



FOR PSA MEMBERS: **STATE INFORMATION TECHNOLOGY AGENCY (SITA)**

25-08-2023

Update: SITA 2023/24-salary adjustment negotiations – 24 August 2023

It was previously reported that the PSA persistently urged the employer to set down a bargaining forum to finalise salary adjustments as per labour demands submitted on 27 February 2023. A special bargaining forum meeting was convened on 24 August 2023 and the following engagement took place as per the attached tables:

PSA caucus	Employer caucus
12%-salary increase across-the-board	The employer presented a 2% increase based on the company's poor performance in the last financial year.
Increase of Voice Allowance from R350 to R500 Data Allowance from R500 to R700	The employer cannot at this stage meet both demands as it is reviewing policies about Airtime and Data Allowance.
Standby Allowance from R200 to R250	The employer reported that it is currently not financially viable to increase the Standby Allowance based on the company's poor performance in the last financial year.
Insourcing of private cleaners and private security personnel as permanent employees	The employer stated that it will require more time to ascertain whether it will be financially viable to insource compared to outsourcing as it will have financial implications.

The PSA indicated to the employer that owing to the escalating cost-of-living expenses, employees' demands are based on a Consumer Price Index of 6.8% as of April 2023. The PSA rejected the 2% offer and deemed it to be an insult to employees. The PSA adjusted the demand from 12% to 10%. The employer decided to increase its offer to 2.5%. After a second caucus session, the table below reflects the PSA's final demand for SITA's final offer:

PSA caucus	Employer caucus
9%-salary increase across-the-board	The employer presented a 2.9% increase.

The PSA rejected the 2.9% revised offer. SITA management was given an ultimatum of five days to consult its principals on the latest salary negotiations developments. The employer indicated that the door was still open for further negotiations. The PSA issued a warning that should the employer not come back with an improved offer, a formal dispute would be lodged, which could lead to strike action.

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