find a way to break the deadlock, the PSA will have no option but to reinstate notice and embark on further strike action.

Update: 2021-Wage dispute

Members are aware that only the PSA has decided to refer a dispute to the High Court to force the employer to comply with the final leg of the wage agreement that was signed in 2019. The employer failed to implement the 6.2%-salary increase as per the multi-year agreement. After various discussions, the employer implemented a 3.9% as a salary increase. The PSA, at the time, appreciated the show of goodwill but maintained that the full 6.2%-salary increase must be paid.

The PSA can now confirm that all the required Court documents, including the various affidavits, have now been submitted to the High Court. The Registrar of the High Court informed parties that the matter has been set down for 25 July 2022, pending availability of all parties. Subsequently, the PSA was informed this week that not all parties are available on 25 July 2022 and an alternative date is being sought. The PSA's legal team is engaged in discussions with all parties to obtain alternative dates to argue the matter at the High Court.

Members will be informed of developments.

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

GENERAL MANAGER